

# COUNTY COUNCIL OF BEAUFORT COUNTY

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STEWART H. RODMAN  
VICE CHAIRMAN

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Stu Rodman  
Jerry Stewart

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COUNTY ADMINISTRATOR

BRYAN J. HILL  
DEPUTY COUNTY ADMINISTRATOR

JOSHUA A. GRUBER  
COUNTY ATTORNEY

SUZANNE M. RAINEY  
CLERK TO COUNCIL

## AGENDA FINANCE COMMITTEE

Tuesday, May 27, 2014

2:00 p.m.

Large Meeting Room, Bluffton Branch Library  
120 Palmetto Way, Bluffton

### Staff Support

Alicia Holland, Chief Financial Officer

1. CALL TO ORDER – 2:00 P.M.
2. REQUEST TO PURCHASE ENTERPRISE STORAGE AREA NETWORK (SAN) FROM A STATE CONTRACT VENDOR FOR THE BEAUFORT COUNTY MIS DEPARTMENT ([backup](#))
3. LIFEGUARDS AT HUNTING ISLAND / REQUEST FOR LOCAL (3%) ACCOMMODATIONS TAX FUNDS ([backup](#))
4. FURTHER DISCUSSION / BOARD OF EDUCATION BUDGET
5. FURTHER ANALYSIS / SHERIFF'S BUDGET ALLOCATION
6. FURTHER DISCUSSION
  - A. Solicitor's Budget
  - B. Library Funding
7. IF TIME ALLOWS, GENERAL DISCUSSION REGARDING THE BUDGET PROCESS (SEQUENCE OF PRESENTATIONS, START DATE, FORMATS, ETC.)
8. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENT
  - A. Accommodations Tax Board
9. ADJOURNMENT

### 2014 Strategic Plan: Committee Assignments

Budget Document/Process and Financial Reporting: Revision  
Debt Reserve Policy (*Goal Accomplished April 2014*)  
General Fund Balance Policy (*Goal Accomplished April 2014*)  
Mitchelville Historic Site Development: Funding





**COUNTY COUNCIL OF BEAUFORT COUNTY  
PURCHASING DEPARTMENT**

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

TO: Councilman Rick Caporale, Chairman, Finance Committee

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

SUBJ: Request to Purchase Enterprise Storage Area Network (SAN) from a State Contract Vendor for the Beaufort County MIS Department

DATE: May 27, 2014

**BACKGROUND:** The Purchasing Department received a request from the MIS Department to purchase a new Storage Area Network (SAN). The existing Beaufort County SAN is over 8 years old and can no longer provide the required storage space, performance, and reliability. Beaufort County MIS Department would like to purchase a redundant configuration of a 10Gb iSCSI SAN to replace the existing SAN.

**STATE CONTRACT VENDOR INFORMATION:**

**COST**

Encore Technology, Greenville, SC

\$ 322,093 (includes sales tax)

**FUNDING:** Account # 10001150-54200, MIS, Specialized Capital Equipment, Available Budget: \$337,000  
Prior year cost: N/A

**FOR ACTION:** Finance Committee meeting on May 27, 2014.

**RECOMMENDATION:** The Purchasing Department recommends that the Finance Committee approve and recommend to County Council the contract award of \$322,093 for a new Storage Area Network (SAN) from the aforementioned vendor in support of County operations.

