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ADMINISTRATION BUILDING
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D. PAUL SOMMERVILLE
CHAIRMAN

GERALD W. STEWART
VICE CHAIRMAN

COUNCIL MEMBERS

CYNTHIA M. BENSCH
RICK CAPORALE
GERALD DAWSON
BRIAN E. FLEWELLING
STEVEN G. FOBES
ALICE G. HOWARD
WILLIAM L. MCBRIDE
STUART H. RODMAN
ROBERTS "TABOR" VAUX

GARY T. KUBIC
COUNTY ADMINISTRATOR

JOSHUA A. GRUBER
DEPUTY COUNTY ADMINISTRATOR
SPECIAL COUNSEL

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA
COUNTY COUNCIL OF BEAUFORT COUNTY

Monday, May 11, 2015

4:00 p.m.

Council Chambers

Administration Building

Beaufort County Government Robert Smalls Complex
100 Ribaut Road, Beaufort

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

1. CAUCUS - 4:00 P.M.
 - A. Discussion of Consent Agenda
 - B. Discussion is not limited to agenda items
 - C. Executive Session / Discussion of negotiations incident to proposed contractual arrangements and proposed purchase of property
2. REGULAR MEETING - 5:00 P.M.
3. CALL TO ORDER
4. PLEDGE OF ALLEGIANCE
5. INVOCATION – Councilman William L. McBride
6. ADMINISTRATIVE CONSENT AGENDA
 - A. Approval of Minutes – April 27, 2015 ([backup](#))
 - B. Receipt of County Administrator's Two-Week Progress Report ([backup](#))
 - C. Receipt of Deputy County Administrator/Special Counsel's Two-Week Progress Report ([backup](#))
 - D. Committee Reports (next meeting)
 1. Community Services (May 26 at 1:00 p.m., Bluffton Branch Library)
 - a. Minutes – April 27, 2015 ([backup](#))
 2. Executive (June 8 at 1:00 p.m., ECR)
 3. Finance (May 18 at 2:00 p.m., BIV #3)
 - a. Minutes – April 27, 2015 ([backup](#))
 4. Governmental (June 1 at 4:00 p.m., ECR)
 - a. Minutes – May 4, 2015 ([backup](#))
 5. Natural Resources (June 1 at 2:00 p.m., ECR)
 - a. Minutes – May 4, 2015 ([backup](#))
 6. Public Facilities (May 18 at 4:00 p.m., BIV #3)
 - E. Appointments to Boards and Commissions ([backup](#))



7. PROCLAMATION

EMS Week, Ms. Donna Ownby, Emergency Medical Services Director ([backup](#))

8. ANNOUNCEMENT / COUNTY PLANNING DEPARTMENT WINS TWO NATIONAL AWARDS FOR COMMUNITY DEVELOPMENT CODE ([backup](#))

9. PUBLIC COMMENT

10. CONSENT AGENDA

A. AN ORDINANCE TO TRANSFER FUNDS NOT TO EXCEED \$500,000 FROM THE 2% LOCAL HOSPITALITY TAX FUND TO THE UNIVERSITY OF SOUTH CAROLINA – BEAUFORT CENTER FOR THE ARTS RENOVATION PROJECT (REPLACEMENT OF LIGHTING, SOUND SYSTEM, DRAPERY, ELECTRICAL AND SEATING) ([backup](#))

1. Consideration of second reading approval to occur May 11, 2015
2. Public hearing announcement: Tuesday, May 26, 2015 beginning at 6:00 p.m., in the large meeting room of the Bluffton Branch Library, 120 Palmetto Way, Bluffton
3. First reading approval occurred April 27, 2015 / Vote 11:0
4. Finance Committee discussion and recommendation to approve ordinance on first reading occurred April 27, 2015 / Vote: 6:0

B. AN ORDINANCE TO AMEND THE BEAUFORT COUNTY CODE OF ORDINANCES TO PROVIDE FOR THE REGULATION OF ACTIVITIES ON ALLJOY BEACH AND PENALTIES FOR VIOLATION OF THE SAME ([backup](#))

1. Consideration of first reading approval to occur May 11, 2015
2. Governmental Committee discussion and recommendation to approve ordinance on first reading occurred May 4, 2015 / Vote: 7:0

11. PUBLIC HEARINGS

A. FISCAL YEAR 2015 – 2016 COUNTY BUDGET PROPOSAL ([backup](#))

1. Consideration of second reading approval to occur May 11, 2015
2. Public hearing (2 of 2): Tuesday, May 26, 2015 beginning at 6:00 p.m., in the large meeting room of the Bluffton Branch Library, 120 Palmetto Way, Bluffton
3. First reading approval occurred April 27, 2015 / Vote 11:0
4. Finance Committee discussion and recommendation to approve the budget proposal on first reading occurred April 20, 2015 / Vote: 5:2
5. Finance Committee discussion occurred March 26, 2015
6. Annual Planning Meeting/Retreat discussion occurred February 14, 2015

B. FISCAL YEAR 2015 – 2016 SCHOOL DISTRICT BUDGET PROPOSAL ([backup](#))

1. Consideration of first reading, by title only, approval to occur May 11, 2015
2. Public hearing (2 of 2): Tuesday, May 26, 2015 beginning at 6:00 p.m., in the large meeting room of the Bluffton Branch Library, 120 Palmetto Way, Bluffton
3. Council postponed consideration of first reading, by title only, of the budget proposal at its April 27, 2015 meeting / Vote 10:1
4. Finance Committee discussion and recommendation to approve budget on first reading, by title only, occurred April 20, 2015 / Vote: 7:0

C. AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$12,000,000 GENERAL OBLIGATION BONDS AND \$12,000,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES, IN ONE OR MORE SERIES, IN ONE OR MORE YEARS, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA; FIXING THE FORM AND DETAILS OF THE BOND AND THE NOTES; DELEGATING TO THE COUNTY ADMINISTRATOR CERTAIN AUTHORITY RELATED TO THE BONDS AND THE NOTES; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE NOTES AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO (PURCHASE OF 88 ACRES / PEPPER HALL PLANTATION) ([backup](#))

1. Consideration of second reading to occur May 11, 2015
2. Council postponed consideration of second reading of the ordinance at its April 27, 2015 meeting / Vote: 6:4:1
3. First reading approval occurred April 13, 2015 / Vote: 5:4:1:1
4. Finance Committee discussion and recommendation to approve the ordinance on first reading occurred March 16, 2015 / Vote: 5:0

12. PUBLIC COMMENT

13. ADJOURNMENT

Official Proceedings
County Council of Beaufort County
April 27, 2015

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

CAUCUS

A caucus of the County Council of Beaufort County was held Monday, April 27, 2015 beginning at 4:00 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart and Councilmen Cynthia Bensch, Rick Caporale, Gerald Dawson, Brian Flewelling, Steven Fobes, Alice Howard, William McBride, Stewart Rodman and Roberts "Tabor" Vaux.

CALL FOR EXECUTIVE SESSION

It was moved by Mr. Rodman, seconded by Mr. Vaux, that Council go immediately into executive session regarding the discussion of negotiations incident to proposed contractual arrangements and proposed purchase of property. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

EXECUTIVE SESSION

REGULAR MEETING

The regular meeting of the County Council of Beaufort County was held Monday, April 27, 2015 beginning at 5:00 p.m. in Council Chambers of the Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman D. Paul Sommerville, Vice Chairman Gerald Stewart and Councilmen Cynthia Bensch, Rick Caporale, Gerald Dawson, Brian Flewelling, Steven Fobes, Alice Howard, William McBride, Stewart Rodman and Roberts "Tabor" Vaux.

PLEDGE OF ALLEGIANCE

The Chairman led those present in the Pledge of Allegiance.

INVOCATION

Mrs. Howard gave the Invocation.

The Chairman passed the gavel to the Vice Chairman in order to receive the Administrative Consent Agenda.

ADMINISTRATIVE CONSENT AGENDA

Review of Proceedings of the Regular Meeting held April 13, 2015

This item comes before Council under the Administrative Consent Agenda.

It was moved by Mr. Sommerville, seconded by Mr. Dawson, that Council approve the minutes of the regular meeting held April 13, 2015. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. ABSTAIN – Mr. Fobes. The motion passed.

County Administrator's Two-Week Progress Report

This item comes before Council under the Administrative Consent Agenda.

Mr. Gary Kubic, County Administrator, presented his Two-Week Progress Report, which summarized his activities from April 13, 2015 through April 24, 2015.

Deputy County Administrator/Special Counsel's Two-Week Progress Report

This item comes before Council under the Administrative Consent Agenda.

Mr. Josh Gruber, Deputy County Administrator/Special Counsel, presented his Two-Week Progress Report, which summarized his activities from April 13, 2015 through April 24, 2015.

Committee Reports

Finance Committee

Request for \$500,000 from 2% Local Hospitality Tax Fund to the University of South Carolina – Beaufort Center for the Arts Renovation Project

It was moved by Mr. Stewart, as Chairman of the Finance Committee, that Council approve on first reading an ordinance to transfer funds not to exceed \$500,000 from the 2% local hospitality tax fund to the University of South Carolina-Beaufort Center for the Arts Renovations Project (replacement of lighting, sound system, drapery, electrical and seating). The vote: YEAS - Mrs.

Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

Accommodations Tax (2% State) Board

Mr. Stewart, as Chairman of the Finance Committee, nominated Mr. Walter Young, representing lodging/hospitality, to serve as a member of the Accommodations Tax (2% State) Board.

Governmental Committee

Lowcountry Regional Transportation Authority

The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. Mr. Tomothy Kilty was appointed to serve as a member of the Lowcountry Regional Transportation Authority after garnering the six votes required to appoint.

Natural Resources Committee

Rural and Critical Lands Board

The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. Mr. Judd Carstens, representing Council District 11, was appointed to serve as a member of the Rural and Critical Lands Board after garnering the six votes required to appoint.

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

PROCLAMATION

Sun City Hilton Head 20th Anniversary

The Chairman congratulated Sun City and all its residents on their 20th Anniversary celebration the first week of May 2015. Mrs. Judy Lampe, Chairman of the Government and Business Affairs Committee and member, Ms. Susan Zellman accepted the proclamation.

PUBLIC COMMENT

The Chairman recognized Mrs. Dorothy Gnann, a resident of the City of Beaufort, who talked about Mr. Stewart and Mrs. Bensch voting for the purchase of 88 acres from Mr. Robert Graves. Mrs. Bensch's and Mr. Stewart's vote created a negative public perception issue. It is legal; but is it ethical? The voters can decide. The rule is to abstain from voting on any issue if you are, in any way, associated with business, money, family or friendship.

Mr. Jim Cuff, President, Island West Property Owners Association, asked Council to keep the Pepper Hall property as a perpetual land bank to be developed for the natural use of its assets to benefit all of Beaufort County.

Rev. Venice Young, a resident of Burton, commented about a notice of violation he received for trash, litter, and unsightly maintenance of his property.

Mr. George Brown, Jr., a resident of St. Helena Island, commented about a warning ticket he received for not having a building permit to replace a roof and install a shed.

Mr. Jim Scheider, legal counsel for the Graves Family, encouraged Council to acquire Pepper Hall Plantation and devote the time to develop a definitive plan. He submitted a copy of the property appraisal on the 102.8-acre tract.

Mrs. Jill Striebinger, a member of the Disabilities and Special Needs Board, gave an update on the Board's accomplishments during fiscal year 2015.

Mr. Adrian Morris, Berkeley Hall General Manager, speaking on behalf of the residents of Berkeley Hall Plantation, urged Council to please purchase Pepper Hall Plantation and develop it properly. Berkeley Hall property adjoins Pepper Hall Plantation and is the neighbor that will be affected by development at Pepper Hall.

CONSENT AGENDA

A RESOLUTION OF BEAUFORT COUNTY COUNCIL TO ESTABLISH A COMMISSION TO CONSIDER PROPOSALS FOR FUNDING CAPITAL PROJECTS IN BEAUFORT COUNTY, SOUTH CAROLINA, PURSUANT TO SECTION 4-10-300, ET SEQ., OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED; TO PROVIDE FOR THE COMPOSITION AND APPOINTMENT OF SUCH COMMISSION; AND OTHER MATTERS RELATED THERETO

This item comes before Council under the Consent Agenda. Discussion occurred at the April 13, 2015 meeting of the Executive Committee.

It was moved by Mr. McBride, no second required, that Council adopt a resolution to establish a commission to consider proposals for funding capital projects in Beaufort County, South Carolina, pursuant to Section 4-10-300, *et seq.*, of the Code of Laws of South Carolina, 1976, as amended; to provide for the composition and appointment of such commission; and other matters related thereto. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

FISCAL YEAR 2015 – 2016 COUNTY BUDGET PROPOSAL

This item comes before Council under the Consent Agenda. Discussion occurred at the April 20, 2015 meeting of the Finance Committee.

It was moved by Mr. McBride, no second required, that Council approve on first reading the FY 2015-2016 County budget proposal as follows: County Operations 48.77 mills, Purchase of Real Property Program 4.90 mills, County Debt 5.48 mills, Bluffton Fire District 24.02 mills operations and 1.22 mills debt service, Burton Fire District 60.66 mills operations and 5.26 mills debt service, Daufuskie Island Fire District 56.98 mills operations and 2.00 mills debt service, Lady's Island/St. Helena Island Fire District 36.94 mills operations and 2.20 mills debt service, and Sheldon Fire District 36.33 mills operations and 2.20 mills debt service. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

The Chairman announced the first of two public hearings Monday, May 11, 2015 beginning at 6:00 p.m. in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort.

KNUCKLE BOOM LOADER TRUCK WITH DUMP BODY FROM STATE CONTRACT FOR BEAUFORT COUNTY'S PUBLIC WORKS DEPARTMENT SOLID WASTE AND RECYCLING

This item comes before Council under the Consent Agenda. Discussion occurred at the April 20, 2015 meeting of the Public Facilities Committee.

It was moved by Mr. McBride, no second required, that Council award a contract to Carolina International Trucks, Inc., Columbia, South Carolina in the amount of \$119,065 for the purchase of one knuckle boom loader truck and dump body. The source of funding is account #40090011-54213-2014 Bonds, Specialized Capital Equipment-Public Works. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

A RESOLUTION ENDORSING THE HARGRAY COMMUNICATIONS LOWCOUNTRY BROADBAND PLAN IN BEAUFORT COUNTY

This item comes before Council under the Consent Agenda. Discussion occurred at the April 20, 2015 meeting of the Public Facilities Committee.

It was moved by Mr. McBride, no second required, that Council adopt a resolution supporting and endorsing the Lowcountry Broadband Plan, committing to cooperate, to the extent within its control and authority, to expedite and facilitate the investments contemplated by the Lowcountry Broadband Plan, and encouraging residents and businesses to take advantage of the technological advancements enabled by the Lowcountry Broadband Plan. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

CONDEMNATION OF TWO REMAINING RIGHT OF WAY PARCELS NEEDED ON COKER LANE, DALE TO IMPROVE THE DIRT ROAD IN A FUTURE DIRT ROAD PAVING CONTRACT

This item comes before Council under the Consent Agenda. Discussion occurred at the April 20, 2015 meeting of the Public Facilities Committee.

It was moved by Mr. McBride, no second required, that Council approve the condemnation of the two remaining right of way parcels on Coker Lane, Dale in order to improve the dirt road in a future dirt road paving contract. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

CONDEMNATION OF FOUR REMAINING RIGHT OF WAY PARCELS NEEDED ON ALMOND DRIVE, ST. HELENA ISLAND TO IMPROVE THE DIRT ROAD IN A FUTURE DIRT ROAD PAVING CONTRACT

This item comes before Council under the Consent Agenda. Discussion occurred at the April 20, 2015 meeting of the Public Facilities Committee.

It was moved by Mr. McBride, no second required, that Council approve the condemnation of the four remaining right of way parcels on Almond Drive, St. Helena Island in order to improve the dirt road in a future dirt road paving contract. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

CONDEMNATION OF REMAINING RIGHT OF WAY PARCEL NEEDED ON MARY SMALLS ROAD, ST. HELENA ISLAND TO IMPROVE THE DIRT ROAD IN A FUTURE DIRT ROAD PAVING CONTRACT

This item comes before Council under the Consent Agenda. Discussion occurred at the April 20, 2015 meeting of the Public Facilities Committee.

It was moved by Mr. McBride, no second required, that Council approve the condemnation of the remaining parcel on Mary Smalls Road, St. Helena Island in order to improve the dirt road in a future dirt road paving contract. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

FISCAL YEAR 2015 – 2016 SCHOOL DISTRICT BUDGET PROPOSAL

Motion to postpone: It was moved by Mr. Rodman, seconded by Mr. Flewelling, that Council postpone consideration of first reading, by title only, of the School District's FY 2015 – 2016 budget proposal to the May 11, 2015 meeting of Council. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. NAYS – Mr. Dawson. The motion passed.

Motion to reconsider: It was moved by Mr. McBride, seconded by Mrs. Howard, that Council reconsider the previous motion and consider first reading, by title only, of the School District's FY 2015 – 2016 budget proposal. The vote: YEAS – Mr. Dawson, Mrs. Howard, Mr. McBride, Mr. Sommerville and Mr. Stewart. NAYS - Mrs. Bensch, Mr. Caporale, Mr. Flewelling, Mr. Fobes and Mr. Vaux. ABSTAIN – Mr. Rodman. The motion failed.

The Chairman announced the first of two public hearings Monday, May 11, 2015 beginning at 6:00 p.m. in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort.

