

COUNTY COUNCIL OF BEAUFORT COUNTY  
ADMINISTRATION BUILDING  
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX  
100 RIBAUT ROAD  
POST OFFICE DRAWER 1228  
BEAUFORT, SOUTH CAROLINA 29901-1228  
TELEPHONE: (843) 255-2180  
www.bcgov.net

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VICE CHAIRMAN

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DEPUTY COUNTY ADMINISTRATOR

THOMAS J. KEAVENY, II  
COUNTY ATTORNEY

ASHLEY M. BENNETT  
CLERK TO COUNCIL

AGENDA  
FINANCE COMMITTEE  
Tuesday, September 5, 2017  
2:00 p.m.

Executive Conference Room, Administration Building  
Beaufort County Government Robert Smalls Complex  
100 Ribaut Road, Beaufort

Committee Members:  
Jerry Stewart, Chairman  
Michael Covert, Vice Chairman  
Rick Caporale  
Gerald Dawson  
Brian Flewelling  
Steven Fobes  
Stu Rodman

Staff Support:  
Suzanne Gregory, Employee Services Director  
Alicia Holland, CPA, Assistant County Administrator, Finance  
Chanel Lewis, CGFO, Controller

1. CALL TO ORDER – 2:00 P.M.
2. EXECUTIVE SESSION
  - A. Discussion incident to proposed contractual negotiations and the proposed purchase of property (Solicitor's Real Estate Purchase)
3. CONSIDERATION OF CONTRACT AWARDS
  - A. Renewal / Wells Fargo Wells Fargo Benefits Consulting Services ([backup](#))
  - B. Beaufort County Airport at Lady's Island (ARW) / Construction Administration for Runway 7 Obstruction Removal ([backup](#))
  - C. Beaufort County Airport at Lady's Island (ARW) / Phase 1 Projects (Safety Area, Taxiway, Ramp Space and Helicopter Landing Area) ([backup](#))
  - D. Hilton Head Island Airport (HXD) / Runway 21 Departure End ([backup](#))
  - E. Installation of EMAS on the Runway 21 End of Hilton Head Island Airport ([backup](#))
4. TECHNICAL COLLEGE OF THE LOWCOUNTRY / CULINARY INSTITUTE ([backup](#))
5. DISCUSSION / 2018 BEAUFORT COUNTY TRANSPORTATION SALES TAX REFERENDUM
6. CITY OF BEAUFORT FUNDING REQUEST / WATERFRONT PARK EXTENSION INTO WHITEHALL DEVELOPMENT ([backup](#))
7. AUTHORIZATION / USE OF LIBRARY IMPACT FEES FOR THE PURCHASE OF BIBLIOTHECA SELF-CHECK MACHINES ([backup](#))



8. UPDATE / AVAILABLE 2017 ACCOMMODATIONS (2% STATE) TAX MONIES  
([backup](#))

9. ADJOURNMENT

2017 Strategic Plan Committee Assignments

USC-Beaufort/TCL Campus Building  
Comprehensive Impact Fee Review  
Priority Investment – Capital Projects Long-Term Prioritized Requirements  
Comprehensive Financial Plan: Revenues and Expenditures  
Salary and Compensation Study Implementation  
Reserve Policy: Revision  
Countywide Information Technology Plan  
Budget FY 2017-2018: Tax



# COUNTY COUNCIL OF BEAUFORT COUNTY

## PURCHASING DEPARTMENT

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

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

**TO:** Councilman Jerry Stewart, Chairman, Finance Committee

**FROM:** David L Thomas. CPPO. Purchasing Director

**SUBJ:** **Contract Renewal**  
Employee Health Benefit Consulting Services with Wells Fargo Insurance Services for Beaufort County

**DATE:** 09/01/2017

### **BACKGROUND:**

Beaufort County entered into an annual contract with Wells Fargo Insurance Services effective August 1, 2015. This contract renewal recommendation is for the term beginning August 1, 2017 and ending July 31, 2018 with a total annual cost of \$65,000. This is the third (3rd) year of this contract.

### **VENDOR INFORMATION:**

### **COST:**

Wells Fargo Insurance Services	\$65,000

### **FUNDING:**


General Fund, Employee Services Professional Services account 10001160-51160

Funding approved:  By:  Date:

**FOR ACTION:** Finance Committee occurring Tuesday, September 5, 2017.

**RECOMMENDATION:**

The Purchasing Department recommends that the Finance Committee approve the contract renewal as stated above with Wells Fargo Insurance Services for Beaufort County's Employee Health Benefit Consulting Services.

Attachment:  RFP 060515 Memo to Finance Committee.pdf  
362.97 KB

cc: Gary Kubic, County Administrator

Approved:  Date:

Check to override approval: ☐ Overridden by:  Override Date:

Joshua Gruber, Deputy County Administrator/Special Counsel

Approved:  Date:

Check to override approval: ☐ Overridden by:  Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved:  Date:

Approved:  Date:

Check to override approval: ☐ Overridden by:  Override Date:  ready for admin: ☐

**After Initial Submission, Use the Save and Close Buttons**





COUNTY COUNCIL OF BEAUFORT COUNTY  
**PURCHASING DEPARTMENT**  
102 Industrial Village Road, Bldg 3 Post Office Drawer 1228  
Beaufort, South Carolina 29901-1228

TO: Councilman Jerry Stewart, Chairman, Finance Committee

FROM: Dave Thomas, CPPO, Purchasing Director

SUBJ: **Contract Award Recommendation for Employee Health Benefit Consulting Services with Wells Fargo Insurance Services for Beaufort County**

DATE: July 20, 2015

**BACKGROUND:** The Purchasing Department received four responses to RFP # 060515 for Employee Health Benefit Consulting Services on June 5, 2015. The staff evaluation committee reviewed the responses and interviewed the following firms: Gallagher Benefit Services, Inc., Wells Fargo Insurance Services, and Lockton. After the interviews, the evaluation committee selected Wells Fargo Insurance Services as the number one ranked firm. There are no changes to the scope of services required, and the cost is \$20,000 less than last year. The vendor will provide benefit and consulting services on all lines of coverage. They will make recommendations and assist with plan design, plan changes, contract negotiations, and open enrollment setup and processing. They will provide information and assistance with legal compliance, including the Affordable Care Act, as well as HIPAA compliance and market trends and opportunities. The contract term will cover the current fiscal year, and allow for three additional one-year renewals subject to County Council approval.

**VENDOR INFORMATION AND FINAL RANKING:**

**COST**

- |  |           |
|--|-----------|
| 1. Wells Fargo Insurance Services, Charleston, SC  | \$65,000  |
| 2. Gallagher Benefit Services, Inc., Charlotte, NC | \$85,000  |
| 3. Lockton, Farmington, CT                         | \$75,000  |
| 4. Assured Neace Lukens, North Charleston, SC      | \$110,000 |

**FUNDING:** Account 10001160-51160 Employee Services, Professional Services

**PRIOR YEAR COST:** \$85,000

**FOR ACTION:** Finance Committee on July 20, 2015.

**RECOMMENDATION:** Approval from the Finance Committee to award the Benefits Consulting contract to Wells Fargo Insurance Services for the Employee Services Department in the amount of \$65,000.