CC: Gary Kubic, County Administrator *GKubic*  
Bryan Hill, Deputy Administrator *BHill*  
Alicia Holland, Chief Financial Officer *AH*  
Dan Morgan, MIS Director *DM*

Att: Pricing Information, SC State Contract # 4400006455



810 Dutch Square Blvd

Columbia, SC 29210

803-807-2729

## QUOTATION

DATE: 5/19/2014

TO: Beaufort County Government

QUOTED BY: Tony Gallman

ATTN: Andrew Dalkos

QUOTE #:BCG051914AA Enterprise SAN Storage 4 hr support 10GB Modules w/ 10GB Switches

Item #	Mfg. Part#	Description	Qty.	Unit Price	Total Price
<b>Primary Site SAN 4 hr support</b>					
1	CS240G-X2	24TB Raw, 16-33TB Usable, 1.2TB Flash Cache, 2x10GigE + 2x10GigE, High Perf Ctlr	1	44,333.00	\$44,333.00
2	ES1-H65	45TB Raw, 34-68TB Usable, 600GB Flash Cache, Hyb Exp Shelf, 2x1M Qual SAS cable	1	27,444.44	\$27,444.44
3	SP-PCORD-US	US Power Cord	2	No Charge	No Charge
4	SP-KIT-CS240	Spares kit for CS240; Ctlr, Power Supply HDD, SSC	1	8,233.00	\$8,233.00
5	SP-PCORD-US	US Power Cord	2	No Charge	No Charge
6	SLA-ES1-H65-4HR-3Yr	4HR Parts Del, SW Sup & InfoSight-ES1-H65 3Yr	1	9,013.33	\$9,013.33
7	SLA-CS240-4HR-3Yr	4HR Parts Del, SW Sup & InfoSight - 240, 3Yr	1	15,191.00	\$15,191.00
<b>Secondary Site SAN 4 hr support</b>					
1	CS240G-X2	24TB Raw, 16-33TB Usable, 1.2TB Flash Cache, 2x10GigE + 2x10GigE, High Perf Ctlr	1	44,333.00	\$44,333.00
2	ES1-H65	45TB Raw, 34-68TB Usable, 600GB Flash Cache, Hyb Exp Shelf, 2x1M Qual SAS cable	1	27,444.44	\$27,444.44
3	SP-PCORD-US	US Power Cord	2	No Charge	No Charge
4	SP-PCORD-US	US Power Cord	2	No Charge	No Charge
5	SLA-ES1-H65-4HR-3Yr	4HR Parts Del, SW Sup & InfoSight-ES1-H65 3Yr	1	9,013.33	\$9,013.33
6	SLA-CS240-4HR-3Yr	4HR Parts Del, SW Sup & InfoSight - 240, 3Yr	1	15,191.00	\$15,191.00
<b>Disaster Recovery Offsite SAN</b>					
1	CS220	12TB Raw, 8-16TB Usable, 320GB Flash Cache, 6x1 GigE, High Perf Ctlr	1	23,222.22	\$23,222.22
2	ES1-H65	45TB Raw, 34-68TB Usable, 600GB Flash Cache, Hyb Exp Shelf, 2x1M Qual SAS cable	1	27,444.44	\$27,444.44
3	SLA-ES1-H65-NBD-3Yr	NBD Parts Del, SW Sup & InfoSight-ES1-H65 3Yr	1	6,248.88	\$6,248.88
4	SP-PCORD-US	US Power Cord	2	No Charge	No Charge
5	SP-PCORD-US	US Power Cord	2	No Charge	No Charge
6	SLA-CS220-NBD-3Yr	NBD Parts Del, SW Sup & InfoSight - 220, 3Yr	1	7,635.55	\$7,635.55
<b>Dell 10GB TOR Rack Switches plus accessories and install</b>					
1	N4032F	Dell N4032F, 24x 10GbE SFP+ Fixed Ports, 1x Mox Bay, 2x Power Supplies included Documentation Kit, N4000 Series Switch	2	9,492.00	\$18,984.00

CSI Technology Outfitters, Inc.-Confidential BCG051914AA Enterprise SAN solution Dell Switches install tax

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**QUOTE #:BCG051914AA Enterprise SAN Storage 4 hr support 10GB Modules w/ 10GB Switches**