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$12,000,000 GENERAL OBLIGATION BONDS AND \$12,000,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES, IN ONE OR MORE SERIES, IN ONE OR MORE YEARS, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA; FIXING THE FORM AND DETAILS OF THE BOND AND THE NOTES; DELEGATING TO THE COUNTY ADMINISTRATOR CERTAIN AUTHORITY RELATED TO THE BONDS AND THE NOTES; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE NOTES AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO (PURCHASE OF 88 ACRES PEPPER HALL PLANTATION)

Mr. Vaux recused himself, left the room, and was not present for any of the discussion. His law firm represents the seller.

Main motion: It was moved by Mr. Stewart, as Chairman of the Finance Committee (no second required), that Council approve on second reading an ordinance authorizing the issuance and sale of not to exceed \$12,000,000 general obligation bonds and \$12,000,000 general obligation bond anticipation notes, in one or more series, in one or more years, with appropriate series designations, of Beaufort County, South Carolina; fixing the form and details of the bond and the notes; delegating to the County Administrator certain authority related to the bonds and the notes; providing for the payment of the bonds and the notes and the disposition of the proceeds thereof; and other matters relating thereto (purchase of 88 acres / Pepper Hall Plantation).

Mrs. Howard stated she has researched, studied, talked to various people, reviewed the minutes and, at this point, cannot vote for the issuance of the bonds and the purchase of the 88 acres. She is glad the Rural and Critical Lands Board did buy some of the property along the headwaters. That was very important to do in order to protect our environment.

Mr. Flewelling stated his impression is that this is simply for the bond issuance. We will be having a separate debate beginning in May 2015 which will require three readings and a public hearing for the actual purchase of the property. Is he correct in that assumption?

Mr. Joshua Gruber, Deputy County Administrator/Special Counsel, replied Administration's interpretation would be that a positive vote in favor of the bond borrowing would be an implicit authorization to move forward with the execution of an option on the property due to the fact that significant costs will be incurred by virtue of the borrowing itself and those costs could not be justified without subsequently carrying out the exercising of the option.

Mr. Flewelling anticipates voting on this today because should Council decide to purchase this property, the funding will be in place. He is in favor of allowing the decision of Council at the time we make the purchase, that that be funded properly. He does not want Council placed in an adverse position and lose the opportunity to purchase the property should we decide to do that. Therefore, he intends to allow the financing of the property; but, is not convinced that he will vote for the actual purchase of the property at this point. He needs some assurance that he is not going to be misinterpreted the wrong way.

Mr. Sommerville said what Mr. Flewelling is trying to do is kick the can down the road. He would personally oppose that. He is one of 11. Either we are going to buy this property or we are not. If we approve \$12,000,000, we have said we are going to buy it. He is voting tonight whether he wants to buy the property or not.

Mr. Rodman said at the last Council he had the same impression that there was some ambiguity as to which way it is. We ought to bifurcate this issue into two pieces – (i) putting into place the mechanism, in case we elect to exercise the option and then (ii) debating whether we want to exercise the option.

Motion to amend by addition: It was moved by Mr. Rodman, no second was called, that Council amend the motion to add, “. . . contingent upon Council taking separate action to authorize the execution of the June 30 option.” The vote: YEAS – Mrs. Bensch, Mr. Fobes, Mr. Flewelling, Mr. Rodman and Mr. Stewart. NAYS – Mr. Caporale, Mr. Dawson, Mrs. Howard, Mr. McBride and Mr. Sommerville. RECUSAL - Mr. Vaux recused himself, left the room, and was not present for any of the discussion. His law firm represents the seller. The motion failed.

Mr. Caporale inquired as to why Council is not voting on purchasing the property or not.

Mr. Sommerville replied that is exactly what we are doing now.

Mr. Caporale stated that was not the way it was brought to Council. The vagueness was built in from the start. That is why he is asking the question. It seems like on some key issues there is always vagueness built in intentionally. It seems we would be voting on whether or not to buy the land.

Mr. Gruber clarified his comment at the beginning of this discussion is that it was implied, and the reason for that, is because there are costs associated with this borrowing. From a staff perspective, once we are given authorization, we are expending public money and, are, therefore, entitled to carry that out.

Mr. Caporale stated if Council wanted to preserve it, he will vote to preserve it. If Council wants to vote to preserve along the critical portion that protects the view, that everyone seems to be so sincerely fond of, he would vote for that too. But, that would require a drawdown in some amount from Rural and Critical Lands, which some members of Council have already spoken against. We have talked about this now for almost two years, have resolved very little of the process of talking about it, and are not much closer to it tonight. He does not see any option, but to vote against it again. Some of his constituents would like to see the land preserved. And an even larger portion would not like to see it developed in any fashion by the County. He would vote to preserve it in its entirety and, would even vote to develop it in some limited fashion, only, so long as Rural and Critical Lands came in and told us the best way to preserve the heart of it, which appears to be the view and anything else that may approach the water.

Mr. Fobes stated Mr. Caporale has articulated the position he has had for some time. He would be likely to purchase it except for the fact that we are now doing it with general obligation bonds and, is not sure that is the appropriate use of our taxpayers' money. He would like to preserve it for the view. The disturbing factor is that we have had this in our hands for 18 months. We paid \$500,000 for our option with the presumption we are going to do something with it. Shame on Council and staff for not doing that. We have done a very, very poor job of getting the best out of this property. It looks like we are going to vote for the purchase tonight. He is not sure he can support that.

Mr. Rodman believes options have value and there is still time to take a look at what we ought to do. The highest and best use of this land is to preserve the section immediately along U.S. Highway 278 and to take the interior portion and use it as a commercial park given its central to the County and at the crossroads of the County from a highway standpoint. He has started to develop a proposal of what we ought to consider regarding economic development. There has been a strong case made that if we actually are going to do economic development, we need property. We need product. We ought to establish two commercial parks -- one in the northern part of the county and one in the southern part. Pepper Hall would be a good location in the southern part of the County.

Mr. Rodman presented a schematic of the property that breaks the property into two pieces – a piece along U.S. Highway 278 frontage and the back section. We need to apply what the value is for each of those. He has a format of a way for Council to look at it, to include placeholder numbers: (i) Option 1, Frontage Value is divided into four 4-acre lots at \$500,000 per acre at a value of \$8,000,000; (ii) Option 2, Park Value (without the paddock) is 60 acres at \$75,000 per acre at a value of \$4,500,000 (with the paddock), 60 acres at \$100,000 per acres at a value of \$6,000,000; (iii) Option 3, Net Value (if you are going to develop it) is the frontage net value of \$8,000,000, plus park value of \$4,500,000, equals \$12,500,000, minus the option of \$11,500,000, leaves a balance of \$1,000,000. (iv) Option 4, Conservation of the Front is

\$300,000 per acre with a value of \$4,800,000, stormwater fees \$700,000, park value of \$100,000 with a value of \$6,000,000, leaves a balance of \$11,500,000. Mr. Rodman supports Option 4 and, encourages staff to run the numbers.

Mr. Rodman is in favor of preserving the land because Council can actually control the type of development. We do know that Bluffton Town, at one point in time, looked at annexing this property. We also know that the property can be annexed by the City of Hardeeville. He supports keeping the option open. It makes sense to exercise it. We would be shortsighted if we did not to try to take some kind of methodology like this, apply some numbers to it, and understand exactly what it is that we have before us. Some people think it has a lot of value; some people do not have any idea. From a rural and critical lands standpoint, this is one parcel of property the vast majority of the people living the southern portion of the county, would like preserved. Hopefully, Council will take action to move this issue forward to third reading so people can weigh in.

Mr. Flewelling is not convinced with this new information. He would like a little more time to evaluate the final decision. He will take the next two weeks to evaluate it if it passes tonight. He intends to vote for it, so that he can have time to evaluate the final decision a little bit better, understanding that the next vote will be to vote to purchase the property.

Mr. Sommerville commented, “if it's not broke, don't fix it.” This property is currently zoned rural. The Rural and Critical Lands Program had already purchased an 18-acre buffer around the Okatie River for \$4,000,000, over approximately \$200,000 an acre. Unless Council acts to change the current zoning, nothing legally can be constructed on that property that will degrade the environment or create a traffic catastrophe. Most importantly, there has been a lot of discussion about whether we are preserving it or are we going to develop it. This is not a Rural and Critical Lands project. Rural and Critical Lands took a pass on it, and they bought this 18-acre 300-foot buffer. They are out of the picture. This is just Council. If the County purchases this property, it will be our taxpayers' money. This property is not being purchased for preservation.

What exactly is the purpose of purchasing this property? Some are saying we should buy it to develop it, but there is no plan. Do we think we can be more successful as the developer of this property than the current owner? The property is grossly overpriced at \$144,000 an acre or \$12,000,000. When Rural and Critical Lands was looking at this property for possible preservation, they evaluated it at less than \$4,000,000. An appraiser, no sympathy to Beaufort County, appraised it for slightly over \$4,000,000. Rural and Critical Lands has already purchased 600 acres around the headwaters of the Okatie River, which is the area we are talking about, for between \$13,000 and \$72,000 an acre, way less than we are being asked to pay for this property now. The only way we can justify the \$12,000,000 price tag we are being asked to pay, is to assume the County will upzone the property to regional commercial, which is exactly what the owners previously asked for and were turned down by this Council because regional commercial would have permitted 1.7 million square feet of commercial space and 500 single-family units/apartments. In addition to the environmental damage, this upzoning would chew up 40% of the incremental traffic capacity created by the widening of U.S. Highway 278. If we

purchase this property and plan to upzone it, to develop it, we would be obligated to seek input from our regional partners in the Southern Regional Plan – City of Hardeeville, Town of Bluffton, Jasper County Council and Town of Hilton Head Island because this would be a “project of regional significance.” We have previously asked Hardeeville City and Bluffton Town not to annex this property out of fear they would upzone it from its current rural zoning. In his humble opinion, we would be hypocritical. He spoke with the Bluffton Town Mayor, as recently as this afternoon, and Bluffton’s new future land use map excludes everything north of U.S. Highway 278, which means they do not intend to annex Pepper Hall Plantation. We would also have to amend our Comprehensive Plan to allow a higher level of development. If we end up issuing bonds to purchase this property for \$12,000,000, it would eat up over 25% of our current bonding capacity. If we pay for it out of reserves, it will consume half of our reserves. If we pay for it with a one-time tax increase, it will require a 7.0 mill tax increase, plus interest. Other family members of this seller, who own 40 acres of contiguous property, are anxiously waiting in the wings, hoping we will set this absurd price point, so they can demand it also or demand that their property also be upzoned into the stratosphere. There have been suggestions made by Council members and others that private money could be available to cover all or part of the price of the property. Berkeley Hall and Sun City have been mentioned as possible donors, yet no private money has come forward. The County has already spent \$500,000 for the option to purchase this property for \$12,000,000. He looks at this as an inducement to persuade the owners to sell the 300-acre buffer the Rural and Critical Lands purchased to protect the Okatie River, which we have done. That \$500,000 payment had the net effect of raising the cost of the 18-acre riverbuffer from \$4,000,000 to \$4,500,000 or from \$222,000 per acre to \$250,000 per acre. For these reasons, he will vote against the motion.

Mrs. Bensch addressed the public’s concern about recusing oneself and being too close a project. With five children, 15 grandchildren, and all the in-laws that she has, it is hard in this county for somebody not to be related distantly to someone. It is kind of like being a Campbell or Smalls. She cannot help that. That is why when this began, she asked the Ethics Commission who said we could not go out to in-laws. Her views on this issue are as unbiased as she can be about anything. She had somebody comment last week, “Do you want to preserve this land and have the county buy this because your background is in economic development.” Mrs. Bensch thought that was an amazing question and replied, “We are retired and we do not make any money off development.” She is doing it because she is an American. Because the basis of liberty is to own property and being able to do with it what our laws allow. We have heard repeatedly that this land should not be bought by Rural and Critical Lands and even they did not believe that it is something they are interested in preserving. She lives south of the Broad River, has lived there 35 years, and understands what this property means to the residents south of the Broad River and tourists. It is kind of like the Sea Pines Lighthouse. It is an icon. She has heard repeatedly in development meetings we do not want to look like Myrtle Beach. If we let this property go, we will look like Myrtle Beach. This is the beginning of the development of more automobile dealerships, etc. The Chairman has commented repeatedly, “We do not have to rezone this property. We can control this property.” Our laws do not allow us to have that kind of authority. Whatever our development code allows and is contiguous to the property, is what these people are allowed to do. We have stalled them for years from rezoning this property. That can only go on so long. At the end of the day, if we do not buy this property, rezone it, and

give them what they are legally entitled, here is where we will be — we will pay them \$12,000,000, a lawsuit, they will own the land at the end of the day, and they will develop it according to our county code. We really cannot play games and continue to hold their feet to the fire and delay, and delay and delay. She would like to see this land preserved. Mrs. Bensch quoted the Governor, “What we are all about in South Carolina is history, tradition and preservation.” This is just one of those places where we have history, tradition and preservation. She does not understand why Rural and Critical Lands are not interested in preserving. She does not understand why Council does not tell Rural and Critical Lands they will buy some of this property. We tell them what we want them to buy, they do not tell us; they ask us, they are an advisory Board. All of the calls she has received people have asked, “What other piece of property is more important to preserve south of the Broad River than this piece of property”? If we do not own it, we have no right to tell the owner what to do with it. The only way we can control the development on that property is to own it. The property value will only appreciate.

Mr. Dawson spoke to the issue of conflict of interest. It has bothered him from day one to know that Mrs. Bensch’s association through a family member of the property owner does not give her the sense of any impropriety or conflict of interest that she is arguing adamantly for the sale of this property. If Mr. Dawson had a daughter or son married into the family of a property he was making a decision on, he would automatically recuse himself from voting on the issue. It sets a precedent for all members of Council to set those guidelines to operate by so we do not cast a dark shadow on Council, as a whole, and that is what is happening here. It is bothersome to no end.

Mr. Caporale stated it is probably best if we do not debate these things in public. This is something we should avoid. We can have our private feelings, but the pitfall of this, is there may be someone here thinking that Mr. Stewart’s conflict is greater than Mrs. Bensch’s is. This issue has actually been decided, so he thought, a long time ago by the Ethics Commission. That is South Carolina. Those are the rules we follow.

Motion to postpone: It was moved by Mr. Rodman, seconded by Mr. Caporale, that Council postpone consideration of second reading of an ordinance authorizing the issuance of \$12,000,000 General Obligation Bonds and \$12,000,000 General Obligation Bond Anticipation Notes for the purchase of Pepper Hall Plantation to the May 11, 2015 meeting of Council. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. NAYS - Mrs. Howard, Mr. McBride, Mr. Sommerville, Mr. Stewart. RECUSAL - Mr. Vaux recused himself, left the room, and was not present for any of the discussion. His law firm represents the seller. The motion passed.

Mr. Stewart has heard three major objections to the purchase of Pepper Hall: the land is zoned rural so there can be no dense development on this land; there is no plan for development or use of the land; and the agreed upon purchase price is too high. He addressed each of these issues.

First - The land is zoned rural so there can be no dense development on this land.

Council just passed the Community Development Code (CDC), which replaces the old ZDSO, which controlled zoning in the County. The operative words in this code are Community Development. There is no reference in the title to Rural Protection and/or Environmental Protection. In northern Beaufort County, there will be protection for rural areas under the CDC but not so in southern Beaufort County. Land such as Pepper Hall is already surrounded by residential and commercial development, such that the new code concedes that this land should, and ultimately will, be zoned commercial residential. This land will not remain rural. This means more housing and retail development. Perhaps rather than new development, we should focus our efforts in utilizing the numerous empty, vacant buildings to protect investments already in place.

Second - There is no plan for the development and/or use of this land.

There is a plan: the plan proffered by the owner/developer. One that the Council's Development Review Committee, of which he was a member, rejected. The last plan submitted by the owner is asking for 45 acres adjacent to U.S. Highway 278 be rezoned as regional commercial allowing up to 587,000 square feet of commercial buildings; the rear of the property to be rezoned suburban with up to an additional 114,000 square feet of commercial buildings; and a total of 480 housing units spread over the entire 113 acres.

True, the County has no specific plan, but is having a vision. This vision is consistent with the County's Comprehensive Plan and is consistent with the vision of residents in the immediate area.

Third and final. The agreed upon price, agreed upon by vote of this Council, is too high.

To address the issue Mr. Stewart had previously presented a value average analysis were taken together for all land currently owned by the county, plus Pepper Hall, would increase the average price from \$52,000 to \$61,000 per acre, an increase of \$8,000 per acre. This is a small price to pay to protect an already investment of more than \$40,000,000.

Let us compare the proposed development to already recently approved developments along U.S. Highway 278. (1) Bluffton Gateway is an approved commercial development at the intersection of U.S. Highway 278 and S.C. Highway 46. Situated on a 66-acre tract, it is somewhat larger than the proposed Pepper Hall commercial tract, but its approved commercial density is approximately one-half that sought by the owner. Furthermore, Bluffton Gateway would have access from both U.S. Highway 278 and Route 46, as well as, connectivity to other commercial developments. (2) The Outlets at Tanger One occupies 25 acres of commercial regional and has 217,000 square feet of commercial space. The commercial regional acreage proposed for Pepper Hall would permit up to 586,099 square feet of commercial space. (3) The owner proposes up to 480 residential units; spread over the entire tract, this would average over 4 units per acre. In fact, however, if one were to subtract commercial land use, the density of residential units would increase substantially (approximately 12 per acre). As a comparison, Berkeley Hall has 712 dwelling units on 963 acres, or 0.74 dwelling units per acre.