CC: Gary Kubic, County Administrator  
Joshua Gruber, Deputy County Administrator  
Alicia Holland, Asst. Co. Administrator, Finance  
Suzanne Gregory, Employee Services Director

Att: Final Ranking Score Sheet

RFP 060515, Benefits Consulting Services  
INITIAL SCORE SHEET SUMMARY

Column1	Column2	Column3	Column4	Column5
	<b><u>Name of Company</u></b>			
<b><u>Evaluators</u></b>	<b><u>Arthur Gallagher</u></b>	<b><u>Assured/Neace Lukens</u></b>	<b><u>Lockton</u></b>	<b><u>Wells Fargo</u></b>
C. Lewis	87	71	84	96
S. Gregory	75	50	64	92
E. Stewart	86	41	78	91
TOTALS:	248	162	226	279

1. Wells Fargo 279
2. Arthur Gallagher 248
3. Lockton 226
4. Assured/Neace Lukens 162



**COUNTY COUNCIL OF BEAUFORT COUNTY  
PURCHASING DEPARTMENT**

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

TO: Mr. Gary Kubic, County Administrator

FROM: Dave Thomas, CPPO, Purchasing Director

SUBJ: **Recommendation for Approval ARW RWY 7 Obstruction Removal Project Construction  
Administration Talbert, Bright and Ellington Work Authorization 2119-1601**

DATE: August 30, 2017

**BACKGROUND:** Beaufort County Airport is undertaking an FAA safety project to remove obstructions on off-airport property in the Runway 7 Approach. Talbert, Bright and Ellington will provide professional construction administration services and inspection services during the construction phase. This project is being executed in accordance with the Beaufort County Airport Master Plan as directed by Beaufort County Council in 2014.

**VENDOR INFORMATION:**

Talbert, Bright and Ellington, Charlotte, NC

**COST:**

\$113,088.00

Total: \$113,088.00

**FUNDING:** 90% via FAA AIP Grant 13, 5% through SCAC (pending) and 5% via Beaufort County Airport Capital Projects Fund.

**FOR ACTION:** County Administrator

**RECOMMENDATION:** Approval of Talbert, Bright and Ellington Work Authorization 2119-1601

cc: Gary Kubic, County Administrator  
Joshua Gruber, Deputy County Administrator/Special Counsel  
Alicia Holland, Asst. County Administrator, Finance  
Colin Kinton, Director, Transportation Engineering  
Jon Rembold, Airports Director

**BEAUFORT COUNTY AIRPORT  
LADY'S ISLAND, SOUTH CAROLINA  
WORK AUTHORIZATION 16-01  
July 25, 2017  
PROJECT NO.: TBI NO. 2119-1601**

It is agreed to undertake the following work in accordance with the provisions of our Contract for Professional Services.

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**Description of Work Authorized:** Construction administration services and inspection of the tree obstruction removal within the 20:1 and 30:1 approaches to Runway 7. Services include:

- **Design** – this includes several additional meetings with impacted property owners and revisions to plans based on these meetings.
- **Construction Administration** – this includes providing professional construction contract administration services during the construction contract. This includes: conduct Preconstruction Conference and transmit meeting minutes, review of submittals/shop drawings, site visits during construction, conduct progress meetings and transmit meeting minutes, answer questions and review Contractor change requests during construction, process Contractor pay requests during construction, conduct final inspection and transmit punch list items, prepare record drawings and coordinate final improvements with FAA, final Engineer's Report, project closeout documents.
- **Resident Project Representative** – this includes providing resident project representative (construction observation) services required by the FAA during construction. This primarily includes providing a resident construction observer while the Contractor is onsite working to observe the Contractor's work activities and finished work. The contract budget not-to-exceed amount includes providing a full-time resident construction observer while the Contractor is onsite working during this project. The resident construction observer will also verify quantities of completed work by the Contractor that are eligible for inclusion on each Contractor pay request.

**Estimated Time Schedule:** Work shall be completed in accordance with the schedule established and agreed upon by the Owner and Engineer.

**Cost of Services:** The method of payment shall be in accordance with Article 6 of the Master Contract. The basic services work shall be performed in accordance with the Master Contract as a lump sum of **\$38,176.00**, which includes reimbursable expenses. Special Additional Services shall be performed as listed below with a budget of

**\$74,912.00.** The total value of this Work Authorization shall not exceed **\$113,088.00** without additional authorization

**Agreed as to Scope of Services, Time Schedule and Budget:**

**APPROVED:**  
BEAUFORT COUNTY

**APPROVED:**  
TALBERT, BRIGHT & ELLINGTON,  
INC.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Vice President  
Title:

\_\_\_\_\_  
Date:

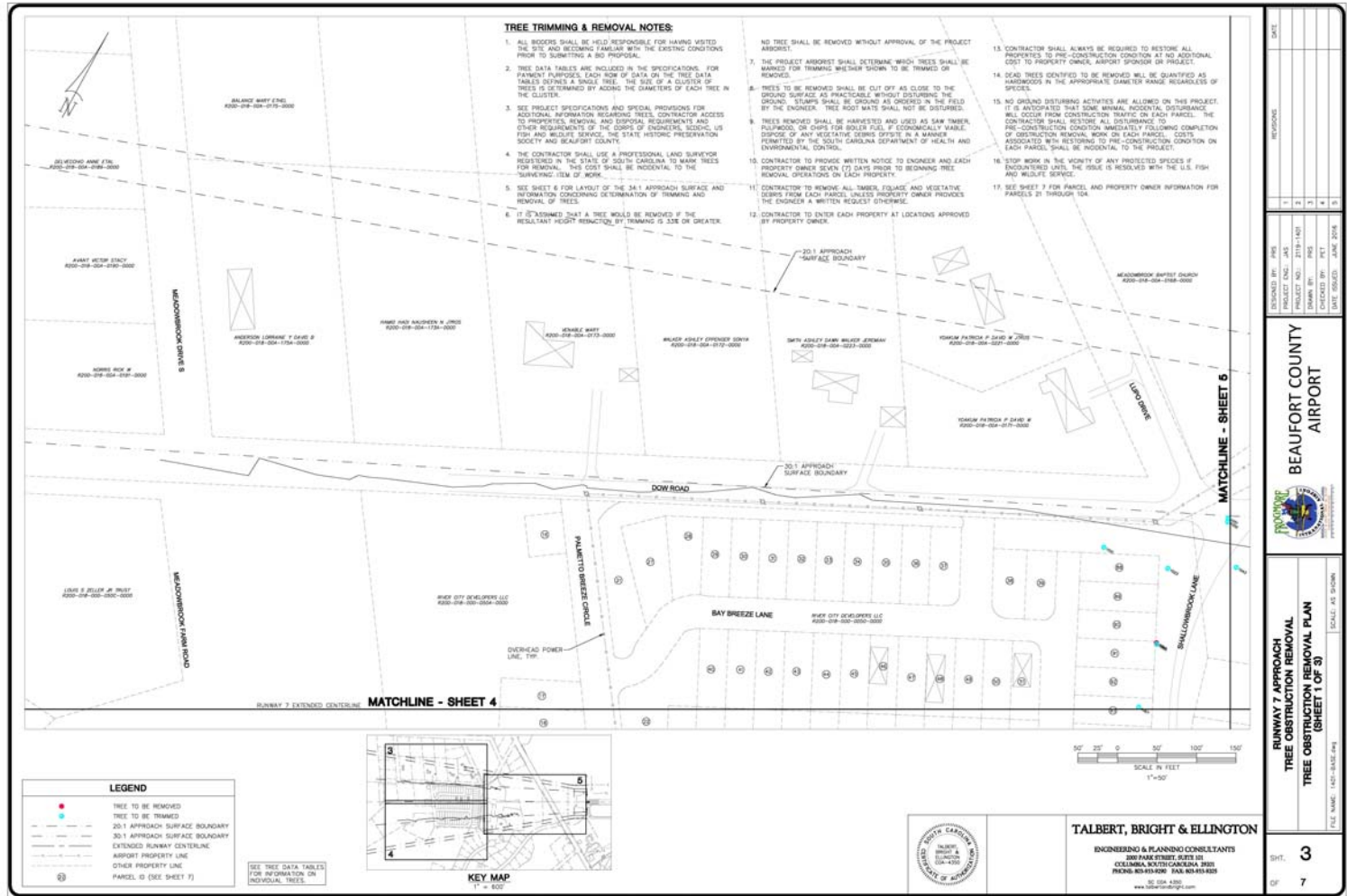
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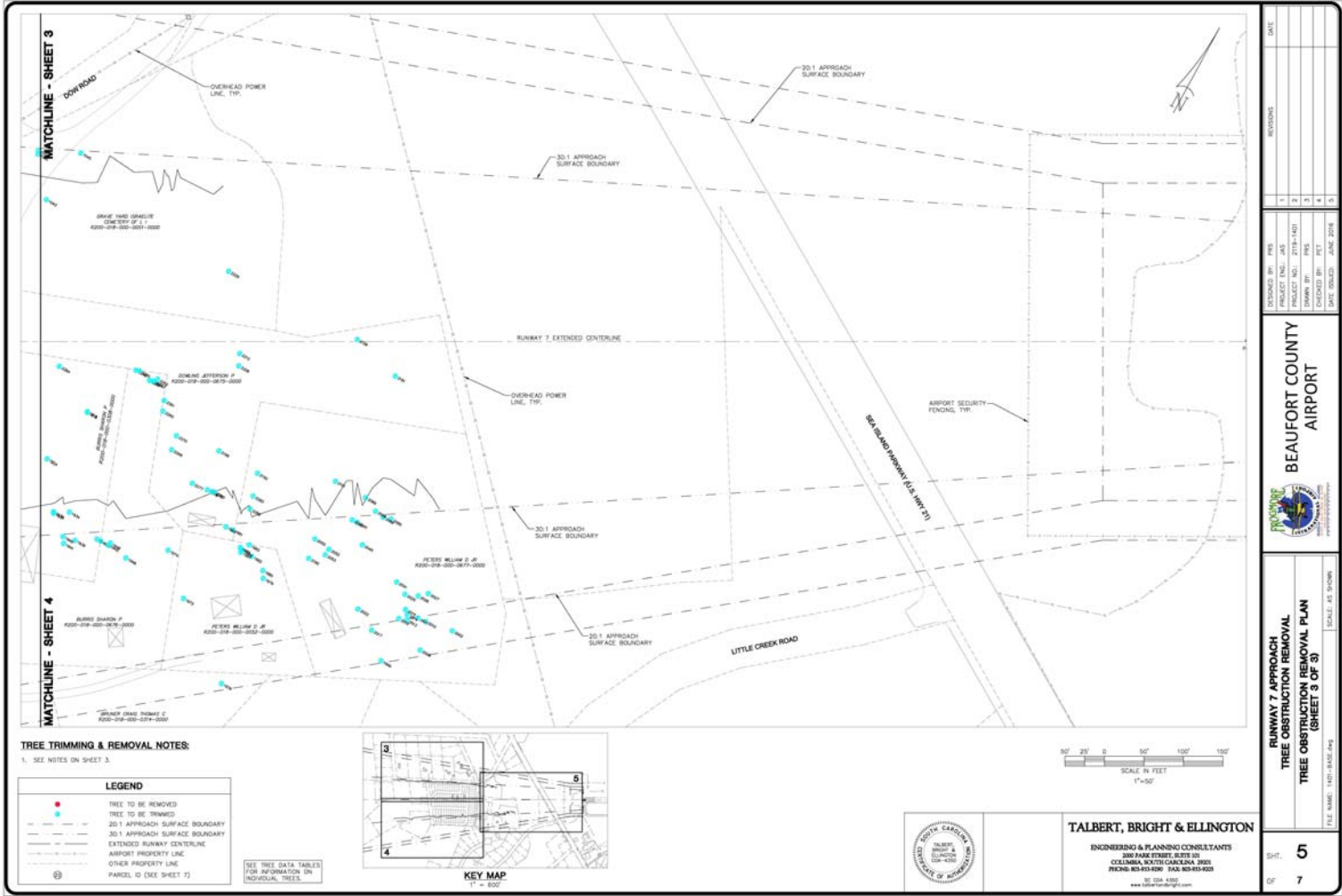
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Talbert, Bright & Ellington, Inc.

*Work Authorization 2119-1601*











## SUMMARY OF FEES

### CONSTRUCTION PHASE SERVICES FOR RUNWAY 7 APPROACH

TREE OBSTRUCTION REMOVAL  
BEAUFORT COUNTY AIRPORT  
LADY'S ISLAND, SOUTH CAROLINA  
AIP PROJECT NO: PENDING  
TBE PROJECT NO: 2119-1601

July 25, 2017

DESCRIPTION	ESTIMATED
<b>BASIC SERVICES</b>	
PROJECT FORMULATION/DEVELOPMENT PHASE (01)	\$ -
DESIGN PHASE (04)	\$ 10,911.00
CONSTRUCTION ADMINISTRATION PHASE (06)	\$ 23,980.00
SUBTOTAL	\$ 34,891.00
EXPENSES	\$ 3,285.00
SUBCONSULTANTS	\$ -
INSPECTION - RESIDENT PROJECT REPRESENTATIVE	\$ 74,912.00
SUBTOTAL	\$ 78,197.00
TOTAL	\$ 113,088.00

