

COUNTY COUNCIL OF BEAUFORT COUNTY

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DEPUTY COUNTY ADMINISTRATOR

JOSHUA A. GRUBER
COUNTY ATTORNEY

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA FINANCE COMMITTEE

3:00 p.m.
Monday, December 10, 2012
Executive Conference Room
Administration Building

Committee Members:

Stu Rodman, Chairman
Rick Caporale, Vice Chairman
Steven Baer
Brian Flewelling
William McBride
Paul Sommerville
Jerry Stewart

Staff Support

David Starkey, Chief Financial Officer
Alicia Holland, Comptroller

1. CALL TO ORDER – 3:00 P.M.

2. CONSENT AGENDA

In lieu of a Public Facilities meeting and because of timing, items A and C are on the Finance agenda to facilitate the Council meeting December 10.

- A. \$559,074 Janitorial Contract Renewal with Carolina Cleaning ([backup](#))
- B. \$199,000 Photocopy Lease Renewal with Automated Business Services and Alford Leasing ([backup](#))
- C. \$127,800 2010 Demo Tiger Truck at from Tiger Corporation ([backup](#))

3. AUTHORIZING THE ISSUANCE AND SALE OF A TAX INCREMENT REFUNDING REVENUE BOND, SERIES 2013, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$6,000,000 FOR THE PURPOSE OF REFUNDING CERTAIN MATURITIES OF THE BLUFFTON AREA TAX INCREMENT BONDS ([backup](#))

4. UPDATE / STATE 2% ACCOMMODATIONS TAX MONIES ([backup](#))

5. ADJOURNMENT

Open and Priority Retreat Items

Transfer Station Analysis
Road Financing
Burton Wells Regional Park Financing
Sports Complex Economic Analysis
2% County COLA vs. 3% State COLA
Council Retreat Goals

2013 Budget Cycle

Business License Fees
2014 Millage Policy
Joint Use of School Facilities
Airport Business Plan





**COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT**

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

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

VIA: Gary Kubic, County Administrator *G Kubic*
Bryan Hill, Deputy County Administrator *B Hill*
David Starkey, Chief Financial Officer *D Starkey*
Mark Roseneau, Director of Public Facilities Management *DR*

FROM: Dave Thomas, CPPO, Purchasing Director *DT*

SUBJ: **Request to Renew the Janitorial Services Contract with Carolina Cleaning**

DATE: December 5, 2012

BACKGROUND: The Purchasing Department has received a request to renew the Janitorial Services contract with Carolina Cleaning from the Beaufort County's Public Facilities Director. In September 2010, the current contractor was awarded a one year contract with four one year renewals at the discretion of County Council. The contract term begins on November 1st and ends October 31st. As of October 31, 2012, there were three one year contract extensions remaining. The new contract term will begin November 1, 2012 and expire October 31, 2013, at which time two one year contract extensions will remain. The contract provides janitorial services for Beaufort County Facilities located both North and South of the Broad River (26 facilities in the North, 12 in the South). The scope of services requires the contractor to provide a complete and efficient janitorial service, including all reasonable and necessary labor, supervision, equipment, licenses, insurance, and supplies in order to keep the contracted areas clean and properly supplied.

VENDOR CONTRACT COST:

Cost

Carolina Cleaning, Bluffton, SC

\$559,074

The annual cost of the original contract was \$622,320. Effective November 1, 2011, the contractor agreed to an overall 10% reduction. There have been change orders to the contract as well. See the attached location and pricing information.

FUNDING:

The cost of this service is allocated across the following accounts:

General Fund

33020-51210 Public Facilities Cleaning Services

66316-51210 PALS Cleaning Services

63317-51210 PALS Cleaning Services

Non-General Fund

13580-51210 HHI Airport Cleaning Services

13570-51210 LI Airport Cleaning Services

RECOMMENDATION: The Finance Committee approve and recommend to County Council the contract renewal from the aforementioned vendor for a total amount of \$559,074.