Let us also compare this to the cost of future infrastructure needs if development of this magnitude occurs and does not include the cost of addition service needs, including fire/EMS/schools, etc. (1) The Pepper Hall proposal along with other planned developments would also certainly create a failed road system in the area. Traffic studies show that the level of the proposed commercial development would outstrip the ability of area roads, notably U.S. Highway 278, to accommodate the traffic. Necessary road improvements would entail a massive cost to the County. Far costlier than \$12,000,000. (2) The current widening of U.S. Highway 278 between Simmonsville Road and S.C. Highway 170 is being implemented to address projected road deficiencies caused by existing development. The development enabled by the proposed rezoning of the Pepper Hall tract alone would consume 41% of the added capacity created by the road widening. (3) The proposed development also greatly exceeds the impervious surfaces limits which most environmental groups consider essential to preservation of the Okatie River water quality.

Mr. Stewart personally believes the best solution is for the county to exercise its option to purchase Pepper Hall. Ownership gives the County total control over zoning and future development of the land, thus allowing for limited development in an environmentally sensitive manner.

The Chairman announced a public hearing Monday, May 11, 2015 beginning at 6:00 p.m. in Council Chambers of the Administration Building, 100 Ribaut Road, Beaufort.

PUBLIC HEARINGS

AN ORDINANCE OF THE COUNTY OF BEAUFORT, SOUTH CAROLINA TO AMEND SECTION 2-346, ET SEQ. OF THE BEAUFORT COUNTY CODE OF LAWS AN ORDINANCE TO AMEND BEAUFORT COUNTY ORDINANCE 2014/14, FY 2014-2015 BEAUFORT COUNTY BUDGET, BY DELETING EXISTING APPROPRIATION LEVELS SO AS NOT TO EXCEED ANTICIPATED GENERAL REVENUES (DELETES \$1.9 MILLION FROM GENERAL FUND BUDGET)

The Chairman opened a public hearing beginning at 6:01 p.m. for the purpose of receiving public comment regarding an ordinance to amend Beaufort County Ordinance 2014/14, FY 2014-2015 Beaufort County Budget, by deleting existing appropriation levels so as not to exceed anticipated general revenues (deletes \$1.9 million from the general fund budget). After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:02 p.m.

It was moved by Mr. Stewart, as Chairman of the Finance Committee (no second required), that Council approve on third and final reading an ordinance to amend Beaufort County Ordinance 2014/14, FY 2014-2015 Beaufort County Budget, by deleting existing appropriation levels so as not to exceed anticipated general revenues (deletes \$1.9 million from the general fund budget). The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AN ORDINANCE TO APPROPRIATE \$150,000 FROM THE 3% LOCAL ACCOMMODATIONS TAX FUND TO THE SANTA ELENA FOUNDATION (CULTURAL INTERPRETIVE CENTER AND ARCHIVE ACQUISITION)

The Chairman opened a public hearing beginning at 6:07 p.m. for the purpose of receiving public comment regarding an ordinance to appropriate \$150,000 from the 3% Local Accommodations Tax fund to the Santa Elena Foundation (cultural interpretive center and archive acquisition). After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:08 p.m.

It was moved by Mr. Stewart, as Chairman of the Finance Committee (no second required), that Council approve on third and final reading an ordinance to appropriate \$150,000 from the 3% Local Accommodations Tax fund to the Santa Elena Foundation (cultural interpretive center and archive acquisition). The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AN ORDINANCE AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE A LEASE AGREEMENT WITH DIAMOND TRANSPORTATION, LLC (PARKING OF VEHICLES AT 16 HUNTER ROAD, HILTON HEAD ISLAND)

The Chairman opened a public hearing beginning at 6:09 p.m. for the purpose of receiving public comment regarding an ordinance authorizing the County Administrator to execute a lease agreement with Diamond Transportation, LLC for the use of the property located at 16 Hunter Road, Hilton Head Island, South Carolina (parking of vehicles). After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:11 p.m.

It was moved by Mr. Stewart, as Chairman of the Finance Committee (no second required that Council approve on third and final reading an ordinance authorizing the County Administrator to execute a lease agreement with Diamond Transportation, LLC for the use of the property located at 16 Hunter Road, Hilton Head Island, South Carolina (parking of vehicles). The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

AN ORDINANCE TO APPROPRIATE NOT TO EXCEED \$76,810 FROM THE 3% LOCAL ACCOMMODATIONS TAX FUND TO THE GENERAL FUND FOR THE BROAD RIVER FISHING PIER REHABILITATION PROJECT

The Chairman opened a public hearing beginning at 6:12 p.m. for the purpose of receiving public comment regarding an ordinance to appropriate not to exceed \$76,810 from the 3% local accommodations tax fund to the general fund for the Broad River Fishing Pier Rehabilitation Project. After calling three times for public comment and receiving none, the Chairman declared the hearing closed at 6:13 p.m.

It was moved by Mr. Dawson, as Chairman of the Public Facilities Committee, that Council approve on third and final reading an ordinance to appropriate not to exceed \$76,810 from the 3% local accommodations tax fund to the general fund for the Broad River Fishing Pier Rehabilitation Project. The vote: YEAS - Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Rodman, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

PUBLIC COMMENT

The Chairman recognized Dr. Andy Beall, Executive Director, Santa Elena Foundation, who thanked Council for tonight's vote and for its continued support. We are very excited about beginning to occupy the County building on Bay Street in July 2015 and opening the facility to the public in the first quarter of 2016.

Mrs. Dorothy Gnann, a resident of the City of Beaufort, stated the Comprehensive Plan was three plus years in the making. Two of those years were spent going all over the County asking landowners what they wanted to do with their land before the first zoning ordinance was ever written. Pepper Hall Plantation is zoned rural. The owner can have the horse farm. Why not follow the zoning regulation that has been on the books for 20 years.

ADJOURNMENT

Council adjourned at 7:01 p.m.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: _____
D. Paul Sommerville, Chairman

ATTEST _____
Suzanne M. Rainey, Clerk to Council

Ratified:



Memorandum

DATE: May 8, 2015

TO: County Council

FROM: Gary Kubic, County Administrator *Gary Kubic*

SUBJ: County Administrator's Progress Report

The following is a summary of activities that took place April 27, 2015 through May 8, 2015:

April 27, 2015

- Employee New Hire Orientation
- Community Services Committee
- Finance Committee
- Caucus
- County Council

April 28, 2015

- Joshua Gruber, Allison Coppage, and Colin Kinton re: Status / Roadway Projects
- Joshua Gruber, Jon Rembold, Mayor David Bennett, Steve Riley, Charles Cousins, and Hilton Town Council Member John McCann re: Airport Avigation Easement

April 29, 2015

- Joshua Gruber, Eric Larson, Mike Turner, President, Plantation Property Homeowners Association, and Michael Hawanczak, President, Diamond Management re: Plantation Business Park - Roads & Drainage
- Blakely Williams re: Beaufort Chamber Activities

April 30, 2015

- Jeff Lowe Zoning Code Hearing / Continuance Granted
- Joshua Gruber, Lisa Sulka and Marc Orlando re: County Monthly Meeting

May 1, 2015

- Council member Alice Howard

COUNTY COUNCIL

May 8, 2015

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- Senator Tom Davis and Chief Magistrate Larry McElynn
- Employee New Hire Orientation
- Natural Resources Committee
- Governmental Committee

May 5, 2015

- Joshua Gruber and Mark Roseneau re: Facilities Management Update

May 6, 2015

- Agenda review with Chairman, Vice Chairman and Executive Staff re: Review Draft Agenda for May 11, 2015 Council Meeting
- Jerry Stewart and Joshua Gruber
- Joshua Gruber, Rob McFee, Colin Kinton and Eric Larson re: Engineering and Stormwater Project Reviews

May 7, 2015

- Joshua Gruber, Eric Larson and Ed Modzelewski re: Stormwater Rate Study
- Solicitor Duffie Stone re: Criminal Prosecution

May 8, 2015

- Joshua Gruber, Alicia Holland, Allison Coppage and Larry McElynn re: Magistrates' FY 2016 Budget



Memorandum

DATE: May 8, 2015

TO: County Council

FROM: Joshua A. Gruber, Deputy County Administrator

SUBJECT: Deputy County Administrator's Progress Report

The following is a summary of activities that took place April 27, 2015 through May 8, 2015:

April 27, 2015 (Monday):

- Conference call with Allison Coppage, Assistant County Attorney, Ken Driggers and Lisa Lord re: Rural and Critical Lands Program
- Meet with Phil Foot, Public Safety Director re: Detention Center
- Community Services Committee
- Finance Committee
- County Council
- Beaufort County Hours

April 28, 2015 (Tuesday):

- Meet with Colin Kinton, Traffic Engineering Director re: LRTA Resolution
- Meet with Gary Kubic, County Administrator and Colin Kinton, Traffic Engineering Director re: Colin Kinton Report on Buckwalter Parkway Access Management Plan concerning Proposed Commercial Development along Buckwalter Town Boulevard
- Meet with Gary Kubic, County Administrator, Jon Rembold, Airports Director, Town of Hilton Head Island Officials: Mayor David Bennett, Steve Riley, Town Manager, Charles Cousins, Director of Community Development and John McCann, Town Council Member re: Airport Avigation Easement

April 29, 2015 (Wednesday):

- Meet with Gary Kubic, County Administrator and Mike Turner, President, Turner Electrical of SC re: Plantation Business Park - Road and Drainage
- Meet with Marc Orlando, Bluffton Town Manager re: County and Town Issues
- Meet with Phil Foot, Public Safety Director, Donna Owensby, Emergency Medical Services Director, John Thompson, Bluffton Fire Chief and Paul Bouleware, Bluffton Deputy Fire Chief re: Request for Ride Along

April 30, 2015 (Thursday):

- Beaufort County/Town of Bluffton Meeting re: Access Management Plan, 5B SIB Progress, Commercial Activity
- Draft Purchase Agreements for Proposed Purchase of Property

May 1, 2015 (Friday):

- Meet with Alicia Holland, CFO, Phil Foot, Public Safety Director, William Neill, Lt. Colonel, BCSO, Andrew Dalkos, IT Division Director re: Spillman Project
- Beaufort County Hours

May 4, 2015 (Monday):

- Attend Animal Shelter Meeting with Community Foundation of the Lowcountry
- National Resources Committee Meeting
- Governmental Committee Meeting

May 5, 2015 (Tuesday):

- Meet with Gary Kubic, County Administrator and Mark Roseneau, Facilities Maintenance Director re: Facilities Management Update
- Meet with Magistrate David Taub
- Beaufort County Hours

May 6, 2015 (Wednesday):

- Agenda Review
- Meet with Tony Criscitiello, Planning Director re: Accommodation Tax List Formulation
- Meet with Gary Kubic, County Administrator, Alicia Holland, CFO, Rob McFee, Engineering Director, Colin Kinton, Traffic Engineering Director and Eric Larson, Stormwater Director re: Island Packet FOIA Request

May 7, 2015 (Thursday):

- BIV Site Visit with Bob Guinn of Clemson Extension
- Meet with Gary Kubic, County Administrator, Eric Larson, Stormwater Director and Edward Modzelewski, Chairman of Applied Technology & Management re: Stormwater Issues
- Meet with Alicia Holland, CFO and Steve Breeden of First Vehicle Services re: Fleet Management Contract

May 8, 2015 (Friday):

- Meet with Gary Kubic, County Administrator, Alicia Holland, CFO, Allison Coppage, Assistant County Attorney and Lawrence P. McElynn, Chief Magistrate re: Magistrates' FY 2016 Budget
- Meet with Councilman Stewart Rodman, Carolyn Vanagel, President, Hilton Head Island Concours d'elegance Motoring Event and Jon Rembold, Airports Director re: Hilton Head Island Concours d'elegance Motoring Event - Airport Events
- Attend Sun City Anniversary Celebration

COMMUNITY SERVICES COMMITTEE

April 27, 2015

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

The Community Services Committee met Monday, April 27, 2015 beginning at 2:30 p.m. in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Chairman William McBride, Vice Chairman Gerald Dawson and Committee members Rick Caporale, Steven Fobes, Alice Howard and Tabor Vaux. Non-committee members Cynthia Bensch, Brian Flewelling, Gerald Stewart and 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: Morris Campbell, Division Director-Community Services; Allison Coppage, Assistant County Attorney; Tony Criscitiello, Planning Director; Joshua Gruber, Deputy County Administrator/Special Counsel; Phil Foot, Assistant County Administrator-Public Safety; Gary Kubic, County Administrator; Shannon Loper, Deputy Director, Parks and Leisure Services; Scott Marshall, Director, Parks and Leisure Services; Rob Merchant, Long-Range Planner; Monica Spells, Assistant County Administrator-Civic Engagement and Outreach; and Matt Whitmoore, Athletic Program Manager.

Parks and Leisure Services Board Members: Chuck Culpepper, Christian Kata and Arthur Middleton, Chairman.

Media: Joe Croley, Hilton Head Island-Bluffton Chamber of Commerce and Zach Murdock, *Beaufort Gazette/Island Packet*.

Public: James Abry, Town of Port Royal; Scott Liggett, Hilton Head Island Town Director of Public and Facilities Projects; and Van Willis, Port Royal Town Manager.

Councilman William McBride chaired the meeting.

INFORMATION ITEMS

1. Update / Application Withdrawn for a Community Development Block Grant for Installation of Water Lines in the Seabrook Community

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, reviewed this item with the Committee. The application request to apply for a Community Block Grant for installation of water lines in the Seabrook Community has been withdrawn due to nominal interest from residents. The County's effort to secure commitments from potential users of a water system was not successful. Most of the residents did not respond to the survey and, those who did, have no desire to commit to a public water system at this time.

Mr. Dawson thanked the staff of both the County and Lowcountry Council of Governments for their support and efforts.

Status: Information only.

2. Presentation / Parks and Leisure Services Board Vision

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

Discussion: Mr. Scott Marshall, Parks and Leisure Services Director, provided the Committee with a PowerPoint presentation on the vision of the Parks and Leisure Services Board. He reviewed with the Committee the Assessment Study (Study), prepared by Ballard*King and Associates, dated March 12, 2013. The purpose of this Study was to critically assess Parks and Leisure Services (PALS) and provide recommendations. The information was gathered from two site visits to the County in October and December 2012. Primarily, their recommendations for the County are as follows:

- Determine level of commitment to recreational activities
 - What services will/should the County provide?
 - How much public subsidy is expected?
- Strategically plan to make it happen
 - Structures
 - Resources
 - Relationships

The PALS Board's envisions:

- Transition enrichment programs to more capable delivery agents.

The Department does not have the expertise nor the resources to run quality programs. Shifting programs (with subsidy) to struggling non-profits with expertise, benefits all. The transition, however, must not result in service gaps.

- Implement a new service delivery model for recreation south of the Broad River.

County demographics are too wide-ranging to continue service delivery with a county-centric model. The Board recommends the transfer of recreational property and responsibility to the Town of Hilton Head Island and the Town of Bluffton to provide services to the greater Bluffton area. The model would also include a possible interim step in the Bluffton Plan, which

would include parceling out resources for Bluffton recreation into a separate department focusing on athletics only.

- Refocus centralized recreational activities in northern Beaufort County.

Designate a new county organization to manage recreation activities and assets north of the Broad River to include recreational sports, passive parks and boat landings.

Mr. Christian Kata, Parks and Leisure Services Board, stated a basic plan is presented today. The Board is looking for direction and commitment from Council.

Mr. Caporale congratulated the group and stated this is excellent framework. He wanted to know where things stand with the Island Recreation Center, which could provide insight as to the next step. It would be beneficial to start with the Town of Hilton Head Island, then Bluffton Town, then north of the Broad River.

Mr. Flewelling requested staff provide a breakdown of financial obligations within the key areas – north of the Broad River, Town of Bluffton and Town of Hilton Head Island. We should evaluate the current cost of each delivery method – maintenance, facilities and personnel.

Mrs. Howard wanted to know the difference between north and south of the Broad River.

Mr. Matt Whitmore, Athletic Program Manager, stated more children participate in sports south of the Broad River, which, when choosing All Star teams, presents an unfair playing field with respect opportunities. If we separate athletics, there would be a Division 1 and Division 2.

Ms. Shannon Loper, Deputy Director, Parks and Leisure Services, stated a year ago the state decided to split athletics into divisions. Beaufort County is one district, *i.e.*, Division 1. Therefore, we are required to play within our district. In other words, Beaufort has to play against Bluffton, which is an uneven playing field. If they were two different divisions, Beaufort would qualify as a lower division and could play against smaller towns.

Mr. Gary Kubic, County Administrator, spoke before the Committee. For years the challenge in PALS is how to apply recreation opportunities for our children across the county with so many different logistics.

PALS is not just recreation, it supports quality-of-life opportunities. It is a four-part system -- supplemental efforts to improve education and quality-of-life issues, northern Beaufort County, the Town of Bluffton, and the Town of Hilton Head Island. We have four moving parts that we have been trying to manage through a central process that does not create opportunities for efficiency. PALS recently entered into agreements with Love House Ministries and the Boys and Girls Club regarding the 2015 Summer Camp program. The decision to partner with Love House Ministries and the Boys and Girls Club will result in improved quality of services for the children and families PALS serves. The Town of Hilton Head Island has a parks and recreation agent, Island Recreation Center, that we fund.

Mrs. Bensch asked staff to provide a comparison of Beaufort County services and funding with the other Tier 2 counties.

Status: Information only.