Item #	Mfg. Part#	Description	Qty.	Unit Price	Total Price
		US Power Cord 2each QSFP+ 40GbE Module, 2-Port, Hot Swap, used for 40GbE Uplink, Stacking, or 8x 10GbE Dell Networking, Cable, QSFP+ to QSFP+, 40GbE Passive Copper Direct Attach Cable, 0.5 m Dell Hardware Limited Warranty Initial Year Dell Hardware Limited Warranty Extended Year(s) Lifetime Limited Hardware Warranty with Basic Hardware Service Next Business Day Parts Only on Your Network Sw Software Support,NW,90 Day ProSupport: Next Business Day Onsite Service, After Problem Diagnosis, year one ProSupport: Next Business Day Onsite Service After Problem Diagnosis, 2 Year Extended ProSupport: 7x24 HW / SW Tech Support and Assistance, 3 Year Dell ProSupport. For tech support, visit <a href="http://support.dell.com/ProSupport">http://support.dell.com/ProSupport</a> or call 1-800-945-3355			
2	ADD-PCIE-2SFP+	AddOncomputer.com 10 Gigabit Ethernet NIC w/2 Open SFP+ Slots PCIe x8	14	365.00	\$5,110.00
3	470-11430-AOK	3M 10GBASE-CU PASSIVE TWINAX COPPER CA F/DELL DAC SFP+/SFP+	36	70.00	\$2,520.00
4	ETG-INSTALL	This install is for the setup and config of the Prime Secondary SAN and DR Site SAN along with above Dell 10GB Switches for the 10GB Network Design and the vSphere Optimization Project Please note this is a firm fixed price	1	12,500.00	\$12,500.00

**Total Price \$303,861.63****6% Sales Tax \$18,231.69****Total Price w/ Tax \$322,093.32**

Note: These prices are good for a period of 30 days.

taxes are included

Ground shipping is free

## **Lifeguard Operational Budget**

Throughout most of Hunting Island's history with lifeguards the north area has traditionally been the only section with guarded beaches. This area is about 1/8 of a mile.

In the mid 1990's we guarded both north and south beaches when lifeguards were available. The campground and cabin road area beaches have never been designated as guarded areas.

To setup lifeguard operations today at north and south beach would require the following resources and associated budget.

### **Lifeguards**

A minimum number of lifeguards would be a total of nine with three each stationed at the campground, north and south beaches. This would allow for all areas to be covered on weekends and minimum on weekdays.

**9 guards @ 40 hours per week = 360 per week x 17 weeks of summer = 6,120 hours x \$12.50 per hour = \$76,500.00**

NOTE - For each additional lifeguard add \$8,500 to cover other areas of the beach.

### **Lifeguard Equipment Budget**

<b><u>Item</u></b>	<b><u>Quantity</u></b>	<b><u>Cost</u></b>
Lifeguard Chairs (with setup gear)	6	\$500.00
Lifeguard Umbrella	6	\$150.00
Rescue Buoy	9	\$70.00
Megaphone	3	\$100.00
Safety Throw Bag (75 feet)	6	\$50.00
Back Board	3	\$400.00
Surf Rescue Boards	3	\$700.00
Uniforms – swim trunks and/or suits & gear bag	9	\$300.00
First Aid Supplies	9	\$100.00
Binoculars	4	\$150.00
Radios	7	\$250.00
ATV	1	\$4,600.00
Storage Box	3	\$1,700.00
Misc.	1	\$3,500.00
<b>Total Equipment</b>		<b>\$26,080.00</b>
<b>Total Budget for first year</b>		<b>\$102,580.00</b>

**\$76,000 minimum each remaining year unless supplies and equipment need to be replaced**



Beaufort County, South Carolina, Code of Ordinances >> PART I - GENERAL ORDINANCES >> **Chapter 66 - TAXATION >> ARTICLE II. - ACCOMMODATIONS TAX BOARD >> DIVISION 2. ACCOMMODATIONS (3%) TAX >>**

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**DIVISION 2. ACCOMMODATIONS (3%) TAX**

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[Sec. 66-41. Authority.](#)