Cc: Richard Dimont

att: Carolina Cleaning Contract Pricing/Location

Carolina Cleaning
Original Contract
10/1/2010

Location	Department	Address	Per Month Per Contract	Annual
North of Broad				
Booker T. Washington Center	PALS	187 Big Estates Circle Yemassee 29945	50.00	600.00
Dale Center	PALS	364 Keans Neck Road Dale 29940	336.00	4,032.00
			386.00	4,632.00
Administration Building	Various	100 Ribaut Road Beaufort 29902	4,122.00	49,464.00
Arthur Horne Building	GIS, Magistrate, MIS, Risk Mgmt	104 Ribaut Road Beaufort 29902	2,051.00	24,612.00
Beaufort Library	Library	311 Scott Street Beaufort 29902	1,972.00	23,664.00
BIV #1	Legal, ICE, Clemson, Deputy Administrator	102 Industrial Village Rd Bldg 1 Burton 29906	487.00	5,844.00
BIV #2	Finance, Purchasing	102 Industrial Village Rd Bldg 2 Burton 29906	487.00	5,844.00
BIV #3	Engineering	102 Industrial Village Rd Bldg 3 Burton 29906	637.00	7,644.00
BIV #4	Voter Registration	15 John Gaut Beaufort 29906	336.00	4,032.00
BIV #5	Records Management	113 Industrial Village Road Burton 29906	336.00	4,032.00
Burton Wells - PALS Admin/Gym	PALS	1 Middleton Recreation Drive Burton 29906	2,475.00	29,700.00
Burton Wells Senior Center	PALS	1 Middleton Recreation Drive Burton 29906	560.00	6,720.00
Central Garage	Public Works	120 Shanklin Road Burton 29906	50.00	600.00
Coroner's Office	Coroner	101 Shanklin Road Burton 29906	150.00	1,800.00
Courthouse	Various	102 Ribaut Road Beaufort 29902	4,599.00	55,188.00
EMS	EMS	2727 Depot Road Beaufort 29902	336.00	4,032.00
Facility Maintenance	Public Works	120 Shanklin Road Burton 29906	154.00	1,848.00
Fuel Manager's Office	Public Works	106 Shanklin Road Burton 29906	150.00	1,800.00
Grounds Maintenance	Public Works	120 Shanklin Road Burton 29906	154.00	1,848.00
Human Services Building	Various	1905 Duke Street Beaufort 29902	3,948.00	47,376.00
Lobeco Library	Library	1862 Trask Parkway Lobeco 29931	336.00	4,032.00
Mosquito Control	Mosquito Control	84 Shanklin Road Burton 29906	336.00	4,032.00
Public Works Main	Public Works	120 Shanklin Road Burton 29906	1,155.00	13,860.00
Sheldon Magistrate	Magistrate	1860 Trask Parkway Lobeco 29931	150.00	1,800.00
Sheriff's Annex	Sheriff's Office	Depot Road	336.00	4,032.00
Sheriff's Gym	Sheriff's Office	Depot Road	75.00	900.00
Storm Water Building	Public Works	120 Shanklin Road Burton 29906	336.00	4,032.00
Recyclables Pickup	Various	100 Ribaut Road Beaufort 29902	200.00	2,400.00
Day Porter Service	All Buildings	North of Broad	2,583.00	31,021.00
Subtotal Without daytime personnel North of Broad River (3-32)			28,513.00	342,156.00
South of Broad				
Bluffton Gym	PALS	59-C Ulmer Road Bluffton 29910	1,404.00	16,848.00
Bluffton Recreation Center/Senior Center	PALS	618 Ulmer Road Bluffton 29910	336.00	4,032.00
Buckwalter Rec. Center	PALS	905 Buckwalter Pkwy Bluffton 29910	2,023.00	24,276.00
Green Shell Park	PALS	59 Squire Pope Road HHI 29928	150.00	1,800.00
			3,913.00	46,956.00
Bluffton Library	Library	120 Palmetto Way Bluffton 29910	2,041.00	24,492.00
Hilton Head Admin Bldg	Administration	539 William Hilton Pkwy 29921	854.00	10,248.00