DRAFT

FINANCE COMMITTEE

April 27, 2015

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

The Finance Committee met Monday, April 27, 2015 beginning at 3:30 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 Steve Fobes and members Cynthia Bensch, Rick Caporale, Brian Flewelling, William McBride and Stu Rodman. Non-committee members Gerald Dawson, Alice Howard and 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: Allison Coppage, Assistant County Attorney; Joshua Gruber, Deputy County Administrator/Special Counsel; and Gary Kubic, County Administrator.

Media: Joe Croley, *Lowcountry Inside Track* and Zach Murdock, *The Beaufort Gazette/The Island Packet*.

University of South Carolina-Beaufort: Mike Bonnette, Assistant Vice Chancellor, Advancement; Bonnie Hargrove, Director, Center for the Arts; Lynn McGee; Vice Chancellor, Advancement.

Councilman Stewart chaired the meeting.

ACTION ITEM

1. Local 3% Accommodations Tax Funding Request / USC-Beaufort Center for the Arts Renovation Project

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

Discussion: Mrs. Lynn McGee, University of South Carolina – Beaufort, reviewed this item with the Committee. This is a request for local 3% accommodations tax funding in the amount of \$500,000 from the University of South Carolina-Beaufort (USCB) for the Center for the Arts (CFA) Renovation Project. The CFA has become the main public provider of cultural and arts activities in Beaufort County. During the past year, the USCB CFA has served more than 22,000 attendees with the arts and cultural programming. With the CFA's ability to offer a

greater quality of programming because of the 21st Century lighting and sound as proposed in this request, both the number of programs and the average attendance will no doubt increase substantially.

The Project will be accomplished through investments from the USCB \$600,000 deferred maintenance and \$325,000 renovation/reserves, the City of Beaufort \$125,000, private fundraising/private donors \$250,000, as well as Beaufort County \$500,000. USCB is paying a little over half the total cost of this update using capital improvement dollars as well as renovation reserves.

Mrs. Allison Coppage, Assistant County Attorney, informed the Committee that there are two potential sources of funding the 3% local accommodations tax as well as 2% local hospitality tax. The 2% local hospitality tax would be the preferred source of funding.

The Committee asked staff to provide Council a breakdown of both the local 3% local accommodations tax and 2% local hospitality tax collections and distributions for north and south of the Broad River.

Motion: It was moved by Mr. Rodman, seconded by Mr. Caporale, that Committee approve and recommend to Council the approval on first reading of an ordinance to transfer funds not to exceed \$500,000 from the 2% local hospitality tax fund to the University of South Carolina-Beaufort Center for the Arts Renovations Project (replacement of lighting, sound system, drapery, electrical and seating). The vote: YEAS – Mrs. Bensch, Mr. Caporale, Mr. Flewelling, Mr. Fobes, Mr. Rodman and Mr. Stewart. Mr. McBride temporarily left the room. The motion passed.

Recommendation: Council approve on first reading an ordinance to transfer funds not to exceed \$500,000 from the 2% local hospitality tax fund to the University of South Carolina-Beaufort Center for the Arts Renovations Project (replacement of lighting, sound system, drapery, electrical and seating).

GOVERNMENTAL COMMITTEE

May 4, 2015

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

The Governmental Committee met Monday, May 4, 2015 beginning at 4:00 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 Rick Caporale, and Committee members Cynthia Bensch, Gerald Dawson, Brian Flewelling, Alice Howard and Jerry Stewart. Non-Committee members Steve Fobes, William McBride, Paul Sommerville and 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: Allison Coppage, Assistant County Attorney; Phil Foot, Assistant County Administrator-Public Safety; Robert Gecy, IT Applications Programmer; Joshua Gruber, Deputy County Administrator/Special Counsel; Gary Kubic, County Administrator; Dan Morgan, IT Mapping and Applications Director; Monica Spells, Assistant County Administrator-Civic Engagement and Outreach.

Public: Billy Keyserling, Mayor, City of Beaufort; Dr. Kasia Pawelek, Assistant Professor, USC-Beaufort; and Christian Salmeron, graduate, USC-Beaufort.

Media: Joe Croley, *Lowcountry Inside Track* and Scott Thompson, *Bluffton Today*.

Mr. Rodman chaired the meeting.

ACTION TEM

- 1. An Ordinance to Amend the Beaufort County Code of Ordinances to Provide for the Regulation of Activities on Alljoy Beach and Penalties for Violation of the Same**

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

Discussion: This is an ordinance establishing rules and regulations for the use of Alljoy Beach, located in Beaufort County, South Carolina.

Motion: It was moved by Mr. Flewelling, seconded by Mrs. Howard, that Committee approve and recommend Council approve on first reading an ordinance to amend the Beaufort

County Code of Ordinances to provide for the regulations of activities on Alljoy Beach and penalties for violation of the same. The vote: YEAS – Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mrs. Howard, Mr. Rodman and Mr. Stewart. The motion passed.

Recommendation: Council approve on first reading an ordinance to amend the Beaufort County Code of Ordinances to provide for the regulations of activities on Alljoy Beach and penalties for violation of the same.

2. Consideration of Reappointments and Appointments

• Bluffton Township Fire District

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. Stewart, seconded by Mr. Caporale, that Committee approve and recommend Council nominate Louise Haacker, representing Council District 6, for appointment to serve as a member of the Bluffton Township Fire District. This is a partial-term appointment expiring February 2016. The vote: YEAS – Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mrs. Howard, Mr. Rodman and Mr. Stewart. The motion passed.

Motion: It was moved by Mr. Caporale, seconded by Mr. Dawson, that Committee approve and recommend Council nominate Elaine Lust, representing Council District 8 for appointment to serve as a member of the Bluffton Township Fire District. This is a partial-term appointment expiring February 2016. The vote: YEAS – Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mrs. Howard, Mr. Rodman and Mr. Stewart. The motion passed.

Recommendation: Council nominate Louise Haacker, representing Council District 6, and Elaine Lust, representing Council District 8, for appointment to serve as members of the Bluffton Township Fire District.

3. Consideration of Reappointments and Appointments

• Daufuskie Island Fire District

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. Flewelling, seconded by Mr. Stewart, that Committee approve and recommend Council nominate Geoffrey Brunning for appointment to serve as a member of the Daufuskie Island Fire District. This is a partial-term appointment that will expire February 2017. The vote: YEAS – Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mrs. Howard, Mr. Rodman and Mr. Stewart. The motion passed.

Recommendation: Council nominate Geoffrey Brunning for appointment to serve as a member of the Daufuskie Island Fire District.

4. Consideration of Reappointments and Appointments

- Lowcountry Council of Governments**

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. Dawson, seconded by Mr. Flewelling, that Committee approve and recommend Council nominate Herbert Glaze, representing at-large, for appointment to serve as a member of the Lowcountry Council of Governments. This is a partial-term appointment expiring February 2016. The vote: YEAS – Mrs. Bensch, Mr. Caporale, Mr. Dawson, Mr. Flewelling, Mrs. Howard, Mr. Rodman and Mr. Stewart. The motion passed.

Recommendation: Council nominate Herbert Glaze, representing at-large, for appointment to serve as a member of the Lowcountry Council of Governments.

INFORMATION ITEMS

5. Presentation / New Mosquito Control App for Mobile Devices / Mosquito Control, USC-Beaufort, and Information Technology Collaboration

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

Discussion: Mr. Phil Foot, Assistant County Administrator–Public Safety, introduced this item to the Committee. The collaboration for the new Mosquito Control App (App) involved both County’s Mosquito Control Department and Information Technology Division as well as the University of South Carolina-Beaufort.

Mr. Greg Hunt, Mosquito Control Director, stated there was a lot of work that has gone into this program. He provided the Committee with a PowerPoint presentation. In 2012 the Governor of Texas declared a public health emergency due to a West Nile Virus epidemic. There were 1,869 human cases and 89 deaths confirmed in Texas. The economic impact has been estimated at \$47.5 million because of overtime, the purchase of public health insecticides, contracted spraying, and the delivery of healthcare to the sick and dying patients. The news and media covered the episode in the Dallas and Fort Worth areas. In 2013 the City of Plano developed an App to report cases of West Nile Virus (WNV) for monitoring purposes.

Mosquito Control maintains a very good surveillance program for WNV. About 12,000 are tested annually. The creation of an App included the following individuals Dr. Kasia Pawelek, Assistant Professor–USC-Beaufort; Cristian Salmeron, graduate–USC-Beaufort; Patrick Neihaus, graduate–USC-Beaufort; and Robert Gecy, County IT Applications Programmer.

Mr. Gecy provided the Committee with a demonstration of the Mosquito Control App. The App includes two forms – request for service as well as report a dead bird. A database is used to check the location of the request to ensure its validity.

Status: Information only.

6. Economic Development 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 Stu Rodman reviewed with the Committee an organizational proposal for economic development. Given the fact that Beaufort County does not have a lot of large corporations, the County would have to use public funding for the purpose of economic development. He presented a proposal consisting of \$250,000 annually funded with a 70% contribution from the County and 30% from the municipalities. The key activities include jobs by way of formation of new companies or recruitment of companies. Mr. Rodman presented the possibility of creating an eight-member Board consisting of one member from the County, one member from each of the four municipalities, and three members selected by the Board. He spoke about the Town of Hilton Head Island Economic Development Corporation model, Deal Flow, and the search for a director.

Mr. Rodman spoke about the issue of an economic development product proposal. He provided the committee with examples of research parks located both north and south of the Broad River. Each of these examples included possible factors relative to the demographics of the area and well as possible costs.

Mr. Rodman also reviewed the financial engineering relative to economic development. This included operational information to include a complete overview of proposed contributions as well as the County's portion per year. Factors such as general obligation bonds and bond anticipation notes were also included as well as possible cost offsets to include a public-private partnership, CIP referendum, sale of parcels and commerce.

Mr. Rodman distributed to the Committee a proposed resolution relative to the adoption of an Economic Development Policy in Beaufort County.

Mayor Billy Keyserling, City of Beaufort (City), stated the City does not believe they have a partner with the County with respect to economic development. The Town of Hilton Head Island and the Town of Bluffton have each developed a strategy. The City of Beaufort and Town of Port Royal will develop a strategy. He spoke about the importance of the collaboration of efforts.

Mr. Gary Kubic, County Administrator, stated economic development is about two issues -- job creation/retention and business profit – which presents a different scenario in Town of

Hilton Head Island, Town of Bluffton and the northern areas. We need to reach out to folks in the community. He does not believe there is the desire for economic development in Beaufort County, and, until that mindset changes, it is much more difficult to come up with a model that will work.

Mr. Rodman provided the Committee with a Media Release titled "Forum Explores Healthcare-Related Economic Development Opportunities on Hilton Head Island".

Status: Information only.

7. Consideration of Reappointments and Appointments

- Burton Fire District**

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

Status: There is currently one vacancy on the Burton Fire District Commission.

8. Off-Agenda Item

Motion: It was moved by Mrs. Bensch, seconded by Mr. Caporale, that Committee hear an off-agenda regarding a \$4,500,000 medical complex. The vote: YEAS – Mrs. Bensch and Mr. Caporale. NAYS - Mr. Dawson, Mr. Flewelling, Mrs. Howard, Mr. Rodman and Mr. Stewart. The motion failed.

Status: No discussion occurred due to the lack of a majority vote.

NATURAL RESOURCES COMMITTEE

May 4, 2015

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

The Natural Resources Committee met Monday, May 4, 2015 beginning at 2:00 p.m., in the Executive Conference Room, Administration Building, Beaufort County Government Robert Smalls Complex, 100 Ribaut Road, Beaufort, South Carolina.

ATTENDANCE

Committee Chairman Brian Flewelling, Vice Chairman Alice Howard and members Gerald Dawson, Steve Fobes, William McBride, Jerry Stewart and Tabor Vaux present. Non-committee members Rick Caporale and Cynthia Bensch 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: Allison Coppage, Assistant County Attorney; Tony Criscitiello, Planning Director; Joshua Gruber, Deputy County Administrator/Special Counsel; Gary Kubic, County Administrator; and Robert Merchant, Long-Range Planner

Media: Joe Croley, *Lowcountry Inside Track* and Zack Murdock, *The Beaufort Gazette/The Island Packet*.

Public: Libby Anderson, Planning Director, City of Beaufort; Dean Moss, Board Member, Beaufort County Open Land Trust; and Billy Keyserling, Mayor, City of Beaufort.

Mr. Flewelling chaired the meeting.

ACTION ITEMS

1. **Consideration of Reappointments and Appointments**
 - **Zoning Board of Appeals**

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 Mr. Fobes, that Natural Resources Committee nominate James Vineburgh, representing southern Beaufort County, to serve as a member of the Zoning Board of Appeals. This is a three-year appointment expiring February 2018. The vote: YEAS – Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Sommerville, Mr. Stewart and Mr. Vaux. The motion passed.

Recommendation: Council nominate James Vineburgh, representing southern Beaufort County, to serve as a member of the Zoning Board of Appeals. This is a three-year appointment expiring February 2018.

INFORMATION ITEMS

2. Announcement / County Planning Department Wins Two National Awards for Community Development Code

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

Discussion: Mr. Robert Merchant, County Long-Range Planner, announced that Beaufort County has been the recipient for two different rewards for the newly adopted Community Development Code – Congress for the New Urbanism-Merit Award and the Dreihause Award.

Status: Information only.

3. Procedure to Receive and Implement Joint Land Use Study (JLUS)

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

Discussion: Mr. Tony Criscitiello, Planning Director, reviewed this item with the Committee. At the last meeting of the Northern Regional Planning Implementation Committee, an endorsement was received to advance the implementation of the Joint Land Use Study (JLUS) report. This issue is scheduled for consideration and adoption by County Council on May 11, 2015. The JLUS for Marine Corps Air Station Beaufort and the Marine Corps Recruit Depot Parris Island are the two documents being moved forward for consideration. If Council adopts the resolution at its May 11, 2015 meeting, both the Planning Department and Planning Commission will look at the implementation requirements and regulations within these two documents and move forward with the implementation process through the Air Installation Compatibility Use Zone (AICUZ).

Status: Information only.

4. Presentation / City of Beaufort / Boundary Street Master Plan / Battery Creek Vista Project

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

Discussion: Mayor Billy Keyserling, City of Beaufort, introduced this item to the Committee and introduced Ms. Libby Anderson, City Planning Director, to provide the

Committee with a PowerPoint presentation on the Battery Creek Vista Project as well as Boundary Street Project.

Ms. Anderson stated this project began in 2005 and started with a charrette of what could happen, which she demonstrated through visual images. The Boundary Street Master Plan (Plan) was adopted in June of 2006. The objectives of the Plan are as follows: identify redevelopment opportunities, balance vehicles/pedestrians; improve safety, traffic flow; create a cohesive plan; and revise land development regulations, create a form-based code. This was part of a public-input process that included charrettes, stakeholder meetings, and public hearings. She reviewed with the Committee the principles of the plan:

- Interconnect it all
- Create traffic capacity, safety and character
- Plan for feasible, phase-able pieces
- Make Boundary Street a walkable “great street”
- Grow a mix of uses and mix of housing types
- Assemble a green network; link marsh views
- Grow a memorable entrance to town

Ms. Anderson also reviewed the big moves of the Plan:

- Parallel road network
- Street trees and proper sidewalks
- “Boulevard-style” slow lane and parking
- Special intersections at two key spots
- Greenspace: window squares, marsh front, possible central park
- Civic buildings positioned correctly
- Strip centers convert to town blocks

She reviewed the plans and vision with the Committee, some of which has already been partially implemented. Future plans and current implementation were also reviewed. The Boundary Street Code was adopted in February 2007 and updated in November of 2014. This provides the framework for private development and infrastructure. The Boundary Street Project design was presented and an overview of funding was provided - \$12,635,000 Tiger Grant, \$7,819,654 County BTAG, and \$7,930,395 TIFII. The total project cost is \$28,385,049 which includes underground utilities.

Mayor Keyserling provided the Committee an overview of the Battery Creek Vista Project, which is another step in implementing the entire vision. The estimated economic impact of the Boundary Street Corridor is \$150,000,000. He spoke of the properties included in the proposed Battery Park. Battery Park will have many benefits, to include:

- Providing access to the water
- Improving water quality

- Preserving a unique historic civil war site
- Improving the appearance the entrance way to the city
- Increasing traffic safety
- Providing additional open space

Mr. Keyserling reviewed scenarios relative to acquisition of park property: City of Beaufort \$1,000,000, Beaufort County Open Land Trust \$500,000, and Beaufort County Rural and Critical Lands Preservation Program \$1,500,000 million.

Mr. Dean Moss, representing the Open Land Trust, informed the Committee that the United Way parcel is currently under contract. The organization will stay in Beaufort County and will convert their capital into operations.

Mr. Gruber stated his reservation in moving forward is in regard to the amendments.

Mrs. Allison Coppage, Assistant County Attorney, stated Mr. Ken Driggers, a lawyer with the Beaufort County Open Land Trust, has briefed her on the modifications of the letter of agreement. These modifications will be addressed during executive session.

Status: Information only.

5. Consideration of Reappointments and Appointments

- **Rural and Critical Lands Board**

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

Status: No action taken at this time. Currently, there is one vacancy on the Rural and Critical Lands Board for District 10. Mr. Judd Carsten had moved out of District 11 making him no longer eligible to serve in the capacity in which he was appointed.

6. Executive Session

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

Motion: It was moved by Mr. Vaux, seconded by Mrs. Howard, that Natural Resources Committee go immediately into executive session regarding the discussion of negotiations incident to proposed contractual arrangements and proposed purchase of property. The vote: YEAS – Mr. Dawson, Mr. Flewelling, Mr. Fobes, Mrs. Howard, Mr. McBride, Mr. Stewart and Mr. Vaux. The motion passed.

Status: Executive session.