# MANHOUR ESTIMATE

## CONSTRUCTION PHASE SERVICES FOR RUNWAY 7 APPROACH TREE OBSTRUCTION REMOVAL

BEAUFORT COUNTY AIRPORT  
LADY'S ISLAND, SOUTH CAROLINA  
AIP PROJECT NO: PENDING  
TBE PROJECT NO: 2119-1601

July 25, 2017

### DESIGN PHASE (04)

DESCRIPTION	PRIN \$ 186	PM \$ 182	SP \$ 138	E5 \$ 160	E4 \$ 125	E3 \$ 103	E2 \$ 85	E1 \$ 75	T5 \$ 98	T3 \$ 77	AD5 \$ 76	AD3 \$ 55
PLANS												
Cover sheet (1)	0	0	0	0	0	0	0	0	0	0	0	0
Phasing & safety plan (1)	0	0	0	0	0	0	0	0	0	0	0	0
Overlay grading plan (3)	0	0	0	0	0	0	0	0	0	0	0	0
Plan & profile (3)	0	0	0	0	0	0	0	0	0	0	0	0
Marking plan (3)	0	0	0	0	0	0	0	0	0	0	0	0
Lighting adjunct plan (3)	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Details (2)	0	29	6	0	0	45	2	0	0	0	0	0
Centerline Profiles (2)	0	0	0	0	0	0	0	0	0	0	0	0
DESIGN												
Coordination\Meetings with Client	0	0	0	0	0	0	0	0	0	0	0	0
Sequence of construction	0	0	0	0	0	0	0	0	0	0	0	0
Overlay grading design	0	0	0	0	0	0	0	0	0	0	0	0
Marking design	0	0	0	0	0	0	0	0	0	0	0	0
DEHC submittals	0	0	0	0	0	0	0	0	0	0	0	0
Specifications	0	0	0	0	0	0	0	0	0	0	0	0
Quantities & estimate	0	0	0	0	0	0	0	0	0	0	0	0
Quality assurance	0	0	0	0	0	0	0	0	0	0	0	0
Revisions	0	0	0	0	0	0	0	0	0	0	0	0
MANHOUR TOTAL	0	29	6	0	0	45	2	0	0	0	0	0

### DIRECT LABOR EXPENSES:

CLASSIFICATION		BILL RATE	EST. MHRS	EST. COST
Principal	PRIN	\$ 186	-	\$ -
Project Manager	PM	\$ 182	29	\$ 5,278
Senior Planner	SP	\$ 138	6	\$ 828
Engineer V	E5	\$ 160	-	\$ -
Engineer IV	E4	\$ 125	-	\$ -
Engineer III	E3	\$ 103	45	\$ 4,635
Engineer II	E2	\$ 85	2	\$ 170
Engineer I	E1	\$ 75	-	\$ -
Technician V	T5	\$ 98	-	\$ -
Technician III	T3	\$ 77	-	\$ -
Admin. Assistant IV	AD5	\$ 76	-	\$ -
Admin. Assistant III	AD3	\$ 55	-	\$ -
	Total		82	
SUBTOTAL				\$ 10,911.00

**MANHOUR ESTIMATE**

**CONSTRUCTION PHASE SERVICES FOR RUNWAY 7 APPROACH TREE OBSTRUCTION REMOVAL**

BEAUFORT COUNTY AIRPORT

LADY'S ISLAND, SOUTH CAROLINA

AIP PROJECT NO: PENDING

TBE PROJECT NO: 2119-1601

July 25, 2017

DESIGN PHASE (04)

DIRECT EXPENSES:

EXPENSE DESCRIPTION	UNIT	UNIT RATE	EST. UNITS	EST. COST
Telephone	LS	\$ -	\$	-
Postage	LS	\$ -	\$	-
Miscellaneous expenses (prints, faxes, copies)	LS	\$ -	\$	-
Travel	LS	\$ -	\$	-
<i>SUBTOTAL</i>			\$	-

SCOPE OF SUCONTRACTED SERVICES:

EXPENSE DESCRIPTION		UNIT RATE	EST. UNITS	EST. COST
DBE Plan	NTE	\$ -	\$	-
	NTE	\$ -	\$	-
<i>SUBTOTAL</i>			\$	-
<b>TOTAL DESIGN COST:</b>			<b>\$</b>	<b>10,911.00</b>

MANHOUR ESTIMATE

CONSTRUCTION PHASE SERVICES FOR RUNWAY 7 APPROACH TREE OBSTRUCTION REMOVAL  
 BEAUFORT COUNTY AIRPORT  
 LADY'S ISLAND, SOUTH CAROLINA  
 AIP PROJECT NO: PENDING  
 TBE PROJECT NO: 2119-1601

July 25, 2017

CONSTRUCTION ADMINISTRATION PHASE (06)

DESCRIPTION	PRIN	PM	SP	E5	E4	E2	E1	T5	T3	AD5	AD3
	\$ 186	\$ 182	\$ 138	\$ 160	\$ 125	\$ 85	\$ 75	\$ 98	\$ 77	\$ 76	\$ 55
Coordinate award of contract	0	4	0	0	0	0	0	0	0	0	2
Coordinate/ conduct preconstruction	0	6	0	0	1	0	0	0	1	0	1
Preconstruction minutes	0	2	0	0	0	0	0	0	0	0	2
Coordinate project schedule	0	2	0	0	2	0	0	0	0	0	2
Coordinate submittals	0	4	0	6	8	10	0	0	0	4	4
Construction visits (2)	4	16	0	0	0	0	0	0	0	0	0
Construction observation reports	1	4	0	0	0	0	0	0	0	2	0
Review/coordinate field changes	2	6	0	4	0	0	0	0	0	0	2
Construction correspondence	1	10	0	2	0	0	0	0	0	2	1
Process requests for partial payment	0	6	0	0	0	0	0	0	0	3	0
Final inspection	0	8	0	0	2	0	0	0	0	0	1
Follow Up inspection	0	2	0	0	6	0	0	0	0	1	0
Punch List inspection	0	8	0	0	0	0	0	0	0	0	1
Develop record drawings	0	2	0	0	4	0	0	0	4	0	2
MANHOUR TOTAL	8	80	0	12	23	10	0	0	5	12	18

DIRECT LABOR EXPENSES:

CLASSIFICATION		BILL RATE	EST. MHRS	EST. COST
Principal	PRIN	\$ 186	8	\$ 1,488
Project Manager	PM	\$ 182	80	\$ 14,560
Senior Planner	SP	\$ 138	0	\$ -
Engineer V	E5	\$ 160	12	\$ 1,920
Engineer IV	E4	\$ 125	23	\$ 2,875
Engineer II	E2	\$ 85	10	\$ 850
Engineer I	E1	\$ 75	0	\$ -
Technician V	T5	\$ 98	0	\$ -
Technician III	T3	\$ 77	5	\$ 385
Admin. Assistant IV	AD5	\$ 76	12	\$ 912
Admin. Assistant III	AD3	\$ 55	18	\$ 990
	Total		168	
<b>SUBTOTAL</b>				<b>\$ 23,980.00</b>

DIRECT EXPENSES:

EXPENSE DESCRIPTION	UNIT	UNIT RATE	EST. UNITS	EST. COST
Telephone	LS	\$ 250	1	\$ 250.00
Postage	LS	\$ 150	1	\$ 150.00
Copying	LS	\$ 600	1	\$ 600.00
Reproduction-Rel. for Const.	LS	\$ 800	1	\$ 800.00
Reproduction-As Built	LS	\$ 250	1	\$ 250.00
Miscellaneous expenses (prints, faxes, copies)	LS	\$ 500	1	\$ 500.00
Per Diem	LS	\$ 147	5	\$ 735.00
<b>SUBTOTAL</b>				<b>\$ 3,285.00</b>

SCOPE OF SUBCONTRACTED SERVICES:

EXPENSE DESCRIPTION	UNIT	UNIT RATE	EST. UNITS	EST. COST
	LS		1	\$ -
	LS		1	\$ -
<b>SUBTOTAL</b>				<b>\$ -</b>

TOTAL CONSTRUCTION ADMIN. COST: \$ 27,265.00

MANHOUR ESTIMATE

CONSTRUCTION PHASE SERVICES FOR RUNWAY 7 APPROACH TREE  
OBSTRUCTION REMOVAL  
BEAUFORT COUNTY AIRPORT  
LADY'S ISLAND, SOUTH CAROLINA  
AIP PROJECT NO: PENDING  
TBE PROJECT NO: 2119-1601

July 25, 2017

RESIDENT PROJECT REPRESENTATIVE (PHASE 51)  
CALENDAR DAYS 60

DESCRIPTION	RPR
	\$ 80
Project review	8
Site mobilization	4
On site inspection	720
Final inspection	8
Follow up inspection	24
Punch List inspection	8
Site demobilization	4
MANHOUR TOTAL	776

DIRECT LABOR EXPENSES:

CLASSIFICATION		BILL RATE	EST. MHRS	EST. COST
RESIDENT ENGINEER	RPR	\$ 80	776	\$ 62,080
		Total	776	
<i>SUBTOTAL</i>				<i>\$ 62,080.00</i>

DIRECT EXPENSES:

EXPENSE DESCRIPTION	UNIT	UNIT RATE	EST. UNITS	EST. COST
Telephone	LS	\$ 300	1	\$ 300.00
Postage	LS	\$ 200	1	\$ 200.00
Miscellaneous expenses (prints, faxes, copies, photos)	LS	\$ 300	1	\$ 300.00
Travel	LS	\$ 200	1	\$ 200.00
<i>SUBTOTAL</i>				<i>\$ 1,000.00</i>

PER DIEM:

EXPENSE DESCRIPTION	UNIT	UNIT RATE	EST. UNITS	EST. COST
DAILY PER DIEM	PD	\$ 174	68	\$ 11,832
		Total	68	
<i>SUBTOTAL</i>				<i>\$ 11,832.00</i>
TOTAL INSPECTION COST:				<b>\$ 74,912.00</b>


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

Funding approved: Yes ▼ By: aholland Date: 09/01/2017

**FOR ACTION:** Finance Committee September 5, 2017

**RECOMMENDATION:**

Purchasing recommends that the Finance Committee approve and recommend to County Council the contract award to Quality Enterprises

Attachment:  Recommendation Ltr Attachment Rnwy 21 End EMAS Installation 09012017.pdf  
25 KB

cc: Gary Kubic, County Administrator

Approved: Select... ▼ Date:

Check to override approval: ☒ Overridden by: Imaietta

Override Date: 2017-09-01

Joshua Gruber, Deputy County Administrator/Special Counsel

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved: Yes ▼ Date: 09/01/2017

Colin Kinton, Director, Transportation Engineering Divisic ▼

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date: ready for admin: ☒

Jon Rembold, Director, Airports Department ▼

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date: ready for admin: ☒

☒ CC others

**After Initial Submission, Use the Save and Close Buttons**



COUNTY COUNCIL OF BEAUFORT COUNTY  
**PURCHASING DEPARTMENT**  
106 Industrial Village Road  
Post Office Drawer 1228  
Beaufort, South Carolina 29901-1228

TO: Mr. Gary Kubic, County Administrator

FROM: Dave Thomas, CPPO, Purchasing Director

SUBJ: **Recommendation for Approval of Engineering and Planning Services to Talbert, Bright and Ellington Work Authorization 2119-1702**

DATE: August 30, 2017

**BACKGROUND:** Beaufort County Airport is undertaking an FAA safety project to extend Taxiway A to end of Runway 25; expand Aircraft Parking Apron; new Helipads and Extended Runway Safety Area (ERSA) Improvements for Runway 07-25. Talbert, Bright & Ellington, will provide engineering and planning services for design and bidding of the contract drawings. This project is being executed in accordance with the Beaufort County Airport Master Plan as directed by Beaufort County Council in 2014.

**VENDOR INFORMATION:**

Talbert, Bright and Ellington, Charlotte, NC

**COST:**

\$382,092.00

Total: \$382,092.00

**FUNDING:** 90% via FAA AIP Grant 13, 5% through SCAC (pending) and 5% via Beaufort County Airport Capital Projects Fund.

**FOR ACTION:** Appropriate County Council Committee

**RECOMMENDATION:** Approval of Work Authorization 2119-1702 to produce project construction drawings for the described projects and to conduct the bidding phase up to selection of the contractor.

cc: Gary Kubic, County Administrator  
Joshua Gruber, Deputy County Administrator/Special Counsel  
Alicia Holland, Asst. County Administrator, Finance  
Colin Kinton, Director, Transportation Engineering  
Jon Rembold, Airports Director

**BEAUFORT COUNTY AIRPORT  
LADY'S ISLAND, SOUTH CAROLINA  
WORK AUTHORIZATION 17-02  
July 27, 2017  
PROJECT NO.: TBI NO. 2119-1702**

It is agreed to undertake the following work in accordance with the provisions of our Contract for Professional Services.

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**Description of Work Authorized:** Talbert, Bright & Ellington, Inc. will provide engineering and planning services for design and bidding of the contract drawings for the:

- Extension of Taxiway A to the End of Runway 25
- Expansion of the Aircraft Parking Apron
- New Helipads
- Extended Runway Safety Area (ERSA) Improvements for Runway 07-25

at the Beaufort County Airport (see attached Exhibit). Engineering and planning services will be provided for preparation of design, and bidding of the contract plans and specifications for four (4) schedules of work (Extension of Taxiway A to the End of Runway 25, Expansion of the Aircraft Parking Apron, a New Helipad, and Extended Runway Safety Area (ERSA) Improvements for Runway 07-25) contained in one (1) set of bid documents, with the intent of all four (4) schedules of work being funded by one grant, in accordance with the Master Contract. A new precast airfield lighting vault will also be included in the improvements to provide a more secure and reliable power source for the airfield lighting and NAVAIDs. Also included will be Section 404 and Section 401 Permitting as described below in Task 3. The surveying for the project will not be done in accordance with FAA Advisory Circular 150/5300-18B, *General Guidance and Specifications for Submission of Aeronautical Surveys to NGS: Field Data Collection and Geographic Information System (GIS) Standards* since no NAVAIDs are impacted and no changes to the runway will occur in this project.