Carolina Cleaning
Original Contract
10/1/2010

Location	Department	Address	Per Month Per Contract	Annual
Hilton Head Library	Library	11 Beach City Road HHI 29926	2,190.00	26,280.00
Myrtle Park	Administration	4819 Bluffton Parkway 29910	2,678.00	32,136.00
Public Works South	Public Works	104 Simmonsville Road Bluffton 29910	336.00	4,032.00
Sheriff's Office HHI	Sheriff's Office	7 Lagoon Road HHI 29928	1,903.00	22,836.00
Recyclables Pickup			200.00	2,400.00
Day Worker Service	All Buildings	South of Broad	12,535.00	150,420.00
Subtotal Without daytime personnel South of Broad River (37-50)			12,535.00	150,420.00
TOTAL MONTHLY SERVICE			45,347.00	544,164.00
SUBTOTAL				544,164.00
ANNUAL CONTRACT EXCLUDES LI & HHI AIRPORT				
Lady's Island Airport	Airport	39 Airport Circle Lady's Island 29907	575.00	6,900.00
Hilton Head Airport Terminal	Airport	120 Beach City Road Hilton Head 29921	5,638.00	70,056.00
Hilton Head Airport Tower	Airport	120 Beach City Road Hilton Head 29921	100.00	1,200.00
Airports Total Monthly Invoicing			6,513.00	78,156.00
			Monthly Total	Annual Total
HH Airport			5,938.00	71,256.00
LI Airport			575.00	6,900.00
North of Broad			28,513.00	342,156.00
South of Broad			12,535.00	150,420.00
PALS - NOB			386.00	4,632.00
PALS - SOB			3,913.00	46,956.00
GRAND TOTAL - ORIGINAL CONTRACT DATED 11/1/2010			\$ 51,860.00	\$ 622,320.00
Change Orders				
SWAT Offices (CO#1 - 4/1/2011)	Sheriff's Office	1021 Okatie Hwy, Okatie, 29909	360.00	4,320.00
Tire Baler Building (CO#2 - 11/1/2011)	Public Works	120 Shanklin Road Burton 29906	225.00	2,700.00
Sheriff's Office (HHI - new location) (CO#3 - 9/1/2012)	Sheriff's Office		2,332.00	27,984.00
Sheriff's Lab (CO#4 - 9/1/2012)	Sheriff's Office		360.00	4,320.00
Booker T. Washington Center - removed/DSN	PALS	162 Big Estates Circle Yemassee 2994	(50.00)	(600.00)
Dale Center - removed/DSN	PALS	364 Keans Neck Road Dale 29940	(336.00)	(4,032.00)
Recyclables Pickup - NOB - removed/terminated	Various	100 Rubaut Road Beaufort 29902	(200.00)	(2,400.00)
Recyclables Pickup - SOB - removed/terminated			(200.00)	(2,400.00)
Green Shell Park - removed/terminated	PALS	99 Squire Pope Road HHI 29928	(150.00)	(1,800.00)
Burton Wells Senior Center - removed/DSN	PALS	1 Middleton Recreation Drive Burton 29906	(560.00)	(6,720.00)
Bluffton Recreation Center/Senior Center - removed/DSN	PALS	618 Ulmer Road Bluffton 29910	(336.00)	(4,032.00)
Sheriff's Office HHI - removed/replaced with new Sheriff's Office	Sheriff's Office	7 Lagoon Road HHI 29928	(1,903.00)	(22,836.00)
10% reduction - effective 11/1/2011			(4,812.50)	(57,750.00)
GRAND TOTAL - CONTRACT RENEWED 11/1/2012			\$ 46,589.50	\$ 559,074.00
ST. HELENA LIBRARY (MONTH TO MONTH)			\$ 3,226.00	\$ 38,736.00
			\$ 49,815.50	\$ 597,810.00



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Phone: (843) 255-2353 Fax: (843) 255-9437

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

VIA: Gary Kubic, County Administrator *GK/kh*
Bryan Hill, Deputy County Administrator *BH*
David Starkey, Chief Financial Officer *DS*
Dan Morgan, MIS Director *DM*

FROM: Dave Thomas, CPPO, Purchasing Director *DT*

SUBJ: Request to Renew Photocopier Lease Contract with Automated Business Services and Alford Leasing

DATE: December 4, 2012

BACKGROUND: The Purchasing Department received a request to renew the photocopier lease/cost per copy contract with Alford Leasing and Automated Business Services from the Beaufort County's MIS Director. The original contract was awarded an initial three year contract in December of 2009 and has two one year extensions remaining. The new contract term will begin December 1, 2012 and expire November 30, 2013. A photocopier survey was sent to all current photocopy users to review issues as well as how well the program is working. After staff review of the positive survey results, the recommendation is to renew the contract for one year based on low cost, excellent customer service, and value added services provided by the contractor. The current contract covers maintenance and toner for 97 photocopiers in service throughout the County.

VENDOR CONTRACT COST:

	<u>Cost</u>	<u>Description</u>
1. Alford Leasing	\$136,000	Equipment Leasing
2. Automated Business Services, Savannah, GA	\$ 63,000	Cost per copy, .008 cents

Total estimated cost of contract for the new contract is \$199,000. Last year's contract total was \$190,026.

FUNDING:

The lease is paid by various department accounts (51140-Equipment Rental, 52360-Copies/Supplies).