BOARDS AND COMMISSIONS

Reappointments and Appointments May 11, 2015

1. Finance Committee

① Accommodations Tax (2%) Board

Nominated	Name	Position/Area/Expertise	Reappoint/Appoint	Votes Required	Term/Years	Expiration
04.27.15	Walter Young	Lodging/Hospitality	Appoint	6/11	Partial term	February 2017

2. Governmental Committee

① Bluffton Township Fire District

Nominate	Name	Position/Area/Expertise	Reappoint/Appoint	Votes Required	Term/Years	Expiration
05.11.15	Louise Haacker	Council District 6	Appoint	6/11	Partial term	February 2016
05.11.15	Elaine Lust	Council District 8	Appoint	6/11	Partial term	February 2016

② Daufuskie Island Fire District

Nominate	Name	Position/Area/Expertise	Reappoint/Appoint	Votes Required	Term/Years	Expiration
05.11.15	Geoffrey Brunning	Fire Service Area	Appoint	6/11	Partial term	February 2017

③ Lowcountry Council of Governments

Nominate	Name	Position/Area/Expertise	Reappoint/Appoint	Votes Required	Term/Years	Expiration
05.11.15	Herbert Glaze	At-Large	Appoint	6/11	Partial term	February 2016

3. Natural Resources Committee

① Zoning Board of Appeals

Nominate	Name	Position/Area/Expertise	Reappoint/Appoint	Votes Required	Term/Years	Expiration
05.11.15	James Vineburgh	Southern Beaufort County	Appoint	6/11	3 years	February 2018



A Beaufort County
Proclamation
For
Emergency Services Week

WHEREAS, Beaufort County is fortunate in having a highly-trained and well equipped Emergency Medical Services; and

WHEREAS, this Emergency Medical Services is staffed by professional and experienced Emergency Medical Technicians and Paramedics who are on call day and night; and

WHEREAS, Emergency Medical Services is a vital public service; and

WHEREAS, the members of Emergency Medical Services teams are ready to provide lifesaving care to those in need 24 hours a day, 7 days a week; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, the members of Emergency Medical Services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of Emergency Medical Services' providers by designating Emergency Medical Services Week.

NOW, THEREFORE, BE IT RESOLVED, that Beaufort County Council hereby proclaims the week of May 17 through May 23, 2015, as

Emergency Medical Services Week

**With the theme, EMS Strong, I encourage the community to observe this week
with appropriate programs, ceremonies and activities.**

Dated this, the 11th Day of May, 2015.



D. Paul Sommerville
Chairman, Beaufort County Council



CHARTER AWARD OF MERIT

for

Beaufort County Multijurisdictional Form-Based Code/
Land Development Code

presented to

Opticos Design, Inc.
Planning

Clarion Associates
Planning

Allison Ramsey Architects
Site Planning and Design

AECOM Technical Services
Transportation Planning and Engineering

Sherwood Design Engineers
Engineering

Urban Advisors
Economic Studies

Brown Design Studio
Architectural Design

LOCATION | BEAUFORT COUNTY, SOUTH CAROLINA
SCALE | REGION: METROPOLIS, CITY, & TOWN

2 0 1 5 A W A R D W I N N E R

The Driehaus Form-Based Codes Award

*Sponsored by the Form-Based Codes Institute with the Generous Support
of the Richard H. Driehaus Charitable Lead Trust*

Community Development Code of Beaufort County, South Carolina

The Jury was impressed with the manner of framing the county-wide range of physically diverse place types, rural to urban, into a format that is easy to understand, nicely illustrated, and with rules appropriate for those places. The Jury also appreciated that the code provides a strategy for transitioning the prior zoning rules and that it accommodates small and large development by integrating subdivision standards. The code also offers excellent guidance for the design of future buildings with its documentation of existing structures within the county, building type standards, and architectural standards. Also the coordinated effort of the re-zoning of two municipalities within the county was seen as an excellent strategy and serves as an example that should be emulated by other counties and regional intergovernmental agencies.

Opticos Design, Inc.

Clarion Associates

City of Beaufort Planning Dept.

AECOM Technical Services

Beaufort County Planning Dept.

Sherwood Design Engineers

Town of Port Royal Planning Dept.

Urban Advisors

Allison Ramsey Architects

Brown Design Studio

Presented May 1, 2015, during CNU Congress 23, Dallas, Texas

*Jury: Joseph Kohl (Chair); Jennifer Hurley, AICP;
Caleb P. Racicot; Scott Polikov*



Joseph Kohl, Jury Chair

FBCI

Form-Based Codes Institute



Mary Madden, AICP, FBCI Board Chair

“The code frames the county-wide range of physically diverse place types, rural to urban, into a format that is easy to understand, nicely illustrated, and with rules appropriate for those places. The code also provides a strategy for transitioning the prior zoning rules and accommodates small and large development by integrating subdivision standards. It offers excellent guidance for the design of future buildings with its documentation of existing structures within the county, building type standards, and architectural standards. The coordinated effort of the re-zoning of two municipalities in the county was an excellent strategy and served as an example that should be emulated by other counties and regional intergovernmental agencies.”

Beaufort County Community Development Code Timeline

1999: In response to a decade of unprecedented growth, Beaufort County adopted the Zoning and Development Standards Ordinance (ZDSO) which provided much needed tools that promoted quality development; protected trees and wetlands; preserved rural areas; and required quality architecture and landscaping for new development. However, the ZDSO was often criticized for telling people what they could not do rather than providing a vision for growth in Beaufort County. The ZDSO also created an uneven regulatory environment across jurisdictional boundaries, leading to zoning shopping.

2006 – 07: In response to rapid growth and municipal expansion, Beaufort County embarked on two regional plans with its municipalities. The Northern and Southern Regional Plans provided a blueprint for cooperative planning and a shared vision for future growth that transcended municipal boundaries.

May 2010: Beaufort County, in conjunction with the City of Beaufort and the Town of Port Royal, engaged the services of Opticos Design, Inc., a California based planning firm that specializes in the development of form-based codes. The goal was the development of a multi-jurisdictional code with common language and zoning districts. The original cost of the code was \$550,000 with \$350,000 paid for by Beaufort County and \$100,000 each paid for by the Town of Port Royal and the City of Beaufort.

October – December 2011: Opticos held a series of workshops, or charrettes, in eight neighborhoods across the County where it made the most sense to encourage walkable mixed-use development. The charrettes aided in refining the form-based zoning districts and in developing zoning maps for the new code.

February - November 2012: The first draft of the Community Development Code was completed. The Beaufort County Planning Department formed a Technical Advisory Committee made up of architects, landscape architects, and civil engineers to provide a “peer review” of the code.

February 2013 – February 2014: A second draft of the Community Development Code was completed. The County formed a Joint Review Committee made up of members of the Beaufort County Planning Commission and County Council to carefully go through the document. This process was very effective in securing buy-in from the two entities that would eventually review and approve the Code.

December 2014: Beaufort County Council adopted the Code on December 8, 2014. The Town of Port Royal adopted the Port Royal Town Code in 2014 as well. The City of Beaufort is still in the process of developing their code.

The Beaufort County Community Development Code is unique. There are very few examples of consistent zoning between counties and municipalities across the nation. Teton County, Wyoming and the Tahoe Regional Planning Agency are some examples. Beaufort County is unique, however, in using the Transect as the organizing principle for multi-jurisdictional zoning. The Community Development Code should serve as an example for other counties and municipalities struggling with rapid growth and a multi-jurisdictional framework.

ORDINANCE NO. _____

**AN ORDINANCE TO APPROPRIATE \$500,000 FROM THE 2% HOSPITALITY TAX FUND
TO THE UNIVERSITY OF SOUTH CAROLINA - BEAUFORT
CENTER FOR THE ARTS RENOVATION PROJECT**

WHEREAS, County Council is authorized to utilize the 2% Hospitality Tax Fund for certain limited purposes, including tourism – related cultural, recreational or historic facilities; and

WHEREAS, Beaufort County Code Ordinance Sec. 66-534(b) states “the authorization to utilize any funds from the ‘County of Beaufort, South Carolina, Hospitality Tax Account,’ shall be by ordinance duly adopted by the County Council;” and

WHEREAS, the University of South Carolina – Beaufort Center for the Arts, located at the Historic Beaufort campus has provided access to the arts and entertainment for Beaufort citizens and tourists; and

WHEREAS, during fiscal year 2014 the University of South Carolina – Beaufort Center for the Arts sold 10,837 tickets with 4% of those tickets being sold to residents outside of Beaufort County; and

WHEREAS, the University of South Carolina – Beaufort Center for the Arts plans to renovate the facility in order to provide expanded cultural and arts related opportunities; and

WHEREAS, Beaufort County Council believes that it is in the best interests of its citizens to appropriate \$500,000.00 from the 2% Hospitality Tax Fund to support the renovation and improvement of the cultural center at 801 Carteret Street, Beaufort, South Carolina.

NOW, THEREFORE, BE IT ORDAINED by Beaufort County Council, duly assembled, hereby appropriates \$500,000.00 from the 2% Hospitality Tax Fund to the University of South Carolina – Beaufort Center for the Arts.

DONE, this ____ day of _____, 2015.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, Deputy County Administrator
Special Counsel

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

AN ORDINANCE ESTABLISHING RULES AND REGULATIONS FOR THE USE OF
ALLJOY BEACH, BEAUFORT COUNTY SOUTH CAROLINA

WHEREAS, Act 283 of 1975, The Home Rule Act, vested Beaufort County Council with the independent authority to control all acts and powers of local governmental that are not expressly prohibited by South Carolina law, and

WHEREAS, Beaufort County Council recognizes that public beaches, including Alljoy Beach, are for the use and enjoyment of the people: and

WHEREAS, Beaufort County has exercised dominion and control over the Alljoy Beach area by promulgating regulations regarding its use and by holding the property open for public use and enjoyment; and

WHEREAS, Beaufort County Council believes to best provide for the health, safety and welfare of its citizens, it is appropriate to amend Article III of the Beaufort County Code and to provide for additional terms to said Article under Section 90 – 66.

NOW, THEREFORE, BE IT ORDAINED by Beaufort County Council, that Article III, Section 90-66 of the Beaufort County Code shall be amended as follows:

Sec. 90-66 Alljoy Beach Definition, Rules & Regulations

- 1) *Alljoy Beach*. For the purposes of this section “Alljoy Beach” shall be defined as that area of land lying between the South Carolina Department of Transportation Right of Way for Alljoy Road and the waters of the May River. This property is further described as “Brighton Beach” in that certain deed from Thomas O. Lawton and C.E. Ulmer recorded in Book 54, Page 277 of the Beaufort County Register of Deeds Office and as shown on that certain plat recorded in Plat Book 3, Page 10.
- 2) *Alljoy Beach Hours of Access*. Beach access shall be permitted from 6:00 a.m. through 9:00 p.m. No other access shall be permitted except during these times without the express written permission of Beaufort County.
- 3) *Prohibitions*.

The following shall be prohibited within Alljoy Beach:

- a. *Vehicles*. Driving or operating a self-propelled motor vehicle of any kind or nature upon Alljoy Beach shall be unlawful, provided that

county vehicles operated while cleaning or working on the beach and county sheriff and emergency vehicles shall be exempt from the application of this subsection.

- b. *Parking.* Parking shall be limited to designated areas. Any vehicle not parked within a designated space may be subject to being towed at the owner's expense. There shall be no parking within Alljoy Beach outside of the 6:00 a.m. to 9:00 p.m. operating hours. Vehicles parked on private property without the owner's permission are subject to being towed per Article II, 70-26 *et. seq.*
- c. *Fires.* Burning of open fires shall be unlawful.
- d. *Fireworks.* Discharging of fireworks on Alljoy Beach shall be prohibited except by permit from the Beaufort County Sheriff's Office for planned fireworks displays. Such permits must be obtained 24 hours in advance of the planned fireworks display.
- e. *Overnight Camping.* Camping by persons on Alljoy Beach area shall be unlawful.
- f. *Littering.* Littering the Alljoy Beach with cans, bottles, paper, or other materials, trash, or debris shall be unlawful.
- g. *Animals.* All animals must be on a leash at all times. Pet owners are responsible for the collection and proper disposal of animal waste in receptacles provided.
- h. *Alcohol.* The consumption or possession of alcohol on Alljoy Beach shall be unlawful.
- i. *Illegal Substances.* The consumption, possession or use of illegal substances on Alljoy Beach shall be unlawful.
- j. *Soliciting.* Solicitation of services or other commercial activity on Alljoy Beach shall be unlawful.
- k. *Fishing.* Baiting or fishing at any time by persons from the Alljoy Beach shall be unlawful.
- l. *Trailers.* The use of trailers of any kind or nature upon Alljoy Beach shall be unlawful.
- m. *Firearms.* The possession of firearms or other weapons on Alljoy Beach is prohibited. All individuals properly permitted to carry firearms or otherwise in possession of a firearm must secure such weapon in a locked vehicle.

Any and all other previous actions of Beaufort County which are not consistent with these regulations are hereby superseded and replaced.

DONE, this ____ day of _____, 2015.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, Deputy County Administrator
Special Counsel

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

2015/ ____

FY 2015-2016 BEAUFORT COUNTY BUDGET

To provide for the levy of tax for corporate Beaufort County for the fiscal year beginning July 1, 2015 and ending June 30, 2016, to make appropriations for said purposes, and to provide for budgetary control of the County's fiscal affairs.

BE IT ORDAINED BY COUNTY COUNCIL OF BEAUFORT COUNTY:

SECTION 1. TAX LEVY

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

SECTION 2. MILLAGE

The County Auditor is hereby authorized and directed to levy in Fiscal Year 2015-2016 a tax of 59.15 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	48.77
Purchase of Real Property Program	4.90
County Debt Service	5.48

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	\$11,673,960	\$11,670,400	24.02
Bluffton Fire District Debt Service	\$ 592,932	\$ 590,000	1.22
Burton Fire District Operations	\$ 5,674,155	\$ 5,876,482	60.66
Burton Fire District Debt Service	\$ 385,268	\$ 385,268	5.26
Daufuskie Island Fire District Operations	\$ 1,125,097	\$ 1,125,097	56.98
Daufuskie Island Debt Service	\$ 39,326	\$ 39,326	2.00
Lady's Island/St. Helena Is. Fire District Operation	\$ 5,197,054	\$ 5,197,054	36.94
Lady's Island/St. Helena Is. Fire District Debt Service	\$ 309,937	\$ 309,937	2.20
Sheldon Fire District Operations	\$ 1,229,995	\$ 1,229,995	36.33
Sheldon Fire District Debt Service	\$ 72,500	\$ 72,500	2.20

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

SECTION 4. COUNTY OPERATIONS APPROPRIATION

An amount of \$107,815,002 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	\$25,934,611
Emergency Management	\$ 7,623,228
B. Magistrate	\$ 2,240,108
C. Clerk of Court	\$ 1,472,204
D. Treasurer	\$ 1,220,834
E. Solicitor	\$ 1,060,000
F. Probate Court	\$ 917,793
G. County Council	\$ 803,659
H. Auditor	\$ 727,371
I. Public Defender	\$ 676,393
J. Coroner	\$ 521,139
K. Master-in-Equity	\$ 361,813
L. Social Services	\$ 147,349
M. Legislative Delegation	\$ <u>99,193</u>
Total	\$ 43,805,696

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	\$15,741,338
B. Emergency Medical Services	\$ 7,708,357
C. Detention Center	\$ 6,957,238
D. Administration	\$ 6,899,097
E. Library	\$ 4,036,807
F. Education Allocation	\$ 4,000,000
G. Community Services	\$ 3,636,669
H. Parks and Leisure Services	\$ 3,627,129
I. Assessor	\$ 2,108,468
J. Mosquito Control	\$ 1,750,465
K. Building Codes and Enforcement	\$ 1,109,259
L. Public Health	\$ 1,081,000
M. Employee Services	\$ 1,054,474
N. Animal Shelter	\$ 905,621
O. Voter Registration	\$ 828,409

P. Traffic Engineering	\$ 758,557
Q. Planning	\$ 693,362
R. Register of Deeds	\$ 606,573
S. General Government Subsidies	\$ 289,882
T. Zoning	\$ <u>216,601</u>
Total	\$64,009,306

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

SECTION 5. COUNTY OPERATIONS REVENUES

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

- A. \$ 84,195,180 to be derived from tax collections;
- B. \$ 10,402,715 to be derived from charges for services;
- C. \$ 7,865,416 to be derived from intergovernmental revenue sources;
- D. \$ 3,029,000 to be derived from fees for licenses and permits;
- E. \$ 1,268,750 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 6. PURCHASE OF DEVELOPMENT RIGHTS AND REAL PROPERTY PROGRAM

The revenue generated by a 4.90 mill levy is appropriated for the County's Purchase of Development Rights and Real Property Program.

SECTION 7. COUNTY DEBT SERVICE APPROPRIATION

The revenue generated by a 5.48 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 8. 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 9. 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 10. 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 11. 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 12. 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 13. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2015, are hereby approved.