**TASK 1 – Design Phase Professional Engineering**

Preliminary design and final design phase engineering services will be provided for the work elements described in the preceding paragraph. Included in the design phase task will be preparation of design plans and specifications for a 75 percent preliminary design submittal to FAA, SCAC and the Owner for review and comment. Upon receipt of comments, the 100 percent design plans and specifications will be prepared and then released for bidding. An Engineer's Design Report will be prepared and provided to the FAA, SCAC and the Owner upon completion of the 100 percent design plans and specifications.



Also provided will be a Construction Safety and Phasing Plan (CSPP) submittal to the FAA OE/AAA website upon completion of the 100 percent plans and specifications.

Sediment and erosion control plans/details will be included along with a submittal for review and approval by SCDHEC/OCRM.

Storm drainage and stormwater detention design will also be included and reflected in the plans and specifications. Permitting assistance to obtain local and state approvals for development of the property will be performed.

During the project formulation phase, Work Authorization iterations will be necessary to establish the final scope of services and associated fee and is included as part of the fee. Also included in the project formulation phase is the administrative cost of managing subconsultants. This is reflected in equivalent hours (12 hours for the Project Manager, 2 hours for Engineer V, 2 hours for Technician V, and 2 hours for the Administrative Assistant 3) as allowed by FAA Advisory Circular 150/5100-14E. Additional design coordination time is also included for various design phase tasks and reflected in the Design Phase

#### **TASK 2 – Bidding Phase Professional Engineering**

Preliminary design and final design phase engineering services will be provided for the work elements described in the preceding paragraph.

The Engineer will coordinate with Beaufort County to advertise for the Invitation for Bids in the local paper Beaufort County will pay the cost of the bid advertisement. Engineer will attend one (1) Pre-Bid meeting for the project and will provide a bid tabulation of bids received by the Beaufort County online bids process, and submittal of DBE participation proposed by lowest responsive bidder to the FAA Civil Rights for review and concurrence. Upon receipt of written approval from the FAA Civil Rights, Engineer will provide written summary of bids received and construction contract award recommendation for consideration by the Owner.

#### **TASK 3 – Section 404 and Section 401 Permitting**

The following scope of services for the permitting required at the Beaufort County Airport (ARW) is based upon discussions with the U.S. Army Corps of Engineers (USACE) and work performed for the environmental assessment for which a Finding of No Significant Impact (FONSI) was received from the FAA on February 23, 2017. The scope of services is divided by tasks such that work can be incrementally completed while allowing for modifications based upon USACE input. The following tasks are proposed:

- A. **Existing Permit - Mitigation Resolution** – Based on direction provided by the regulatory agencies, potential mitigation sites and/or mitigation concepts will be assessed. Upon completion, a recommendation of an appropriate and preferred

mitigation alternative will be provided. It is anticipated that the alternative to be identified as the purchase of mitigation credits from an available mitigation bank. Coordination will be performed between Beaufort County, the mitigation bank and regulatory agencies to complete the purchase of credits and obtaining confirmation that mitigation associated with the original permit is complete.

**ASSUMPTION:**

1. *This task does not include the development of a Permittee Responsible Mitigation Plan should that be identified as the preferred alternative – this work would be considered out of scope and would be addressed separately.*

**B. Proposed Project**

1. Planning Meetings and Preparation of Preliminary Development and Mitigation Plans – Attendance of strategy/planning meetings with Beaufort County to discuss the proposed project as it relates to wetland impacts and environmental permitting. These meetings will include a review of the preliminary development plan, scoping and discussion of alternatives analysis, assimilation of preliminary alternatives data and discussion of the permitting process and expected regulatory agency concerns, as well as development of an appropriate mitigation plan framework.

**ASSUMPTION:**

1. *Two planning meetings will be necessary to review the project plans and discuss any changes or modifications that maybe warranted before presentation to the agencies.*
2. *For the purposes of this scope, it is anticipated that mitigation will be addressed through the purchase of credits from an approved mitigation bank.*
2. Preparation and Submittal of Permit Application to SCDHEC and USACE – Preparation and submittal of an Individual Permit application(s) package to the appropriate state and federal regulatory agencies. This will include preparation of a permit(s) package to include permit drawings, project description, purpose and need statement, alternatives analysis, avoidance and minimization discussion, and proposed mitigation.

**ASSUMPTION:**

1. *A draft of the permit application package will be provided for review and comment prior to finalization of the permit application for submittal.*
2. *For purposes of this scope and estimate, it is assumed that mitigation will be met through the purchase of appropriate mitigation credits from a commercial mitigation bank. Should mitigation bank credits not be available or the Beaufort County desires or is required to mitigate through other means which require site identification, mitigation plans and approval this work is considered out of scope*

*of this proposal.*

3. *One meeting with the USACE, SCDHEC and other commenting agency personnel, including representatives from U.S. Fish and Wildlife Service (USFWS), U.S. Environmental Protection Agency (USEPA), National Marine Fisheries Service (NMFS), South Carolina Department of Natural Resources (SCDNR), and SC Department of Health and Environmental Control - Office of Ocean and Coastal Resource Management (SCDHEC-OCRM) will be conducted.*

**E-Verify Requirement.** The Engineer shall comply with the requirements of the "South Carolina Illegal Immigration and Reform Act". Further, if the Engineer utilizes a subcontractor, the Engineer shall require the subcontractor to comply with the requirements of the "South Carolina Illegal Immigration and Reform Act".

**Iran Divestment Act Certification.** The Contractor shall comply with the requirements of N.C.G.S. 147-86.59. The Contractor certifies that, as of the date of this contract, it is not listed on the Final Divestment List created by the State Treasurer pursuant to N.C.G.S. 147-86.58. Further, the Contractor shall not utilize any subcontractor found on the State Treasurer's Final Divestment List.

**Estimated Time Schedule:** Work shall be completed in accordance with the schedule established and agreed upon by the Owner and Engineer.

**Cost of Services:** The method of payment shall be in accordance with Article 6 of the contract. The work shall be performed in accordance with the Master Contract as a lump sum of **\$128,538.00** including **\$9,225.00** for expenses. Special services shall be performed on a not to exceed basis with a budget of **\$244,329.00**, which includes reimbursable expenses. For a total of **\$382,092.00**.

**Agreed as to Scope of Services, Time Schedule and Budget:**

**APPROVED:**

BEAUFORT COUNTY

**APPROVED:**

TALBERT, BRIGHT & ELLINGTON,  
INC.

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Title

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Vice President

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Title:

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Date:

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Date:

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Witness:

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Witness:

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Talbert, Bright & Ellington, Inc.