RECOMMENDATION: The Purchasing Department recommends that the Finance Committee approve, and recommend to County Council, the contract renewals from the aforementioned vendors for a total amount of \$199,000.

cc: Richard Dimont



**COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT**

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

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

VIA: Gary Kubic, County Administrator *GKubic*
Bryan Hill, Deputy County Administrator *BHill*
David Starkey, Chief Financial Officer *DS*
Rob McFee, Director of Engineering and Infrastructure *JRMcFee*
Eddie Bellamy, Public Works Director *ECB*

FROM: Dave Thomas, CPPO, Purchasing Director *DT*

SUBJ: Request to Purchase One (1) 2010 Demo Tiger Truckat from a Sole Source Vendor for Beaufort County's Public Works Department

DATE: December 5, 2012

BACKGROUND: The Purchasing Department has received a request on December 4, 2012 from the Public Works Department requesting to purchase a 2010 Demo Tiger Truckat from Tiger Corporation, a sole source vendor. This is a replacement for a 2005 GMC Truckat, which was damaged beyond repair when it caught fire while parked at Public Works. The cost to replace a new model is estimated to cost \$165,000. The 2010 Demo consists of a Bengal series mower mounted on a Ford F550 4WD chassis. The Demo currently has approximately 18K miles and 80 hours of operation. The model is on sale at a discounted rate for \$127,500. The total cost including delivery and taxes is \$127,800.

SOLE SOURCE VENDOR:

	<u>Cost</u>	<u>Project</u>
Tiger Corporation	\$127,800	Specialized Vehicle Replacement

FUNDING AND COST BREAKDOWN:

Vehicle Replacement, Account # 33301-54200, Specialized Capital Equipment. Insurance will reimburse \$69,603 for the GMC Truckat that burnt. The remaining balance of \$58,197 will be charged to account 33301-54200.

RECOMMENDATION: The Purchasing Department recommends that the Finance Committee approve and recommend to County Council, the purchase from the aforementioned vendor for a total amount of \$127,800.

cc: Richard Dimont
att: Picture of Truckat Model

Dave Thomas

Tiger™ ROTARY AND FLAIL **TruckKat**™



INNOVATIONS ON THE MOVE

The Tiger TruckKat Boom Mower can be purchased as a turnkey unit with the Ford F550 FWD chassis, or as a truck bed mount designed for 36,000 GVW trucks with Dual steering like the Freightliner M2 series or the International Load Star.



DURABILITY INNOVATION

COMMITMENT

Tiger Features

Productivity. Performance. Power.

With the power of the Tiger TruckKat you can get to the job site and back in record time. The versatility of this innovative machine allows you to mow roadside areas, trim low hanging branches, remove silt from ditches and move snow with ease.

Then once you've finished the job you can drive the TruckKat on the highway at the same speed as the traffic flow - increasing safety, cutting down on drive time and improving overall productivity. Experience the power of the all-season Tiger TruckKat.

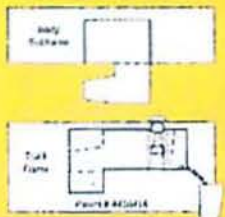


**OPTIONAL
OVERHEAD
RIGHT SIDE
VIEWING
WINDOW**



KYBATO Quick Change[®]

The Quick Change for Truck Bodies



Simply set body on, slide forward, insert wedge, and secure rubber latch.



Remove the Tiger TruckKat in minutes with the use of the patented Kybato Quick Change system. The quick disconnect system allows the truck to be used for other applications throughout the year.

TRUCKAT		SAFETY FEATURES	ACCESSORIES	
Engine Make/Model	Cummins 4B3.3TAA	<ul style="list-style-type: none">• Master ON/OFF Switch• Operator Presence Switches on Right Side Door• Mower Safety Start Switch• Brush Guard Extending Over Cab• Operator Protective Screen Covers Right Hand Door• Manual Emergency Over-ride		
Power Rating	85 HP @ 2600 RPM			
Engine Type	4 Cyl. Turbo Diesel			
Throttle Control	Electronic Adjustable			
Hydraulic System	45 GPM @ 3,250 PSI			
Safety Stop	7 Second Shut Down			
Truck Bed	Quick Removable			
Cutter Reach Up	19' 10"			
Cutter Reach Out	21'			
Cutter Reach Down	17' 5"			
Cutter Head	50" or 60" Rotary 50" or 63" Trail			
Transport Width	8' 6"			
Controls	Electronic Joystick			

BOOM SWEEPER

**HERBICIDE
SPRAYER**

SAW BLADE

**FIRE
SUPPRESSION**

SNOW BLOWER

Tiger Corporation
3301 North Louise Ave.
Sioux Falls, SD, USA 57107
800.843.6849
www.tigermowers.com