SECTION 14. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2015. Approved and adopted on third and final reading this ____ day of _____, 2015.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading: April 27, 2015

Second Reading:

Public Hearings:

Third and Final Reading:

				FY 2015 DEPT		FY 2015 BUDGET		FY 2016 DEPT				FY 2016 BUDGET							
				BUDGET	BENEFITS	ORDINANCE		BUDGET	3% COLA	INCREASES	BENEFITS ¹	ORDINANCE ⁴							
A.	Ad Valorem Tax Collections					\$	76,679,000					\$	84,195,180						
B.	Charges for Services					\$	10,102,715					\$	10,402,715						
C.	Intergovernmental Revenue					\$	7,865,416					\$	7,865,416						
D.	Fees for Licenses and Permits					\$	2,789,000					\$	3,029,000						
E.	Inter-fund Transfers					\$	1,268,750					\$	1,268,750						
F.	Use of Assigned Fund Balance (Angus)					\$	750,000					\$	-						
G.	Fines and Forfeitures Collections					\$	633,642					\$	750,000						
H.	Miscellaneous Revenue					\$	226,136					\$	251,136						
I.	Interest on Investments					\$	27,085					\$	52,805						
						\$	100,341,744					\$	107,815,002						
A.	Sheriff			\$	21,690,012	\$	3,060,652	\$	24,750,664	\$	21,690,012	\$	533,558	\$	3,711,041	\$	25,934,611		
A1.	Emergency Management (Sheriff)			\$	6,873,679	\$	533,440	\$	7,407,119	\$	6,873,679	\$	102,753	\$	646,796	\$	7,623,228		
B.	Magistrate			\$	1,843,852	\$	289,907	\$	2,133,759	\$	1,843,852	\$	44,744	\$	351,512	\$	2,240,108		
C.	Clerk of Court			\$	1,189,667	\$	214,712	\$	1,404,379	\$	1,189,667	\$	22,199	\$	260,338	\$	1,472,204		
D.	Treasurer			\$	1,069,691	\$	108,893	\$	1,178,584	\$	1,069,691	\$	19,111	\$	132,032	\$	1,220,834		
E.	Solicitor			\$	1,060,000	\$	-	\$	1,060,000	\$	1,060,000	\$	-	\$	-	\$	1,060,000		
F.	Probate Court			\$	733,054	\$	135,235	\$	868,289	\$	733,054	\$	20,767	\$	163,972	\$	917,793		
G.	County Council			\$	611,066	\$	149,897	\$	760,963	\$	611,066	\$	10,843	\$	181,750	\$	803,659		
H.	Auditor			\$	563,151	\$	123,265	\$	686,416	\$	563,151	\$	14,761	\$	149,459	\$	727,371		
I.	Public Defender			\$	600,000	\$	-	\$	600,000	\$	600,000	\$	34,293	\$	42,100	\$	676,393		
J.	Coroner			\$	472,201	\$	34,365	\$	506,566	\$	472,201	\$	7,270	\$	41,668	\$	521,139		
K.	Master In Equity			\$	298,940	\$	45,294	\$	344,234	\$	298,940	\$	7,954	\$	54,919	\$	361,813		
L.	Social Services			\$	147,349	\$	-	\$	147,349	\$	147,349	\$	-	\$	-	\$	147,349		
M.	Legislative Delegation			\$	73,783	\$	20,057	\$	93,840	\$	73,783	\$	1,091	\$	24,319	\$	99,193		
				\$	37,226,445	\$	4,715,717	\$	41,942,162	\$	37,226,445	\$	819,344	\$	5,759,907	\$	43,805,696		
A.	Public Works			\$	13,088,729	\$	1,525,238	\$	14,613,967	\$	13,088,729	\$	149,758	\$	653,500	\$	1,849,351	\$	15,741,338
B.	Emergency Medical Services			\$	5,408,161	\$	1,392,352	\$	6,800,513	\$	5,408,161	\$	157,969	\$	454,000	\$	1,688,227	\$	7,708,357
C.	Detention Center			\$	5,359,515	\$	1,104,346	\$	6,463,861	\$	5,359,515	\$	121,703	\$	137,000	\$	1,339,020	\$	6,957,238
D.	Administration			\$	5,666,936	\$	547,932	\$	6,214,868	\$	5,666,936	\$	102,793	\$	465,000	\$	664,368	\$	6,899,097
E.	Education Allocation			\$	4,000,000	\$	-	\$	4,000,000	\$	4,000,000	\$	-	\$	-	\$	-	\$	4,000,000
F.	Library			\$	3,356,407	\$	496,405	\$	3,852,812	\$	3,356,407	\$	78,509	\$	-	\$	601,891	\$	4,036,807
G.	Community Services			\$	3,592,109	\$	77,988	\$	3,670,097	\$	3,426,319	\$	115,790	\$	-	\$	94,560	\$	3,636,669
H.	Parks and Leisure Services			\$	3,118,292	\$	429,492	\$	3,547,784	\$	3,056,292	\$	41,078	\$	9,000	\$	520,759	\$	3,627,129
I.	Assessor			\$	1,884,619	\$	115,833	\$	2,000,452	\$	1,884,619	\$	53,401	\$	30,000	\$	140,448	\$	2,108,468
J.	Mosquito Control			\$	1,447,995	\$	191,422	\$	1,639,417	\$	1,447,995	\$	18,371	\$	52,000	\$	232,099	\$	1,750,465
K.	Public Health ²			\$	1,423,789	\$	-	\$	1,423,789	\$	1,081,000	\$	-	\$	-	\$	-	\$	1,081,000
L.	Employee Services			\$	979,544	\$	53,551	\$	1,033,095	\$	979,544	\$	9,999	\$	-	\$	64,931	\$	1,054,474
M.	Building Codes and Enforcement			\$	835,097	\$	164,698	\$	999,795	\$	835,097	\$	24,466	\$	50,000	\$	199,696	\$	1,109,259
N.	Animal Shelter			\$	708,400	\$	107,156	\$	815,556	\$	708,400	\$	12,294	\$	55,000	\$	129,927	\$	905,621
O.	Voter Registration			\$	704,526	\$	92,647	\$	797,173	\$	704,526	\$	11,549			\$	112,334	\$	828,409
P.	Traffic Engineering			\$	560,507	\$	73,629	\$	634,136	\$	560,507	\$	8,775	\$	100,000	\$	89,275	\$	758,557
Q.	Planning			\$	518,155	\$	74,485	\$	592,640	\$	518,155	\$	13,894	\$	71,000	\$	90,313	\$	693,362
R.	Register of Deeds			\$	482,153	\$	92,858	\$	575,011	\$	482,153	\$	11,830	\$	-	\$	112,590	\$	606,573
S.	General Government Subsidies ³			\$	436,629	\$	-	\$	436,629	\$	289,882	\$	-	\$	-	\$	-	\$	289,882
T.	Zoning			\$	171,934	\$	32,589	\$	204,523	\$	171,934	\$	5,153	\$	-	\$	39,514	\$	216,601
				\$	53,743,497	\$	6,572,621	\$	60,316,118	\$	53,026,171	\$	937,332	\$	2,076,500	\$	7,969,303	\$	64,009,306
				\$	90,969,942	\$	11,288,338	\$	102,258,280	\$	90,252,616	\$	1,756,676	\$	2,076,500	\$	13,729,210	\$	107,815,002
							\$	(1,916,536)							\$	594,738	\$	0	
							\$	100,341,744											

1 Benefits include \$2.44 million increase

2 Public Health

Beaufort Memorial Hospital	\$ 100,000
Ronald McDonald House	\$ 81,000
BJH Comprehensive Health Services	\$ 900,000
	\$ 1,081,000

3 General Government Subsidies

LCOG - per capita	\$ 97,340
LCOG - HOME match	\$ 56,000
LCOG - MPO Match	\$ 21,542
Economic Development	\$ 90,000
Small Business Development	\$ 25,000
	\$ 289,882

4 FY 2016 Ad Valorem Tax revenue assumes mil value of \$1,726,423 and mil increase from 46.48 to 48.77

The amount of the current year allowed increase of 4.12% or 1.92 mils based upon population growth and CPI

	FY 2015 DEPT			FY 2015 BUDGET			FY 2016 DEPT			FY 2016 BUDGET		
	BUDGET	BENEFITS	ORDINANCE	BUDGET	3% COLA	INCREASES	BENEFITS ¹	ORDINANCE ⁴				
A. Ad Valorem Tax Collections			\$ 76,679,000					\$ 83,557,900				
B. Charges for Services			\$ 10,102,715					\$ 10,402,715				
C. Intergovernmental Revenue			\$ 7,865,416					\$ 7,865,416				
D. Fees for Licenses and Permits			\$ 2,789,000					\$ 3,029,000				
E. Inter-fund Transfers			\$ 1,268,750					\$ 1,268,750				
F. Use of Assigned Fund Balance (Angus)			\$ 750,000					\$ -				
G. Fines and Forfeitures Collections			\$ 633,642					\$ 750,000				
H. Miscellaneous Revenue			\$ 226,136					\$ 251,136				
I. Interest on Investments			\$ 27,085					\$ 52,805				
			\$ 100,341,744					\$ 107,177,722				
A. Sheriff	\$ 21,690,012	\$ 3,060,652	\$ 24,750,664	\$ 21,690,012	\$ 533,558		\$ 3,550,356	\$ 25,773,926				
A1. Emergency Management (Sheriff)	\$ 6,873,679	\$ 533,440	\$ 7,407,119	\$ 6,873,679	\$ 102,753		\$ 618,790	\$ 7,595,222				
B. Magistrate	\$ 1,843,852	\$ 289,907	\$ 2,133,759	\$ 1,843,852	\$ 44,744		\$ 336,292	\$ 2,224,888				
C. Clerk of Court	\$ 1,189,667	\$ 214,712	\$ 1,404,379	\$ 1,189,667	\$ 22,199		\$ 249,066	\$ 1,460,932				
D. Treasurer	\$ 1,069,691	\$ 108,893	\$ 1,178,584	\$ 1,069,691	\$ 19,111		\$ 126,315	\$ 1,215,117				
E. Solicitor	\$ 1,060,000	\$ -	\$ 1,060,000	\$ 1,060,000	\$ -		\$ -	\$ 1,060,000				
F. Probate Court	\$ 733,054	\$ 135,235	\$ 868,289	\$ 733,054	\$ 20,767		\$ 156,872	\$ 910,693				
G. County Council	\$ 611,066	\$ 149,897	\$ 760,963	\$ 611,066	\$ 10,843		\$ 173,880	\$ 795,789				
H. Auditor	\$ 563,151	\$ 123,265	\$ 686,416	\$ 563,151	\$ 14,761		\$ 142,988	\$ 720,900				
I. Public Defender	\$ 600,000	\$ -	\$ 600,000	\$ 600,000	\$ 34,293		\$ 40,000	\$ 674,293				
J. Coroner	\$ 472,201	\$ 34,365	\$ 506,566	\$ 472,201	\$ 7,270		\$ 39,864	\$ 519,335				
K. Master In Equity	\$ 298,940	\$ 45,294	\$ 344,234	\$ 298,940	\$ 7,954		\$ 52,541	\$ 359,435				
L. Social Services	\$ 147,349	\$ -	\$ 147,349	\$ 147,349	\$ -		\$ -	\$ 147,349				
M. Legislative Delegation	\$ 73,783	\$ 20,057	\$ 93,840	\$ 73,783	\$ 1,091		\$ 23,266	\$ 98,140				
	\$ 37,226,445	\$ 4,715,717	\$ 41,942,162	\$ 37,226,445	\$ 819,344		\$ 5,510,232	\$ 43,556,021				
A. Public Works	\$ 13,088,729	\$ 1,525,238	\$ 14,613,967	\$ 13,088,729	\$ 149,758	\$ 653,500	\$ 1,769,276	\$ 15,661,263				
B. Emergency Medical Services	\$ 5,408,161	\$ 1,392,352	\$ 6,800,513	\$ 5,408,161	\$ 157,969	\$ 454,000	\$ 1,615,128	\$ 7,635,258				
C. Detention Center	\$ 5,359,515	\$ 1,104,346	\$ 6,463,861	\$ 5,359,515	\$ 121,703	\$ 137,000	\$ 1,281,041	\$ 6,899,259				
D. Administration	\$ 5,666,936	\$ 547,932	\$ 6,214,868	\$ 5,666,936	\$ 102,793	\$ 465,000	\$ 635,601	\$ 6,870,330				
E. Education Allocation	\$ 4,000,000	\$ -	\$ 4,000,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000				
F. Library	\$ 3,356,407	\$ 496,405	\$ 3,852,812	\$ 3,356,407	\$ 78,509	\$ -	\$ 575,830	\$ 4,010,746				
G. Community Services	\$ 3,592,109	\$ 77,988	\$ 3,670,097	\$ 3,476,319	\$ 115,790	\$ -	\$ 90,466	\$ 3,682,575				
H. Parks and Leisure Services	\$ 3,118,292	\$ 429,492	\$ 3,547,784	\$ 3,056,292	\$ 41,078	\$ 9,000	\$ 498,211	\$ 3,604,581				
I. Assessor	\$ 1,884,619	\$ 115,833	\$ 2,000,452	\$ 1,884,619	\$ 53,401	\$ 30,000	\$ 134,366	\$ 2,102,386				
J. Mosquito Control	\$ 1,447,995	\$ 191,422	\$ 1,639,417	\$ 1,447,995	\$ 18,371	\$ 52,000	\$ 222,050	\$ 1,740,416				
K. Public Health ²	\$ 1,423,789	\$ -	\$ 1,423,789	\$ 1,081,000	\$ -	\$ -	\$ -	\$ 1,081,000				
L. Employee Services	\$ 979,544	\$ 53,551	\$ 1,033,095	\$ 979,544	\$ 9,999	\$ -	\$ 62,119	\$ 1,051,662				
M. Building Codes and Enforcement	\$ 835,097	\$ 164,698	\$ 999,795	\$ 835,097	\$ 24,466	\$ 50,000	\$ 191,050	\$ 1,100,613				
N. Animal Shelter	\$ 708,400	\$ 107,156	\$ 815,556	\$ 708,400	\$ 12,294	\$ 55,000	\$ 124,301	\$ 899,995				
O. Voter Registration	\$ 704,526	\$ 92,647	\$ 797,173	\$ 704,526	\$ 11,549		\$ 107,471	\$ 823,546				
P. Traffic Engineering	\$ 560,507	\$ 73,629	\$ 634,136	\$ 560,507	\$ 8,775	\$ 100,000	\$ 85,410	\$ 754,692				
Q. Planning	\$ 518,155	\$ 74,485	\$ 592,640	\$ 518,155	\$ 13,894	\$ 71,000	\$ 86,403	\$ 689,452				
R. Register of Deeds	\$ 482,153	\$ 92,858	\$ 575,011	\$ 482,153	\$ 11,830	\$ -	\$ 107,715	\$ 601,698				
S. General Government Subsidies ³	\$ 436,629	\$ -	\$ 436,629	\$ 178,340	\$ -	\$ -	\$ -	\$ 178,340				
T. Zoning	\$ 171,934	\$ 32,589	\$ 204,523	\$ 171,934	\$ 5,153	\$ -	\$ 37,803	\$ 214,890				
	\$ 53,743,497	\$ 6,572,621	\$ 60,316,118	\$ 52,964,629	\$ 937,332	\$ 2,076,500	\$ 7,624,240	\$ 63,602,701				
	\$ 90,969,942	\$ 11,288,338	\$ 102,258,280	\$ 90,191,074	\$ 1,756,676	\$ 2,076,500	\$ 13,134,472	\$ 107,158,722				
			\$ (1,916,536)					\$ 19,000				
			\$ 100,341,744									

1 Benefits include \$1.8 million increase

2 Public Health

Beaufort Memorial Hospital	\$ 100,000
Ronald McDonald House	\$ 81,000
BJH Comprehensive Health Services	\$ 900,000
	\$ 1,081,000

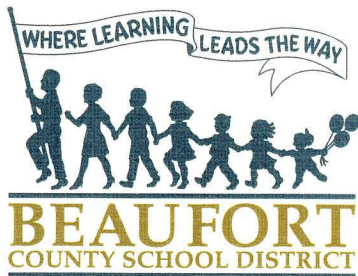
3 General Government Subsidies

LCOG - per capita	\$ 97,340
LCOG - HOME match	\$ 56,000
Small Business Development	\$ 25,000
	\$ 178,340

4 FY 2016 Ad Valorem Tax revenue includes 2% growth, no mil increase

Other Notes:

MPO Match of \$21,542 not included above



BEAUFORT COUNTY BOARD OF EDUCATION

May 8, 2015

VIA EMAIL

BILL EVANS

Chairman, District 2
Lady's Island, Beaufort

MARY CORDRAY

Vice Chairman, District 8
Bluffton

LAURA BUSH

Secretary, District 9
Bluffton, Daufuskie

EARL CAMPBELL

District 1
Burton, Dale, Lobeco, Seabrook

MICHAEL RIVERS, SR.

District 3
St. Helena Island

JOSEPH DUNKLE

District 4
Beaufort, Port Royal

GERI KINTON

District 5
Burton, Okatie

PAUL ROTH

District 6
Bluffton

EVVA ANDERSON

District 7
Bluffton

BILL PAYNE

District 10
Hilton Head Island

JOANN ORISCHAK

District 11
Hilton Head Island

DR. JEFFREY MOSS

Superintendent

ROBYN CUSHINGBERRY

Executive Assistant to the Board

The Hon. Paul Sommerville
Beaufort County Council Chairman
100 Ribaut Road, Suite 150
Beaufort, SC 29902

Re: Beaufort County Board of Education
FY 2015-2016 Certified Budget

Dear Chairman Sommerville:

On May 7, 2015, the Beaufort County Board of Education ("Board") certified its budget by adopting the following motion:

"I move that the Beaufort County Board of Education approve and certify to the Beaufort County Council a Fiscal Year 2015-2016 General Fund Budget in the amount of \$203,513,932 with anticipated revenue in the amount of \$203,503,617 from the following sources:

- (1) \$126,674,710 to be derived from property tax collections;
- (2) \$69,971,382 to be derived from state revenues;
- (3) \$900,000 to be derived from federal sources;
- (4) \$1,463,500 to be derived from other local sources;
- (5) \$4,494,025 to be derived from inter-fund transfers; and
- (6) \$10,315 to be derived from fund balance."