[Sec. 66-42. Local \(3%\) accommodations tax—definitions.](#)

[Sec. 66-43. Payment of local \(3%\) accommodations tax.](#)

[Sec. 66-44. Permitted uses of local \(3%\) accommodations tax funds.](#)

[Sec. 66-45. Inspections and audits.](#)

[Sec. 66-46. Violations and penalty.](#)

[Sec. 66-47. Management and use of local \(3%\) accommodations tax.](#)

[Sec. 66-48. Applicability and effective date.](#)

[Sec. 66-49. Severability.](#)

[Sec. 66-50. Reserved.](#)

**Sec. 66-41. Authority.**

This article is enacted pursuant to the authority S.C. Code § 4-9-30 (1976, as amended) which provides that the county may adopt all ordinances which appear necessary and proper for the security, general welfare and convenience of the county and for the preservation of the general health, peace and order in the county and S.C. Code § 6-1-500 et seq. (1976, as amended) which expressly provides authorization for the imposition of a local accommodations tax.

(Ord. No. 2002-11, § 1, 3-11-2002; [Ord. No. 2005/10, § 1, 3-28-2005](#))

**Sec. 66-42. Local (3%) accommodations tax—definitions.**

- (a) *Tourist and transient* means a person traveling to and staying in places outside his or her usual environment for one night or more for leisure, business, or any other purpose for consideration within the unincorporated areas of Beaufort County, South Carolina. A person meeting this definition may be staying in places of public accommodations such as hotels, motels, inns, condominium, bed and breakfasts, tourist courts, campgrounds or the residences of family or friends for consideration.
- (b) *Local accommodations tax* means a tax on the gross proceeds derived from the rental or charges for any rooms, campground spaces, lodgings, or sleeping accommodations furnished to transients by any hotel, inn, tourist court, tourist camp, motel, campground, residence or any place in which rooms, lodgings, or sleeping accommodations are furnished to transients for consideration. This tax does not apply where the facilities consist of less than six sleeping rooms, contained on the same premises, which is used as the individual's place of abode. The gross proceeds derived from the lease or rental of sleeping accommodations supplied to the same person for a period of 90 continuous days are not considered proceeds from transients. The tax imposed herein does not apply to additional guest charges as defined in S.C. Code § 12-36-920(B) (1976, as amended).
- (c)

A local accommodations tax equal to three percent is hereby imposed on the gross proceeds derived from the rental of any room(s) (excluding meeting rooms) as provided above.

(Ord. No. 2002-11, § 2, 3-11-2002; Ord. No. 2005/10, § 2, 3-28-2005; Ord. No. 2009/15, 3-30-2009)

#### **Sec. 66-43. Payment of local (3%) accommodations tax.**

- (a) Payment of the local accommodations tax established herein shall be the liability of the consumer of the services described herein. The local accommodations tax shall be paid at the time of delivery of the services to which the local accommodations tax applies, and shall be collected by the provider of the services.
- (b) The county shall provide a local accommodations tax return, which shall be utilized by the provider of the services to calculate the amount of local accommodation taxes collected and due. Payment shall be made to Beaufort County and shall be made at the same time the return is required to be filed as provided below.

Real estate agents, brokers, corporations, or listing services required to remit taxes under this article must notify the county if rental property, previously listed by them, is dropped from their listings. The notice shall be on a form provided by the county.

- (c) The local accommodations tax collected by the provider of the services as required herein shall be remitted to the County of Beaufort, South Carolina, as follows:
  - (1) Payment shall be collected and remitted monthly starting January 1, 2010 and each month thereafter.
  - (2) Payments are due on or before the twentieth day following the end of the filing period.
- (d) An interest-bearing restricted account, kept in a separate fund segregated from the county's general fund and to be known as "The County of Beaufort, South Carolina, Local Accommodations Tax Account" is hereby established. All revenue and interest generated by the local accommodations tax shall be deposited into this account. "The County of Beaufort, South Carolina, Local Accommodations Tax Account," shall be controlled by the county administrator for the County of Beaufort, South Carolina. The principal and any accrued interest thereon shall be spent only as provided herein.
- (e) Deposits into "The County of Beaufort, South Carolina, Local Accommodations Tax Account" may also include appropriations from the general fund by the county council and voluntary contributions of money and other liquid assets from any source. Once any such funds are so deposited, the funds become dedicated funds and may only be spent as provided herein.