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ORDINANCE NO. 2013/____

AUTHORIZING THE ISSUANCE AND SALE OF A TAX INCREMENT REFUNDING REVENUE BOND, SERIES 2013, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF BEAUFORT COUNTY, SOUTH CAROLINA, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$6,000,000 FOR THE PURPOSE OF REFUNDING CERTAIN MATURTIES OF THE BLUFFTON AREA TAX INCREMENT BONDS; FIXING THE FORM AND DETAILS OF THE BOND; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS LAWFULLY-AUTHORIZED DESIGNEE TO DETERMINE CERTAIN MATTERS RELATING TO THE BOND; PROVIDING FOR THE PAYMENT OF THE BOND AND THE DISPOSITION OF THE PROCEEDS THEREOF; AUTHORIZING THE REDEMPTION OR DEFEASANCE OF CERTAIN MATURITIES OF OUTSTANDING BLUFFTON AREA TAX INCREMENT REVEUNE BONDS; AND OTHER MATTERS RELATING THERETO.

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

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

(a) the County is a body politic and corporate, a county and a political subdivision of the State of South Carolina (the "State"), and as such possesses all powers granted to counties by the Constitution and general laws o the State.

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

(c) Title 31, Chapter 7 of the SC Code (the "TIF Act"), authorizes counties of the State to finance Redevelopment Projects (as defined in the TIF Act) through the issuance of bonds payable from that portion of the ad valorem taxes levied on real property located in a redevelopment project area (as defined in the TIF Act) attributable to the increase in assessed valuation of such real property above the assessed value of such property determined at the time of the establishment of the redevelopment project area.

(d) Title 6, Chapter 1, Article 9 of the SC Code (the "Impact Fee Act"), authorizes counties of the State to impose development impact fees as a condition of the approval by a county of a development in order to pay a proportionate share of the cost of system improvements needed to serve the people utilizing the improvements.

(e) Article X, Section 12 of the Constitution of the State prohibits the enactment of laws permitting the incurring of bonded indebtedness by any county for any service or facility benefitting only a particular geographical section of the county unless a special assessment, tax or service charge in an amount designed to provide debt service on bonded indebtedness or revenue bonds incurred for such purposes shall be imposed upon the area or persons receiving the benefit therefrom.

(f) Pursuant to Ordinance No. 99/38 duly enacted by County Council on December 13, 1999, as amended by Ordinance No. 2000/21 duly enacted by County Council on April 24, 2000 (together, the Redevelopment Ordinance) adopted and approved a redevelopment plan for the redevelopment of the

“Bluffton Surface Transportation System for the East-West Highway Corridor District” and established the “Bluffton Redevelopment Project Area” (the “Project Area”).

(g) Pursuant to Ordinances duly enacted by County Council adopted in 1999 (Nos. 99/126, 99/27, 99/31, 99/32, 99/33), County Council has authorized the imposition of development impact fees (the “Impact Fees”) on developments in the Project Area.

(h) Pursuant to Ordinance No. 2003/8 duly enacted by County Council on March 24, 2003 (the “Bond Ordinance”), the County issued its Bluffton Area Redevelopment Project Tax Increment Revenue Bonds (Bluffton Area Projects), Series 2003 (the “2003 TIF Bonds”), the proceeds of which were used for the purposes of funding Redevelopment Projects (as defined in the Bond Ordinance).

(i) The 2003 TIF Bonds are currently outstanding in the amount of \$21,875,000 and are prepayable at the option of the County in whole or in part on or after February 1, 2013 without premium.

(j) The County attends from legally available funds to redeem a portion of the February 1, 2023, maturity and the February 1, 2028 maturity of the 2003 TIF Bond.

(k) Based on current market conditions and projected savings, County Council finds that it is in the best interest of the County to refund the February 1, 2014 maturity, the February 1, 2015, and the remaining of the February 1, 2023, maturity outstanding in the principal amount of \$6,840,000 because a savings can be effected through the refunding thereof.

(l) Pursuant to Section 31-6-40, Code of Laws of South Carolina 1976 as amended, the Council is authorized to issue the bond (hereinafter defined) for the purpose of refunding a portion of the 2003 TIF Bonds.

(m) It is now in the best interest of the County for the Council to provide for the issuance and sale of a not to exceed \$6,000,000 aggregate principal amount tax increment refunding revenue bond of the County to provide funds for the purposes of (i) refunding a portion of the 2003 TIF Bonds; and (ii) paying costs of issuance of the bond.