Enclosed is a draft county ordinance. We believe the enclosed ordinance is the maximum extent of what the County can assert as its lawful authority.

We would be pleased to respond to your questions or concerns.

Respectfully submitted,

William M. Evans
Chairman, Beaufort County Board of Education

cc: Beaufort County Board of Education Members
Beaufort County Council Members
Dr. Jeffrey Moss, Superintendent

ORDINANCE NO. 2015-____

FY 2015-2016 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, 2015 and ending June 30, 2016, 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 2015-2016 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	103.5
School Bond Debt Service (Principal and Interest)	31.71

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 \$203,513,932 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. \$126,674,710 to be derived from tax collections;
- B. \$ 69,971,382 to be derived from State revenues;
- C. \$ 900,000 to be derived from Federal revenues;
- D. \$ 1,463,500 to be derived from other local sources;
- E. \$ 4,494,025 to be derived from inter-fund transfers; and
- F. \$ 10,315 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 2015-2016 are incorporated herein by reference and shall be part and parcel of this Ordinance.

SECTION 5. OUTSTANDING BALANCE APPROPRIATION

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

SECTION 6. TRANSFERS VALIDATED

All duly authorized transfers of funds heretofore made from one account to another, or from one fund to another during Fiscal Year 2016 are hereby approved.

SECTION 7. EFFECTIVE DATE

This Ordinance shall be effective July 1, 2015. Approved and adopted on third and final reading this _____th day of June, 2015.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

Joshua A. Gruber, Staff Attorney

ATTEST:

Suzanne M. Rainey, Clerk to Council

First Reading:

Second Reading:

Public Hearing:

Third and Final Reading:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR BEAUFORT COUNTY
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$12,000,000 GENERAL OBLIGATION BONDS AND \$12,000,000 GENERAL OBLIGATION BOND ANTICIPATION NOTES, IN ONE OR MORE SERIES, IN ONE OR MORE YEARS, WITH APPROPRIATE SERIES DESIGNATIONS, OF BEAUFORT COUNTY, SOUTH CAROLINA; FIXING THE FORM AND DETAILS OF THE BOND AND THE NOTES; DELEGATING TO THE COUNTY ADMINISTRATOR CERTAIN AUTHORITY RELATED TO THE BONDS AND THE NOTES; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE NOTES AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

Pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY BEAUFORT COUNTY COUNCIL:

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

(a) Pursuant to Section 4-9-10, Code of Laws of South Carolina 1976, as amended, the County operates under the Council-Administrator form of government and the County Council constitutes the governing body of the County.

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

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

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

(e) The assessed value of all the taxable property in the County as of June 30, 2014, is \$1,688,809,792. Eight percent of the assessed value is \$135,104,783. As of the date hereof, the outstanding general obligation debt of the County subject to the limitation imposed by Article X, Section 14(7) of the Constitution is \$87,994,710. Thus, the County may incur \$47,110,073 additional general obligation debt within its applicable debt limitation.

(f) Article X, Section 14 of the Constitution further provides that general obligation bond anticipation notes may be issued in anticipation of the proceeds of general obligation bonds which may lawfully be issued under such terms and conditions that the General Assembly may prescribe by law.

(g) Pursuant to the provisions of Title 11, Chapter 17 of the Code of Laws of South Carolina, 1976, as amended ("Title 11, Chapter 17"), any county, whenever authorized by general or special law to issue bonds, may, pending the sale and issuance thereof, borrow in anticipation of the receipt of the proceeds of the bonds

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

(i) Pending the issuance and sale of general obligation bonds, it is necessary and in the best interest of the County for the County Council to provide for the issuance and sale of general obligation bond anticipation notes in an amount of not to exceed \$12,000,000 for: (i) the acquisition of a parcel of property known as Pepper Hall Plantation (the "Project"); (ii) paying costs of issuance of the Bonds (hereinafter defined); and (iii) such other lawful purposes as the County Council shall determine.

SECTION 2. Authorization and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding \$12,000,000 aggregate principal amount of general obligation bonds of the County to be designated "\$ (amount issued) General Obligation Bonds, (appropriate series designation), of Beaufort County, South Carolina" (the "Bonds") for the purpose of retiring any outstanding bond anticipation notes, and to pay costs of issuance of the Bonds.

The Bonds shall be issued as fully registered Bonds registerable as to principal and interest; shall be dated as of the first day of the month in which they are delivered to the initial purchaser(s) thereof; shall be in denominations of \$5,000 or any integral multiple thereof not exceeding principal amount of Bonds maturing each year; shall be numbered from R-1 upward, respectively; shall bear interest from their date payable at such times as hereafter designated by the Administrator of the County (the "Administrator") at such rate or rates as may be determined by the Administrator at the time of sale thereof; and shall mature serially in successive annual installments as determined by the Administrator.

Both the principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts.

SECTION 3. Authorization and Details of Notes. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding \$12,000,000 aggregate principal amount of general obligation bond anticipation notes of the County, in one or more series, in one or more years, with appropriate series designations, to be designated "(amount issued) General Obligation Bond Anticipation Notes, (appropriate series designation) of Beaufort County, South Carolina" (the "Notes") to fund the Project, and to pay costs of issuance of the Notes.

The Notes shall be issued as fully registered Notes registerable as to principal and interest; shall be dated as of their date of delivery to the initial purchaser(s) thereof; shall bear interest from their dated date payable at maturity at such rate or rates as may be determined by the County Administrator at the time of sale thereof.

Both the principal of and interest on the Notes shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts.

If it is determined that it would be in the County's best interest to renew the Notes at maturity rather than to issue the Bonds, said renewal will be authorized by Resolution adopted by County Council.

SECTION 4. Approval by County Council; Delegation of Authority Relating to the Bonds. County Council shall by written resolution approve the issuance and sale of each series of bonds. Subject to County Council's approval, County Council hereby delegates to the Administrator or his lawfully-authorized designee the authority with respect to each Series of Bonds: (a) to determine the par amount of Bonds; (b) to determine maturity dates of the Bonds and the respective principal amounts maturing on such dates; (c) to determine the interest payment dates of the Bonds; (d) to determine redemption provisions, if any, for the Bonds; (e) the date and time of sale of the Bonds; (f) to receive bids on behalf of the County Council; and (g) to award the sale of the Bonds to the lowest bidders therefor in accordance with the terms of the Notices of Sale for each series of Bonds.

After the sale of each series of Bonds, the Administrator or his lawfully-authorized designee shall submit a written report to the County Council setting forth the results of the sale of each series of Bonds.

SECTION 5. Delegation of Authority Relating to the Notes. The County Council hereby delegates to the Administrator or his lawfully-authorized designee the authority: (a) to determine the par amount of the Notes; (b) to determine the maturity date of the Notes; (c) to determine redemption provisions, if any, for the Notes; (d) the date and time of sale of the Notes; (e) to receive bids on behalf of the County Council; and (f) to award the sale of the Notes to the lowest bidders therefor in accordance with the terms of the Notice of Sale for the Notes.

After the sale of the Notes, the Administrator or his lawfully-authorized designee shall submit a written report to the County Council setting forth the results of the sale of the Notes.

SECTION 6. Registration, Transfer and Exchange of Bonds and Notes. The County shall cause books (herein referred to as the "registry books") to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Bonds and Notes. Upon presentation at its office for such purpose the Registrar/Paying Agent shall register or transfer, or cause to be registered or transferred, on such registry books, the Bonds and Notes under such reasonable regulations as the Registrar/Paying Agent may prescribe.

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

The County and the Registrar/Paying Agent may deem or treat the person in whose name any fully-registered Bond and Note shall be registered upon the registry books as the absolute owner of such Bond and Note, whether such Bond and Note shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and Note and for all other purposes and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor the Registrar/Paying Agent shall be affected by any notice to the contrary. For every such transfer of Bonds and Notes, the County or the Registrar/Paying Agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer, and, except as otherwise provided

herein, may charge a sum sufficient to pay the cost of preparing each Bond and Note issued upon such transfer, which sum or sums shall be paid by the person requesting such transfer or by the County as a condition precedent to the exercise of the privilege of making such transfer. Neither the County nor the Registrar/Paying Agent shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an interest payment date on such Bonds or Notes.

SECTION 7. Record Date. The County hereby establishes a record date for the payment of interest or for the giving of notice of any proposed redemption of Bonds, and such record date shall be the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date on such Bond or in the case of any proposed redemption of Bonds, such record date shall be the fifteenth (15th) day prior to the giving of notice of redemption of bonds.

SECTION 8. Mutilation, Loss, Theft or Destruction of Bonds or Notes. In case any Bond or Note shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the County shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a new Bond or Note of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond or Note. In any such event the applicant for the issuance of a substitute Bond or Note shall furnish the County and the Registrar evidence or proof satisfactory to the County and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond or Note, and of the ownership thereof, and also such security and indemnity in an amount as may be required by the laws of the State of South Carolina or such greater amount as may be required by the County and the Registrar. Any duplicate Bond or Note issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or Note or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance as was the original Bond or Note in lieu of which such duplicate Bond or Note is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds or Notes of the same series issued hereunder.

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

SECTION 9. Execution of Bonds and Notes. The Bonds and Notes shall be executed in the name of the County with the manual or facsimile signature of the Chair of the County Council attested by the manual or facsimile signature of the Clerk of the County Council under a facsimile of the seal of the County impressed, imprinted or reproduced thereon; provided, however, the facsimile signatures appearing on the Bonds or Notes may be those of the officers who are in office on the date of adoption of this Ordinance. The execution of the Bonds or Notes in such fashion shall be valid and effectual, notwithstanding any subsequent change in such offices. The Bonds or Notes shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Bond and Note shall bear a certificate of authentication manually executed by the Registrar.

SECTION 10. Form of Bonds and Notes. The Bonds and Notes shall be in substantially the form attached to the Resolution setting forth the details of the Bonds and Exhibit A hereto, respectively, and incorporated herein by reference.

SECTION 11. Security for Bonds. The full faith, credit, and taxing power of the County are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature, and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the County Auditor and collected by the County Treasurer, in the same manner as other county

taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

SECTION 12. Security for Notes. The Notes shall constitute general obligations of the County and the proceeds of the Bonds are irrevocably pledged to the payment of the Notes as well as the full faith, credit and taxing power of the County.

SECTION 13. Defeasance. The obligations of the County under this Ordinance and the pledges, covenants and agreements of the County herein made or provided for, shall be fully discharged and satisfied as to any portion of the Notes or Bonds, and such Note or Notes or Bond or Bonds shall no longer be deemed to be outstanding hereunder when:

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

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

“Government Obligations” shall mean any of the following:

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

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

SECTION 14. Exemption from State Taxes. Both the principal of and interest on the Notes and the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the Code, from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

SECTION 15. Eligible Securities. The Notes and Bonds initially issued (the “Initial Notes” or the “Initial Bonds”) will be eligible securities for the purposes of the book-entry system of transfer maintained

by The Depository Trust Company, New York, New York (“DTC”), and transfers of beneficial ownership of the Initial Bonds shall be made only through DTC and its participants in accordance with rules specified by DTC. Such beneficial ownership must be of \$5,000 principal amount of Bonds or Notes of the same maturity or any integral multiple of \$5,000.

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

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

If (a) DTC determines not to continue to act as securities depository for the Bonds or Notes, or (b) the County has advised DTC of its determination that DTC is incapable of discharging its duties, the County shall attempt to retain another qualified securities depository to replace DTC. Upon receipt by the County the Initial Bonds together with an assignment duly executed by DTC, the County shall execute and deliver to the successor securities depository Bonds or Notes of the same principal amount, interest rate and maturity registered in the name of such successor.

If the County is unable to retain a qualified successor to DTC or the County has determined that it is in its best interest not to continue the book-entry system of transfer or that interests of the beneficial owners of the Bond or Notes might be adversely affected if the book-entry system of transfer is continued (the County undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify beneficial owners of the Bonds or Notes by mailing an appropriate notice to DTC, upon receipt by the County of the Initial Notes or Initial Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Bonds or Notes in fully-registered form, in substantially the form set forth in Section 2 of this Ordinance in the denomination of \$5,000 or any integral multiple thereof.

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

SECTION 16. Sale of Bonds and Notes, Form of Notice of Sale. The Bonds and Notes shall be sold at public sale. A Notice of Sale for the Notes in substantially the form attached hereto as Exhibit B and incorporated herein by reference shall be distributed to prospective bidders and a summary of such Notice of Sale shall be published in a newspaper having general circulation in the State of South Carolina or in a financial publication published in the City of New York, State of New York, or both, not less than seven (7) days prior to the date set for such sale. The Notice of Sale for the Bonds will be attached to the Resolution of the County setting forth the details of the Bonds.

SECTION 17. Preliminary and Final Official Statement. The County Council hereby authorizes and directs the Administrator to prepare, or cause to be prepared, a Preliminary Official Statement to be distributed to prospective purchasers of the Bonds and Notes, respectively, together with the Notice of Sale. The County Council authorizes the Administrator to designate the Preliminary Official Statement as “near final” for purposes of Rule 15c2-12 of the Securities Exchange Commission. The Administrator is further authorized to see to the completion of the final form of the Official Statement upon the sale of the Bonds and Notes, respectively, so that it may be provided to the purchaser of the Bonds and Notes.

SECTION 18. Filings with Central Repository. In compliance with Section 11-1-85, South Carolina Code of Laws 1976, as amended, the County covenants that it will file or cause to be filed with a central repository for availability in the secondary bond market when requested: (a) a copy of an annual independent audit of the County within thirty (30) days of the County's receipt thereof; and (b) within thirty (30) days of the occurrence thereof, event specific information of an event which adversely affects more than five (5%) percent of the tax revenues of the County or the County's tax base.

SECTION 19. Continuing Disclosure. In compliance with the Securities and Exchange Commission Rule 15c2-12 (the "Rule") the County covenants and agrees for the benefit of the holders from time to time of the Notes to execute and deliver prior to closing, and to thereafter comply with the terms of a Disclosure Dissemination Agent Agreement in substantially the form appearing as Exhibit C to this Ordinance. In the event of a failure of the County to comply with any of the provisions of the Disclosure Dissemination Agent Agreement, an event of default under this Ordinance shall not be deemed to have occurred. In such event, the sole remedy of any bondholder or beneficial owner shall be an action to compel performance by the Ordinance. The County will execute and deliver a Disclosure Dissemination Agent Agreement in connection with the issuance of the Bonds, the form of which will be attached to the Resolution setting forth the details of the Bonds.

SECTION 20. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bonds shall be deposited with the Treasurer of the County in a special fund to the credit of the County, separate and distinct from all other funds, and shall be expended from time to time and made use of by the County Council as follows:

- (a) Any premium shall be placed in the sinking fund established pursuant to Section 4-15-150 of the Code;
- (b) A portion will be used to retire any outstanding Notes; and
- (c) The balance of the proceeds shall be applied to costs and expenses of issuing the Bonds.

The proceeds derived from the sale of the Notes shall be deposited with the Treasurer of the County in a special fund to the credit of the County, separate and distinct from all other funds, and shall be expended from time to time and made use of by the County Council for the purposes set forth in this Ordinance including defraying the costs and expenses of issuing the Notes.

SECTION 21. Notice of Public Hearing. The County Council hereby ratifies and approves the publication of a notice of public hearing regarding the Bonds, the Notes and this Ordinance, such notice in substantially the form attached hereto as Exhibit D, having been published in *The Beaufort Gazette and Island Packet*, a newspaper of general circulation in the County, not less than 15 days prior to the date of such public hearing.

SECTION 22. Reimbursement of Certain Expenditures. The County Council hereby declares that this Ordinance shall constitute its declaration of official intent pursuant to Treasury Regulation § 1.150-2 to reimburse the County from the proceeds of the Bonds and Notes for expenditures with respect to the Project (the "Expenditures"). The County anticipates incurring Expenditures with respect to the capital improvements prior to the issuance by the County of the Bonds and Notes for such purposes. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the Expenditures were paid, or (b) the date the Project was placed in service, but in no event more than three (3) years after the original Expenditures. The Expenditures are incurred solely to acquire, construct or rehabilitate property having a reasonably

expected economic life of at least one (1) year. The source of funds for the Expenditures with respect to the Project will be the County's general reserve funds or other legally-available funds.

SECTION 23. Tax Covenants. The County hereby covenants and agrees with the Holders of the Bonds and Notes that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the Bondholders or Noteholders for federal income tax purposes pursuant to the provisions of the Internal Revenue Code of 1986, as amended and regulations promulgated thereunder (the "IRC") in effect on the date of original issuance of the Bonds and Notes. The County further covenants and agrees with the holders of the Bonds that no use of the proceeds of the Bonds and Notes shall be made which, if such use had been reasonably expected on the date of issue of the Bonds and Notes would have caused the Bonds or Notes to be "arbitrage bonds," as defined in Section 148 of the IRC, and to that end the County hereby shall:

(a) comply with the applicable provisions of Sections 103 and 141 through 150 of the IRC and any regulations promulgated thereunder so long as the Bonds are outstanding;

(b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the IRC relating to required rebates of certain amounts to the United States; and

(c) make such reports of such information at the time and places required by the IRC.