(Ord. No. 2002-11, § 3, 3-11-2002; Ord. No. 2005/10, § 3, 3-28-2005; Ord. No. 2009/15, 3-30-2009; Ord. No. 2009/36, 10-12-2009)

#### **Sec. 66-44. Permitted uses of local (3%) accommodations tax funds.**

- (a) The county council is hereby authorized to utilize the funds collected from the imposition and collection of the local accommodations tax and other funds deposited into "The County of Beaufort, South Carolina, Local Accommodations Tax Account." The revenue generated by the local accommodations tax must be used exclusively for the following purposes:
  - (1) Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
  - (2) Cultural, recreational, or historic facilities;
  - (3) River/beach access and renourishment;
  - (4) Highways, roads, streets, bridges and boat ramps providing access to tourist destinations;

- (5) Advertisements and promotions related to tourism development;
  - (6) Water and sewer infrastructure to serve tourism-related demand; and
  - (7) The operation and maintenance of those items provided in (a)(1) through (a)(6) above, including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.
  - (8) For all other proper purposes including those set forth herein.
- (b) Authorization to utilize any funds from the "County of Beaufort, South Carolina, Local Accommodations Tax Account," shall be by ordinance duly adopted by the county council for the County of Beaufort, South Carolina.

(Ord. No. 2002-11, § 4, 3-11-2002; Ord. No. 2005/10, § 4, 3-28-2005; Ord. No. 2009/15, 3-30-2009)

## **Sec. 66-45. Inspections and audits.**

- (a) For the purpose of enforcing the provisions of this article, the license official or other authorized agent of the County of Beaufort, South Carolina, is empowered to enter upon the premises of any person or establishment subject to this article to make inspections, examine and audit books and records of such person or establishment.
- (b) It shall be unlawful for any person to fail or refuse to make available the necessary books and records during normal business hours upon 24 hours' written notice. In the event that the audit reveals that false information has been filed by the remitter, the costs of the audit shall be added to the correct amount determined to be due in addition to the penalties provided herein. The license official may make systematic inspections of all businesses within the unincorporated areas of the County of Beaufort, South Carolina, to ensure compliance with this chapter.

(Ord. No. 2002-11, § 5, 3-11-2002; Ord. No. 2005/10, § 5, 3-28-2005; Ord. No. 2009/36, 10-12-2009)

## **Sec. 66-46. Violations and penalty.**

- (a) It shall be a violation of this chapter to:
  - (1) Fail to collect the local accommodations tax in connection with the rental of accommodations to tourists or transients as set forth herein.
  - (2) Fail to remit to the County of Beaufort, South Carolina, any local accommodations taxes collected pursuant to this article by the twentieth day of the following month, as set forth herein.
  - (3) Knowingly provide false information on a return submitted to the County of Beaufort, South Carolina, as set forth herein.
  - (4) Fail or refuse to provide books and records to an authorized agent of the County of Beaufort, South Carolina, for the purpose of an examination or audit upon 24 hours' written notice as provided herein.
- (b) In the event that local accommodations taxes are not timely remitted to the County of Beaufort, South Carolina as provided herein, the person or establishment failing to remit shall also pay a penalty equal to one and one-half percent of the unpaid amount for each month or portion thereof that such taxes remain unpaid.
- (c) A person or establishment failing or refusing to timely file a return and make appropriate payment and/or provide books and records as provided herein may be subject to a conviction for a violation hereof. The violator shall be guilty of a misdemeanor and subject to the penalties provided in section 1-6 of the Code of the County Council of Beaufort County, South Carolina.