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

SECTION 2. Authorization and Details of the Bonds. Pursuant to the aforesaid provisions of the laws of the State of South Carolina, there is hereby authorized to be issued a not to exceed \$6,000,000 tax increment refunding revenue bond of the County (the “Bond”) for the purposes listed in Section 1(h) above.

The Bond shall be issued as a fully-registered bond in the name of the purchaser thereof; shall be dated as of its date of delivery; shall be in the principal amount of the Bond; shall be numbered R-1; shall bear interest at a rate to be determined at the time of sale; and shall mature in successive annual installments of principal and interest on such dates and in such amounts as agreed to by the Bank and the County Administrator.

Both the principal of and interest on the Bond 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. The County shall serve as the registrar and paying agent for the Bond.

SECTION 3. Delegation of Authority. The Council hereby delegates to the County Administrator the authority to determine (a) the principal payment amounts of the Bond and when they are paid; (b) the interest payment date of the Bond; and (c) redemption provisions, if any, for the Bond.

The Council hereby delegates to the County Administrator the authority to receive bids on behalf of the Council and the authority to award the sale of the Bond to the lowest bidder therefor, provided the net interest cost does not exceed 3%.

SECTION 4. Execution~~Error! Bookmark not defined.~~ of Bond. The Bond shall be executed in the name of the County with the manual or facsimile signature of the Chair of County Council attested by the manual or facsimile signature of the Clerk to County Council under the seal of the County impressed, imprinted or reproduced thereon. The Bond shall bear a certificate of registration authentication executed with the manual or facsimile of the Clerk to County Council

SECTION 5. Form of Bond. The form of the Bond shall be substantially as that set forth in Exhibit A hereto attached and incorporated herein by reference.

SECTION 6. Security for the Bond. The principal of and interest on the Bond shall be payable from and secured by a pledge of the Tax Revenue and the required amount of Impact Fees in and to be deposited in the Debt Service Fund (hereinafter defined) established herein. Such amounts are hereby irrevocably pledged for the payment of the principal and interest on the Bond.

The Bond, and the interest thereon, are special obligations of the County payable solely from the funds pledged therefor. The full faith, credit, and taxing powers of the County are not pledged for the payment of the Bond and the interest thereon.

SECTION 7. Creation of Special Tax Allocation Fund; Deposits Therein. (a) There is hereby created a special fund of the County to be designated as "Beaufort County - Special Tax Allocation Fund" (the "Special Tax Allocation Fund").

The Special Tax Allocation Fund shall contain accounts and sub-accounts as may be established by County Council.

All of the taxes ("Tax Revenues") which are attributable to the increase in the current equalized assessed valuation of all taxable real property in the Project Area over and above the total initial equalized assessed value of taxable real property in the Project Area must be allocated to and, when collected, must be deposited by the County Treasurer into the Special Tax Allocation Fund for the purpose of paying the principal of and interest on the Bond.

SECTION 8. Establishment of the TIF Debt Service Fund; Deposits Therein. There is hereby established a special fund of the County to be designated the TIF Debt Service Fund (the "Debt Service Fund") which shall be maintained on behalf of the County to be used to pay the principal of and debt service on the Bond.

At least five (5) days prior to the date of the upcoming payment to be made on the Bond, the County shall deposit into the Debt Serve Fund the applicable Tax Revenues and Impact Fees sufficient to make such debt service payment on the Bond.

SECTION 9. Dissolution of Special Tax Allocation Fund. Upon the payment of the Bond and the distribution of any surplus moneys pursuant to the Act, the County shall enact an ordinance dissolving the Special Tax Allocation Fund for the Project Area and terminating the designation of the

Project Area as a “redevelopment project” for purposes of the Act. Thereafter, the rates of the Taxing Districts must be extended and taxes levied, collected and distributed in the manner applicable in the absence of the adoption of the Redevelopment Plan and the issuance of the Bond under the Act.

SECTION 10. Investment Income. All investment income or interest earnings on the TIF Debt Service Fund shall be applied as a credit against the next payment due on the Bond. The Town shall account for all amounts earned on each of the Special Tax Allocation Fund and Debt Service Fund.

SECTION 11. Defeasance. The obligations of the County herein made or provided for, shall be fully discharged and satisfied as to the Bond, and shall no longer be deemed to be outstanding hereunder when:

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

(b) payment of the principal of and interest on such Bond 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. At such time as the Bond shall no longer be deemed to be outstanding hereunder, such Bond 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; and
- (b) non-callable, U. S. Treasury Securities - State and Local Government Series (“SLGS”).