SECTION 24. Miscellaneous. The County Council hereby authorizes any one or more of the following officials to execute such documents and instruments as necessary to effect the issuance of the Bonds: Chair of the County Council, County Administrator, Clerk to the County Council and County Attorney. The County Council hereby retains McNair Law Firm, P.A., as bond counsel and FirstSouthwest, as Financial Advisor in connection with the issuance of the Notes and the Bonds. The County Administrator is authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate these engagements.

All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Notes and 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 adoption.

[Signature Page to follow]

Enacted this ____ day of _____, 2015.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Chair, County Council

(SEAL)

ATTEST THIS ____ DAY OF
_____, 2015:

Clerk to Council

Date of First Reading: April 13, 2015
Date of Second Reading: April 27, 2015
Date of Public Hearing:
Date of Third Reading:

Signature Page to Ordinance

FORM OF NOTE

UNITED STATES OF AMERICA
 STATE OF SOUTH CAROLINA
 BEAUFORT COUNTY
 GENERAL OBLIGATION BOND ANTICIPATION NOTE
 SERIES _____

No. R-

<u>INTEREST</u>	<u>MATURITY</u>	<u>ORIGINAL</u>	
<u>RATE</u>	<u>DATE</u>	<u>ISSUE DATE</u>	<u>CUSIP</u>

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

KNOW ALL MEN BY THESE PRESENTS that Beaufort County, South Carolina (the "County") hereby acknowledges itself indebted, and for value received promises to pay to the registered owner hereof, the principal sum of _____ Dollars (\$_____) at the principal office of _____, in the City of _____, State of _____ on the ____ day of _____, 2015, and to pay interest (calculated on the basis of a 360-day year of twelve 30-day months) on said principal sum from the date hereof, at the rate of _____%, payable upon the maturity of this note. This note is not subject to prepayment prior to its maturity.

Both the principal of and interest on this note are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

This note represents a series of general obligation bond anticipation notes (the "Notes"), issued by the County, pursuant to the authorization of Title 11, Chapter 17, Code of Laws of South Carolina 1976, as amended, in anticipation of the receipt of the proceeds to be derived from the general obligation bonds of the County to be issued pursuant to and in accordance with the provisions of the Constitution and Laws of the State of South Carolina including Article X, Section 15 of the Constitution of the State of South Carolina, 1895, as amended; Title 11, Chapter 27, Code of Laws of South Carolina, 1976, as amended; Title 59, Chapter 71, Code of Laws of South Carolina, 1976, as amended; and an ordinance duly enacted by County Council on _____, 2015 (the "Ordinance"). The proceeds to be derived from the sale of bonds are irrevocably pledged for the payment of the principal of and interest on the Notes.

The Notes are being issued by means of a book-entry system with no physical distribution of certificates to be made except as provided in the Ordinance. One certificate registered in the name of the Securities Depository Nominee is being issued and is required to be deposited with the Securities Depository. The book-entry system will evidence positions held in the Notes by the Securities Depository's participants, beneficial ownership of the Notes in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such Participants. Transfers of ownership shall be

effected on the records of the Securities Depository on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its Participants.

Wells Fargo Bank, N.A., as Registrar/Paying Agent will recognize the Securities Depository Nominee, while the registered owner of the Notes, as the owner of the Notes for all purposes, including payments of principal of and redemption premium, if any, and interest on the Notes, notices and voting. Transfer of principal and interest payments to Participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal, redemption premium, if any, and interest payments to beneficial owners of the Notes by Participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The County and Registrar/Paying Agent will not be responsible or liable for such transfers of payment or for maintaining, supervision or reviewing the records maintained by the Securities Depository, the Securities Depository Nominee, its Participants or persons acting through such Participants. While the Securities Depository Nominee is the owner of the Notes, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on the Notes shall be made in accordance with existing arrangements between the Registrar/Paying Agent or its successors under the Resolution and the Securities Depository.

This note and the interest hereon are exempt from all State, county, municipal, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate and transfer taxes but the interest on this note may be included for certain franchise fees or taxes.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and Laws of the State of South Carolina to exist, to happen, or to be performed precedent to or in the issuance of this note, do exist, have happened, and have been performed in regular and due time, form and manner, and the amount of this note, and the issue of which this note is one, does not exceed any constitutional or statutory limitation.

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

BEAUFORT COUNTY, SOUTH CAROLINA

(SEAL)

Chair, County Council

ATTEST:

Interim Clerk to County Council

[FORM OF REGISTRAR/PAYING AGENT'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

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

[REGISTRAR/PAYING AGENT] as Registrar/Paying Agent

By: _____
Authorized Officer

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

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the
entireties

_____ Custodian _____
(Cust) (Minor)

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

under Uniform Gifts to Minors
Act _____
(state)

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

(FORM OF ASSIGNMENT)

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

(Name and Address of Transferee)

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

Dated: _____

Signature Guaranteed

(Authorized Officer)

Signature must be guaranteed by
a participant in the Securities Transfer
Agent Medallions Program (STAMP)

Notice: The signature to the assignment must correspond
with the name of the registered owner as it appears
upon the face of the within Note in every particular,
without alteration or enlargement or any change
whatever

FORM OF NOTICE OF SALE

NOTICE OF SALE

\$_____ GENERAL OBLIGATION BOND ANTICIPATION NOTES, SERIES _____
OF BEAUFORT COUNTY, SOUTH CAROLINA

Sealed, facsimile and electronic bids for the purchase of all but not part of the above notes (the "Notes") will be received by Beaufort County, South Carolina (the "County"), in the case of sealed and facsimile bids, at the offices of the County Administrator, 100 Ribaut Road, Beaufort, South Carolina, and in the case of electronic bids, via PARITY (as explained below) until _____ (Eastern Time) on _____, _____, 2015.

BID SUBMISSION: Sealed and facsimile bids must be submitted on bid forms furnished by the County. Sealed bids shall be enclosed in a sealed envelope marked on the outside "Proposal for the Purchase of the County of Beaufort County, South Carolina, \$_____ General Obligation Bond Anticipation Notes, Series _____." Bids submitted by facsimile should be preceded by a cover sheet addressed to the Superintendent and should be sent only once to (843) _____. Electronic proposals must be submitted through i-Deal's Parity Electronic Bid Submission System ("Parity"). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Parity may be obtained from i-Deal, 1359 Broadway, 2nd Floor, New York, New York 10018, Customer Support, telephone (212) 404-8102. The County, McNair Law Firm, P.A. and FirstSouthwest shall not be responsible for any failure, misdirection or error in the means of transmission selected by any bidder.

GOOD FAITH DEPOSIT: No good faith deposit will be required.

NOTE DETAILS: The Notes will be issued in book-entry form in the denomination of \$5,000 or any integral multiple thereof. The Notes will be dated as of _____, 2015, the expected date of delivery, and due on _____, 2015. Interest, calculated on the basis of a 360-day year of twelve 30-day months, will be payable at maturity on _____, 2016.

REDEMPTION PROVISIONS: The Notes are not subject to optional redemption prior to maturity.

RATINGS: Moody's and S&P ratings have been applied for.

INTEREST RATES: Bidders must specify the fixed rate of interest the Notes shall bear according to the following restrictions: (a) the interest rate may not exceed six percent (6%) and (b) the interest rate specified must be a multiple of 1/100th of one percent.

REGISTRAR/PAYING AGENT: Wells Fargo Bank, N.A., Atlanta, Georgia will serve as Registrar/Paying Agent (the "Registrar/Paying Agent") for the Notes.

BASIS OF AWARD: The Notes will be awarded to the responsive bidder whose bid results in the lowest NET INTEREST COST (the “NIC”) to the County. The NIC will be calculated as the total interest from _____, 2015 to _____, 2016, minus any premium. If two or more bids provide for the same lowest NIC, the County shall award the bid to the bidder whose bid is in the best interest of the County to be determined by the County in its sole discretion, and such determination shall be final. Any bid for less than par will be rejected. The County reserves the right to reject any and all bids and to waive informalities in any or all bids.

In order to calculate the yield on the Notes for federal tax law purposes and as a condition precedent to the award of the Notes, the successful bidder will be required to disclose to the County the price (or yield to maturity) at which the Notes will be reoffered to the public.

The Notes will be awarded or all bids will be rejected by no later than 2:00 P.M. (Eastern Time) on the day bids are opened, _____, 2015.

SECURITY: The full faith, credit and taxing power of the County and the proceeds derived from the sale of bonds are pledged to the payment of the principal of and interest on the Notes.

AUTHORIZATION: The Notes are being issued pursuant to Article X, Section 15 of the Constitution of the State of South Carolina, Title 11, Chapter 17, Code of Laws of South Carolina, 1976, as amended, and an Ordinance duly adopted by the County Council of the County on _____, 2015.

INTEREST AND PRINCIPAL PAYMENTS: Payment of principal of and interest on the Notes will be made directly by the Registrar/Paying Agent to Cede & Co., as the registered owner of the Notes and nominee for The Depository Trust Company (“DTC”), on _____, 2015, in immediately available funds.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Notes, but neither the failure to print such numbers on the Notes nor any error with respect thereto shall constitute cause for failure or refusal by the successful bidder to accept delivery of and pay for the Notes.

DELIVERY AND PAYMENT: Delivery of the properly executed Notes is expected to be made through DTC on or about _____, 2015. Payment for the Notes shall be made in immediately available funds.

OFFICIAL STATEMENT: The Preliminary Official Statement, dated _____, 2015, has been deemed final by the County for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) but is subject to revision, amendment and completion in a final Official Statement as provided in the Rule. Within seven (7) business days of the bid opening date, the County will deliver the final Official Statement to the successful bidder in sufficient quantity to comply with the Rule.

LEGAL OPINION AND CLOSING CERTIFICATES: The County will furnish upon delivery of the Notes: a Receipt for the Notes; a Signature and No-Litigation Certificate; a Rule 15c2-12 Certificate; a Federal Tax Certificate, and the approving opinion of McNair Law Firm, P.A., Columbia, South Carolina, as Bond Counsel, all without cost to the purchasers.

INFORMATION FROM PURCHASER: At or before delivery, the purchaser of the Notes shall provide a certificate to the County in a form acceptable to Bond Counsel stating the information necessary to enable the County to determine the issue price of the Notes as defined in Section 1273 or 1274 of the Internal Revenue Code of 1986, as amended.

ADDITIONAL INFORMATION: The Preliminary Official Statement, Official Notice of Sale and Official Bid Form of the County with respect to the Notes are available via the internet at <http://www.i-dealprospectus.com> and will be furnished to any person interested in bidding for the Notes upon request to Francenia B. Heizer, McNair Law Firm, P. A., Post Office Box 11390, Columbia, South Carolina 29211, attention: Francenia B. Heizer, Esquire, telephone (803) 799-9800, e-mail: fheizer@mcnair.net. The Preliminary Official Statement shall be reviewed by bidders prior to submitting a bid. Bidders may not rely on this Official Notice of Sale as to the complete information concerning the Notes. For additional information, please contact the County's Bond Counsel, Francenia B. Heizer, Esquire, McNair Law Firm, P. A., Post Office Box 11390, Columbia, South Carolina 29211, telephone (803) 799-9800, e-mail: fheizer@mcnair.net

_____, 2015

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of _____, 2015, is executed and delivered by Beaufort County, South Carolina (the “Issuer”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Notes (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Notes in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

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

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

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

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

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

“Series 2015 Notes” means the notes as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

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

“Disclosure Representative” means the Finance Director, or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

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

“Failure to File Event” means the Issuer’s failure to file an Annual Report on or before the Annual Filing Date.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

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

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

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

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Notes (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

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

“Trustee” means the institution, if any, identified as such in the document under which the Notes were issued.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a

Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than the next February 1 after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2015. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

“Principal and interest payment delinquencies;”

“Non-Payment related defaults, if material;”

“Unscheduled draws on debt service reserves reflecting financial difficulties;”

“Unscheduled draws on credit enhancements reflecting financial difficulties;”

“Substitution of credit or liquidity providers, or their failure to perform;”

“Adverse tax opinions, IRS notices or events affecting the tax status of the security;”

“Modifications to rights of securities holders, if material;”

“Bond calls, if material;”

“Defeasances;”

“Release, substitution, or sale of property securing repayment of the securities, if material;”

“Rating changes;”

“Tender offers;”

“Bankruptcy, insolvency, receivership or similar event of the obligated person;”

“Merger, consolidation, or acquisition of the obligated person, if material;” and

“Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”

- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure

as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. “amendment to continuing disclosure undertaking;”
2. “change in obligated person;”
3. “notice to investors pursuant to bond documents;”
4. “certain communications from the Internal Revenue Service;”
5. “secondary market purchases;”
6. “bid for auction rate or other securities;”
7. “capital or other financing plan;”
8. “litigation/enforcement action;”
9. “change of tender agent, remarketing agent, or other on-going party;”
10. “derivative or other similar transaction;” and
11. “other event-based disclosures;”

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”
2. “change in fiscal year/timing of annual disclosure;”
3. “change in accounting standard;”
4. “interim/additional financial information/operating data;”
5. “budget;”
6. “investment/debt/financial policy;”
7. “information provided to rating agency, credit/liquidity provider or other third party;”
8. “consultant reports;” and
9. “other financial/operating data.”

- (viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

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

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the information provided in the Official Statement as follows:

- (i) The financial statements of the Issuer for the preceding fiscal year prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board (or if not in conformity, to be accompanied by a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information). If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.
- (ii) Financial and operating data for the fiscal year then ended, to the extent such information is not included in the Issuer's audited financial statements filed pursuant to clause (1) above, which shall be generally consistent with the tabular information (or other information, as otherwise noted below) contained in the Official Statement under the following headings: "THE BONDS—Security;" "DEBT STRUCTURE—Outstanding Indebtedness;" and "CERTAIN FISCAL MATTERS—Assessed Value of Taxable Property in the County," "—Estimated True Value of All Taxable Property in the County," "—Tax Rates," "—Tax Collections for Last Five Years," and "—Ten Largest Taxpayers."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer, which have been submitted to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

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

Any annual financial information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Notes constitutes a Notice Event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Notes, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in

possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

- (xiii) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Notes and the 9-digit CUSIP numbers for the Notes as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

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

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

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

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

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

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

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

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder,

and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

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

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

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

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

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

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

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

By: _____
Name: _____
Title: _____

BEAUFORT COUNTY, SOUTH CAROLINA, as
Issuer

By: _____
Name: _____
Title: _____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer _____
Obligated Person(s) _____
Name of Bond Issue: _____
Date of Issuance: _____
Date of Official Statement _____

CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer: _____

Obligated Person: _____

Name(s) of Bond Issue(s): _____

Date(s) of Issuance: _____

Date(s) of Disclosure
Agreement: _____

CUSIP Number: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Notes as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure
Dissemination Agent, on behalf of the Issuer

cc:

EXHIBIT C-1
EVENT NOTICE COVER SHEET

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

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

Issuer's Six-Digit CUSIP Number:

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

Number of pages attached: _____

____ Description of Notice Events (Check One):

1. _____ "Principal and interest payment delinquencies;"
2. _____ "Non-Payment related defaults, if material;"
3. _____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. _____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. _____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. _____ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. _____ "Modifications to rights of securities holders, if material;"
8. _____ "Bond calls, if material;"
9. _____ "Defeasances;"
10. _____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. _____ "Rating changes;"
12. _____ "Tender offers;"
13. _____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. _____ "Merger, consolidation, or acquisition of the obligated person, if material;" and
15. _____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material."

____ Failure to provide annual financial information as required.

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

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the Issuer and DAC.

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

Issuer's Six-Digit CUSIP Number:

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

Number of pages attached: _____

_____ Description of Voluntary Event Disclosure (Check One):

1. _____ "amendment to continuing disclosure undertaking;"
2. _____ "change in obligated person;"
3. _____ "notice to investors pursuant to bond documents;"
4. _____ "certain communications from the Internal Revenue Service;"
5. _____ "secondary market purchases;"
6. _____ "bid for auction rate or other securities;"
7. _____ "capital or other financing plan;"
8. _____ "litigation/enforcement action;"
9. _____ "change of tender agent, remarketing agent, or other on-going party;"
10. _____ "derivative or other similar transaction;" and
11. _____ "other event-based disclosures."

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

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the Issuer and DAC.

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

Issuer's Six-Digit CUSIP Number:

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

Number of pages attached: ____

____ Description of Voluntary Financial Disclosure (Check One):

1. ____ "quarterly/monthly financial information;"
2. ____ "change in fiscal year/timing of annual disclosure;"
3. ____ "change in accounting standard;"
4. ____ "interim/additional financial information/operating data;"
5. ____ "budget;"
6. ____ "investment/debt/financial policy;"
7. ____ "information provided to rating agency, credit/liquidity provider or other third party;"
8. ____ "consultant reports;" and
9. ____ "other financial/operating data."

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

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Beaufort County, South Carolina (the "County"), in County Council Chambers located at 100 Ribaut Road, Beaufort, South Carolina, at 6:00 p.m. on _____, _____, 2015, or at such other location as proper notice on the main entrance to the said building might specify.

The purpose of the public hearing is to consider an ordinance (the "Ordinance") providing for the issuance and sale of not to exceed \$12,000,000 General Obligation Bonds (the "Bonds") and \$12,000,000 General Obligation Bond Anticipation Notes (the "Notes"), in one or more series; in one or more years, with appropriate series designations, of the County, the proceeds of the Notes will be used for: (i) funding the acquisition of a parcel of property known as Pepper Hall Plantation; and (ii) paying costs of issuance of the Notes; the proceeds of the Bonds will be used for retiring the Notes; (ii) paying costs of issuance of the Bonds; and (iii) such other lawful corporate and public purposes as the County Council shall determine.

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

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

/s/Chair, County Council, Beaufort County,
South Carolina