*Work Authorization 2119-1702*



## SUMMARY OF FEES

### TAXIWAY EXTENSION TO RW 25, APRON EXPANSION, HELIPAD, RUNWAY 7-25 ERSA IMPROVEMENTS (DESIGN-BIDDING)

BEAUFORT COUNTY AIRPORT

LADY'S ISLAND, SC

AIP PROJECT NO:

SCAA PROJECT NO:

CLIENT PROJECT NO:

TBE PROJECT NO: 2119-1702

July 26, 2017

DESCRIPTION	ESTIMATED COST
<b>BASIC SERVICES</b>	
PROJECT FORMULATION/PRELIMINARY DESIGN PHASE (01)	\$ 13,672.00
DESIGN PHASE (04)	\$ 95,668.00
BIDDING PHASE (05)	\$ 19,198.00
SUBTOTAL	\$ 128,538.00
EXPENSES	\$ 9,225.00
SUBCONSULTANTS	\$ 244,329.00
TOTAL	\$ 382,092.00

# MANHOUR ESTIMATE

TAXIWAY EXTENSION TO RW 25, APRON EXPANSION, HELIPAD, RUNWAY 7-25  
 ERSAs IMPROVEMENTS (DESIGN-BIDDING)  
 BEAUFORT COUNTY AIRPORT  
 LADY'S ISLAND, SC  
 AIP PROJECT NO:  
 SCAA PROJECT NO:  
 CLIENT PROJECT NO:  
 TBE PROJECT NO: 2119-1702

July 26, 2017

## PROJECT FORMULATION/PRELIMINARY DESIGN PHASE (01)

DESCRIPTION	PRIN \$ 186	PM \$ 182	E5 \$ 160	E4 \$ 125	E2 \$ 85	E1 \$ 75	T5 \$ 98	AD5 \$ 76	AD3 \$ 55
Preliminary project review w/Owner	2	8	0	0	0	0	2	1	0
Develop project scope/contract	4	4	1	0	0	1	0	2	0
Coordinate/Contract with subconsultants	0	12	2	0	0	0	2	0	2
Determine project approach	2	4	2	0	0	0	0	0	0
Preliminary coordination with USACE-404	0	4	0	0	0	0	2	0	1
Develop/submit phasing and security plan (7460)	1	6	8	0	0	0	2	0	0
Develop preliminary estimate	1	4	4	0	0	0	2	0	0
MANHOUR TOTAL	10	42	17	0	0	1	10	3	3

## DIRECT LABOR EXPENSES:

CLASSIFICATION		BILL RATE	EST. MHRS	EST. COST
Principal	PRIN	\$ 186	10	\$ 1,860
Project Manager	PM	\$ 182	42	\$ 7,644
Engineer V	E5	\$ 160	17	\$ 2,720
Engineer IV	E4	\$ 125	-	\$ -
Engineer II	E2	\$ 85	-	\$ -
Engineer I	E1	\$ 75	1	\$ 75
Technician V	T5	\$ 98	10	\$ 980
Admin. Assistant V	AD5	\$ 76	3	\$ 228
Admin. Assistant III	AD3	\$ 55	3	\$ 165
	Total		86	
<b><i>SUBTOTAL</i></b>				<b>\$ 13,672.00</b>

## DIRECT EXPENSES:

EXPENSE DESCRIPTION	UNIT	UNIT RATE	EST. UNITS	EST. COST
Telephone	LS	\$ 75	1	\$ 75.00
Postage	LS	\$ 200	1	\$ 200.00
Miscellaneous expenses (prints, faxes, copies)	LS	\$ 750	1	\$ 750.00
Travel	LS	\$ 200	3	\$ 600.00
<b><i>SUBTOTAL</i></b>				<b>\$ 1,625.00</b>

**TOTAL PRELIMINARY DESIGN COST: \$ 15,297.00**

MANHOUR ESTIMATE

TAXIWAY EXTENSION TO RW 25, APRON EXPANSION, HELIPAD, RUNWAY 7-25  
ERSA IMPROVEMENTS (DESIGN-BIDDING)

BEAUFORT COUNTY AIRPORT

LADY'S ISLAND, SC

AIP PROJECT NO:

SCAA PROJECT NO:

CLIENT PROJECT NO:

TBE PROJECT NO: 2119-1702

July 26, 2017

DESIGN PHASE (04)

DESCRIPTION	PRIN \$ 186	PM \$ 182	E5 \$ 160	E4 \$ 125	E2 \$ 85	E1 \$ 75	T5 \$ 98	AD5 \$ 76	AD3 \$ 55
PLANS									
Cover Sheet	0	0	0	0	0	0	1	0	0
Quantities and General Notes	0	2	0	0	0	0	4	0	0
Safety and Phasing Plan	1	4	0	0	0	0	8	0	0
Demolition Plan	0	2	6	0	0	0	4	0	0
Geometric Plan and Profile	1	4	16	0	0	0	0	0	0
Grading and Drainage Plans Coordination	1	8	32	0	0	0	8	0	0
Erosion and Sediment Control Plans Coordination	0	4	16	0	0	0	4	0	0
Typical Sections and Pavement Details	0	2	2	0	0	0	4	0	0
Drainage Profiles	0	2	2	0	0	0	8	0	0
Marking Plan	0	2	8	0	0	0	8	0	0
Lighting Layout/Circuit Plan	1	8	0	24	0	0	12	0	0
New Electrical Vault Layout/Grading Plan	1	4	0	16	4	0	8	0	0
New Electrical Vault Electrical Plan	0	8	0	0	0	0	12	0	0
Miscellaneous Details	0	4	6	0	8	0	8	0	0
DESIGN									
Coordination/Meetings with Owner	8	16	0	0	0	0	0	0	0
Phasing and Safety Design	2	12	8	0	0	0	0	0	0
Pavement Design	0	4	2	0	0	0	0	0	0
Grading Design	1	12	40	0	0	0	0	0	0
SWPPP/404 Coordination and Plan Preparation	0	16	40	0	0	0	20	4	2
Electrical Vault Electrical Design	1	12	4	0	0	0	0	0	0
NFDC Coordination	0	4	0	0	0	0	0	0	2
Quantities and Construction Estimates	0	2	8	8	4	0	0	0	0
Specifications	1	16	16	0	0	0	0	16	8
Design Review Meeting (2)	0	16	8	0	0	0	0	4	0
Quality assurance plan	4	8	8	4	0	0	0	0	0
Revisions	0	4	6	4	4	0	8	4	2
MANHOUR TOTAL	22	176	228	56	20	0	117	28	14

DIRECT LABOR EXPENSES:

CLASSIFICATION		BILL RATE	EST. MHRS	EST. COST
Principal	PRIN	\$ 186	22	\$ 4,092
Project Manager	PM	\$ 182	176	\$ 32,032
Engineer V	E5	\$ 160	228	\$ 36,480
Engineer IV	E4	\$ 125	56	\$ 7,000
Engineer II	E2	\$ 85	20	\$ 1,700
Engineer I	E1	\$ 75	-	\$ -
Technician V	T5	\$ 98	117	\$ 11,466
Admin. Assistant V	AD5	\$ 76	28	\$ 2,128
Admin. Assistant III	AD3	\$ 55	14	\$ 770
	Total		661	
<u>SUBTOTAL</u>				\$ 95,668.00

Talbert, Bright & Ellington, Inc.