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

SECTION 13. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bond necessary to refund the 2003 TIF Bonds shall be deposited with Wells Fargo Bank, N.A., the Registrar/Paying Agent for the 2003 TIF Bonds to be used to redeem the 2003 TIF Bonds on February 1, 2013. The remaining proceeds shall be deposited with the County Treasurer in a special fund and shall be applied solely to the purposes for which the Bonds have been issued, including payment of costs of issuance of the Bonds.

SECTION 14. Tax Covenants. The County hereby covenants and agrees with the holders of the Bonds that no use of the proceeds of the Bond shall be made which, if such use had been reasonably

expected on the date of issue of the Bond would have caused the Bond to be an “arbitrage bond,” as defined in Section 148 of the Internal Revenue Code of 1986 (the “Code”), and to that end the County hereby shall:

- (a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as the Bond is outstanding;
- (b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States;
- (c) make such reports of such information at the time and places required by the Code; and
- (d) 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 for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Bond.

SECTION 15. Miscellaneous. The County Council hereby authorizes the County Administrator, Chair of the County Council, the Clerk to the County Council and County Attorney to execute such documents and instruments as necessary to effect the issuance of the Bond. The County Council hereby retains McNair Law Firm, P.A., as bond counsel and First SouthWest, as financial advisor in connection with the issuance of the Bond. The County Administrator is further authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate these engagements.

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

Enacted this ____ day of January, 2013.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair, County Council

(SEAL)

ATTEST:

Clerk to County Council

First Reading: December 10, 2012 (tentative)
Second Reading:
Public Hearing:
Third and Final Reading:

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
BEAUFORT COUNTY
TAX INCREMENT REFUNDING REVENUE BOND
SERIES 2013

KNOW ALL MEN BY THESE PRESENTS, that the County of Conway, South Carolina (the "County"), is justly indebted and, for value received, hereby promises to pay _____ in _____ (the "Bank"), its successors and assigns, the principal sum of _____ Dollars (\$ _____) by the Bank. Interest shall accrue from the date of such payment at the rate of _____% per annum. Annual payments of principal and interest will be due on such dates and in such amounts as shown on Exhibit A attached hereto and incorporated herein by reference with a final maturity on _____.

The principal and any accrued but unpaid interest on this Bond may be prepaid prior to the stated maturity hereof in whole or in part at any time without penalty or premium.

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

This Bond is issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Title 31, Chapter 7, Code of Laws of South Carolina, 1976, as amended and as such may be further amended (the "Act"), Article X, Section 12, of the Constitution of the State of South Carolina, 1895, as amended;

This Bond and the interest thereon are special obligations of the County payable solely from, and secured equally and ratably by a pledge of the funds in and to be deposited in a Special Tax Allocation Fund created pursuant to the Act. THE FULL FAITH, CREDIT AND TAXING POWERS OF THE COUNTY ARE NOT PLEDGED FOR THE PAYMENT OF THIS BOND AND THE INTEREST HEREON.

The Ordinance contains provisions defining terms; sets forth the moneys, funds and revenues pledged for the payment of the principal of and interest on this Bond; sets forth the nature, extent and manner of enforcement of the security of this Bond and of such pledge, and the rights and remedies of the holder hereof with respect thereto; sets forth the terms and conditions upon which this Bond is issued and upon which other bonds may be hereinafter issued payable as to principal, premium, if any, and interest on a parity with this Bond and equally and ratably secured herewith; sets forth the rights, duties and obligations of the County thereunder; and sets forth the terms and conditions upon which the pledge made in the Ordinance for the security of this Bond and upon which the covenants, agreements and other obligations of the County made therein may be discharged at or prior to the maturity or prepayment of this Bond with provision for the payment thereof in the manner set forth in the Ordinance. Reference is hereby made to the Ordinance, to all of the provisions of which any holder of this Bond by the acceptance hereof thereby assents. The provisions of the Act and the Ordinance shall be a contract with the holder of this Bond.

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

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to or in the issuance of this Bond exist, have happened and have been performed in regular and due time, form and manner as required by law; and that provision has been made for the payment of the principal of and interest on this Bond as provided in the Bond Ordinance.

IN WITNESS WHEREOF, BEAUFORT COUNTY, SOUTH CAROLINA, has caused this Bond to be signed with the manual or facsimile signature of the Chair of the County Council, attested by the signature of the Clerk to County Council, and the seal of the County impressed, imprinted or reproduced hereon, this ____ day of January, 2013.