- (d) Upon identification of a delinquent account, the director of business license or his/her designee has the authority to establish payment plans, revenue procedures, and reduce or waive penalties based on the revenue procedures as adopted with this amendment.

(Ord. No. 2002-11, § 6, 3-11-2002; Ord. No. 2005/10, § 6, 3-28-2005; Ord. No. 2009/36, 10-12-2009)

## **Sec. 66-47. Management and use of local (3%) accommodations tax.**

[The management and use of local accommodations tax is as follows:]

- (a) Fund the approved annual operating expenditures of the program at an amount not to exceed eight percent of the funds collected.
- (b) Allocate \$350,000.00 annually for advertising and promotion programs related to tourism development (subsection 66-44(a)(5)). These funds shall be allocated as follows:
- (1) One hundred fifty thousand dollars shall be allocated to the Beaufort Regional Chamber of Commerce for advertising, promotion and events to increase tourism within the county.
  - (2) One hundred fifty thousand dollars shall be allocated to the Hilton Head - Bluffton Chamber of Commerce for advertising, promotion and events to increase tourism within the county.
  - (3) Fifty thousand dollars shall be allocated to the Beaufort County Black Chamber of Commerce for advertising, promotion and events to increase tourism within the county.
  - (4) Funds shall be distributed to the designated organizations on a quarterly basis no later than 30 days after the end of the quarter.
  - (5) Advertising expenditures using these county funds cannot be spent within Beaufort County except for notifications of festivals or other events similar in nature.
- (c) Allocate the remaining balance of collections as follows:
- (1) Twenty percent to establish a reserve fund for emergency or other unforeseen needs;
  - (2) Twenty percent for river/beach access and renourishment (subsection 66-44(a)(3));
  - (3) Sixty percent for tourism-related buildings, including, but not limited to, civic centers, coliseums and aquariums (subsection 66-44(a)(1)); cultural, recreational, or historic facilities; highways, roads, streets, bridges and boat ramps providing access to tourist destinations (subsection 66-44(a)(2)); water and sewer infrastructure to serve tourism-related demand (subsection 66-44(a)(6)); the operation and maintenance, including police, fire protection, emergency medical services and emergency preparedness operating directly attendant to those facilities as referenced above (subsection 66-44(a)(7); and for all other proper purposes (subsection 66-44(a)(8)).
- (d) In accordance with state law, the three chambers shall submit for approval a budget of planned expenditures. At the end of each fiscal year, an organization receiving funds shall render an accounting of the expenditure to the county.
- (e) Any changes to this section of the code shall go into effect after July 1, 2009.

(Ord. No. 2002-11, § 7, 3-11-2002; Ord. No. 2005/10, § 7, 3-28-2005; Ord. No. 2009/15, 3-30-2009)

**Sec. 66-48. Applicability and effective date.**

- (a) This division shall become effective on October 12, 2009.
- (b) The business license department is authorized to adopt guidelines, policies and procedures to implement this division.

*(Ord. No. 2009/36, 10-12-2009)*

**Sec. 66-49. Severability.**

If any part of the ordinance is held by a court of competent jurisdiction be unconstitutional, illegal, or invalid for any reason, it shall be construed to have been the legislative intent of the County Council of Beaufort County, South Carolina, to pass this Ordinance [Ord. No. 2009/36] without such unconstitutional, illegal or invalid provision, and the remainder of this division shall be deemed and held to be constitutional, lawful and valid as if such portion had not been included. If this division or any provision thereof is held by a court of competent jurisdiction to be inapplicable to any person, group of persons, property, kind of property, circumstances, or set of circumstances, such holding shall not affect the applicability thereof to any other persons, property or circumstances.

*(Ord. No. 2009/36, 10-12-2009)*

**Sec. 66-50. Reserved.**