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____
Chair, County Council

(SEAL)

ATTEST:

By: _____
Clerk to County Council

FORM OF REGISTRATION

This Bond has been registered in the name of _____ in _____, on the registration books kept by the Clerk to County Council, Beaufort County, South Carolina.

Dated this ____ day of _____, 2013.

Clerk, County of Conway, South Carolina

Beaufort County
State Accomodations Tax
September 30, 2012 - Unaudited

Description	State A-Tax
Beginning Fund Balance	595,073
Revenues	
State Accomodations Tax Fund Revenues	478,273
Expenditures	
Subsidies to Others	
Direct Subsidies	
Art League of Hilton Head	(2,000)
Arts Center of Coastal Carolina	(9,000)
Arts Council of Beaufort County	(20,000)
Beaufort Art Association	(1,400)
Beaufort County Black Chamber of Commerce	(60,000)
Beaufort County Historical Society	(5,000)
Beaufort Film Festival	(15,000)
Beaufort Regional Chamber of Commerce	(95,000)
Bluffton Historical Preservation Society	(20,000)
Bluffton Self Help	(1,000)
Coastal Discovery Museum	(20,000)
Community Foundation of the Lowcountry	(12,000)
Daufuskie Island Foundation	(2,000)
Exchange Club of Beaufort	(1,500)
Experience Green	(2,500)
Hilton Head Choral Society	(2,000)
Hilton Head Island-Bluffton Chamber of Commerce	(33,500)
Hilton Head Island Concours D'Elegance	(12,000)
Hilton Head Symphony Orchestra	(4,000)
Historic Beaufort Foundation	(3,200)
Historic Bluffton Arts and Seafood Festival	(5,000)
Independence Fund	(28,900)
Keep Beaufort County Beautiful	(2,800)
Lowcountry Golf Course Owners Association	(18,000)
Lowcountry Resort and Tourism	(25,500)
Main Street Beaufort USA	(20,000)
Main Street Youth Theater	(1,500)
Mitchelville Preservation Project	(10,000)
The Original Gullah Festival of S.C.	(17,500)
Penn Center	(16,000)
South Carolina Repertory Company	(2,500)
The Sandbox	(4,700)
The Society of Bluffton Artists	(1,000)
Yemassee Revitalization Corporation	(2,500)
HHI - Bluffton Chamber of Commerce	
Hilton Head Island-Bluffton Chamber of Commerce	(67,991)
Beaufort Chamber of Commerce	
Beaufort Regional Chamber of Commerce	(67,991)
	(612,982)

Other Financial Uses

Transfers to County General Fund	
Transfers to General Fund	(47,664)
Total Revenues	478,273
Total Expenditures	(660,646)
Net Revenues (Expenditures)	(182,373)
Ending Fund Balance	412,700

Vendor Totals for FY 2012

Beaufort County	(47,664)
Art League of Hilton Head	(2,000)
Arts Center of Coastal Carolina	(9,000)
Arts Council of Beaufort County	(20,000)
Beaufort Art Association	(1,400)
Beaufort County Black Chamber of Commerce	(60,000)
Beaufort County Historical Society	(5,000)
Beaufort Film Festival	(15,000)
Beaufort Regional Chamber of Commerce	(162,991)
Bluffton Historical Preservation Society	(20,000)
Bluffton Self Help	(1,000)
Coastal Discovery Museum	(20,000)
Community Foundation of the Lowcountry	(12,000)
Daufuskie Island Foundation	(2,000)
Exchange Club of Beaufort	(1,500)
Experience Green	(2,500)
Hilton Head Choral Society	(2,000)
Hilton Head Island-Bluffton Chamber of Commerce	(101,491)
Hilton Head Island Concours D'Elegance	(12,000)
Hilton Head Symphony Orchestra	(4,000)
Historic Beaufort Foundation	(3,200)
Historic Bluffton Arts and Seafood Festival	(5,000)
Independence Fund	(28,900)
Keep Beaufort County Beautiful	(2,800)
Lowcountry Golf Course Owners Association	(18,000)
Lowcountry Resort and Tourism	(25,500)
Main Street Beaufort USA	(20,000)
Main Street Youth Theater	(1,500)
Mitchelville Preservation Project	(10,000)
The Original Gullah Festival of S.C.	(17,500)
Penn Center	(16,000)
South Carolina Repertory Company	(2,500)
The Sandbox	(4,700)
The Society of Bluffton Artists	(1,000)
Yemassee Revitalization Corporation	(2,500)
	(660,646)