Work Authorization 2119-1702



DIRECT EXPENSES:

EXPENSE DESCRIPTION	UNIT	UNIT RATE	EST. UNITS	EST. COST
Telephone	LS	\$ 250	1	\$ 250.00
Postage	LS	\$ 250	1	\$ 250.00
Miscellaneous expenses (prints, faxes, copies)	LS	\$ 2,400	1	\$ 2,400.00
Travel	LS	\$ 200	4	\$ 800.00
<i><b>SUBTOTAL</b></i>				<i><b>\$ 3,700.00</b></i>

SCOPE OF SUBCONTRACTED SERVICES:

EXPENSE DESCRIPTION	UNIT RATE	EST. UNITS	COST
PREDESIGN GEOTECHNICAL TESTING-NTE	\$ 23,000	1	\$ 23,000.00
404 PERMITTING-LS	\$ 122,429	1	\$ 122,429.00
GRADING AND DRAINAGE/DETENTION DESIGN, PERMITTING ASSISTANCE-NTE	\$ 80,500	1	\$ 80,500.00
TOPOGRAPHIC SURVEY-NTE	\$ 18,400	1	\$ 18,400.00
<i><b>SUBTOTAL</b></i>			<i><b>\$ 244,329.00</b></i>

**TOTAL DESIGN COST: \$ 343,697.00**

**MANHOUR ESTIMATE**

**TAXIWAY EXTENSION TO RW 25, APRON EXPANSION, HELIPAD, RUNWAY 7-25 ERS**  
**BEAUFORT COUNTY AIRPORT**  
**LADY'S ISLAND, SC**  
**AIP PROJECT NO:**  
**SCAA PROJECT NO:**  
**CLIENT PROJECT NO:**  
**TBE PROJECT NO: 2119-1702**

July 26, 2017

**BIDDING PHASE (05)**

DESCRIPTION	PRIN \$ 186	PM \$ 182	E5 \$ 160	E4 \$ 125	E2 \$ 85	E1 \$ 75	T5 \$ 98	AD5 \$ 76	AD3 \$ 55
Coordinate advertisement	0	2	0	0	0	0	0	2	0
Distribute bid documents	0	4	0	0	0	0	4	4	2
Prebid meeting/Outline	0	10	8	0	0	0	0	0	0
Bidder question & answers	2	16	8	0	0	0	0	4	2
Prepare addenda	1	12	16	6	0	0	4	8	4
Bid opening, tabulation	0	6	0	0	0	4	0	2	2
Recommendation of award	0	2	0	0	0	0	0	2	0
<b>MANHOUR TOTAL</b>	<b>3</b>	<b>52</b>	<b>32</b>	<b>6</b>	<b>0</b>	<b>4</b>	<b>8</b>	<b>22</b>	<b>10</b>

**DIRECT LABOR EXPENSES:**

CLASSIFICATION		BILL RATE	EST. MHRS	EST. COST
Principal	PRIN	\$ 186	3	\$ 558
Project Manager	PM	\$ 182	52	\$ 9,464
Engineer V	E5	\$ 160	32	\$ 5,120
Engineer IV	E4	\$ 125	6	\$ 750
Engineer II	E2	\$ 85	0	\$ -
Engineer I	E1	\$ 75	4	\$ 300
Technician V	T5	\$ 98	8	\$ 784
Admin. Assistant V	AD5	\$ 76	22	\$ 1,672
Admin. Assistant III	AD3	\$ 55	10	\$ 550
	Total		137	
<b><i>SUBTOTAL</i></b>				<b>\$ 19,198.00</b>

**DIRECT EXPENSES:**

EXPENSE DESCRIPTION	UNIT	UNIT RATE	EST. UNITS	EST. COST
Telephone	LS	\$ 200	1	\$ 200.00
Postage	LS	\$ 250	1	\$ 250.00
Copying	LS	\$ 1,500	1	\$ 1,500.00
Reproduction	LS	\$ 1,000	1	\$ 1,000.00
Advertisement-By County	LS	\$ -	1	\$ -
Miscellaneous expenses (prints, faxes, copies)	LS	\$ 750	1	\$ 750.00
Travel	LS	\$ 200	1	\$ 200.00
<b><i>EXPENSE DESCRIPTION</i></b>				<b>\$ 3,900.00</b>

**TOTAL BIDDING COST: \$ 23,098.00**



COUNTY COUNCIL OF BEAUFORT COUNTY  
**PURCHASING DEPARTMENT**

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

TO: Councilman Jerry Stewart, Chairman, Finance Committee

FROM: Dave Thomas, CPPO, Purchasing Director

SUBJ: **Recommendation for Contract Award for a Sole Source Provider for Hilton Head Island Airport**

DATE: September 5, 2017

**BACKGROUND:** Hilton Head Island Airport is undertaking a project to extend Runway 3/21. Part of that project is the installation of an Engineered Materials Arresting System (EMAS) bed in the Extended Runway Safety Area. **This recommendation specifically concerns the production of the materials for the Departure End of RWY 21** (actual location is RWY 3). Engineered Arresting Systems Corporation d/b/a Zodiac Arresting Systems America (ZASA) is a sole source provider of the FAA-approved EMAS bed. ZASA will provide the EMAS block material, shipping, and on-site installation support. This project is being executed in accordance with the Hilton Head Island Airport Master Plan Phase I Implementation as directed by Beaufort County and Town of Hilton Head Councils in 2010 and is part of the scope of work that is included in the approved FAA Airport Improvement Program Grant 40 that was received in August 2017.

**VENDOR INFORMATION:**

Engineered Arresting Systems Corporation, Logan Township, NJ

**COST:**

\$2,388,400

Total: \$2,388,400

**FUNDING:** 90% via FAA AIP Grant 40, 5% through SCAC Grant (Pending) and 5% via Hilton Head Island Airport Capital Projects Fund.

**FOR ACTION:** Finance Committee September 5, 2017

**RECOMMENDATION:** Purchasing recommends that the Finance Committee approve and recommend to County Council the contract award to Arresting Systems America (ZASA) in the amount of \$2,388,400 for the procurement of EMAS material, shipping, and on-site installation support.

cc: Gary Kubic, County Administrator  
Joshua Gruber, Deputy County Administrator/Special Counsel  
Alicia Holland, Asst. County Administrator, Finance  
Colin Kinton, Director, Transportation Engineering  
Jon Rembold, Airports Director

Att: Proposal from ZASA to provide EMAS

**COUNTY COUNCIL OF BEAUFORT COUNTY****PURCHASING DEPARTMENT**

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

David L Thomas, Purchasing Director

dthomas@bcgov.net 843.255.2353

**TO:** Councilman Jerry Stewart, Chairman, Finance Committee ▼

**FROM:** David L Thomas, CPPO, Purchasing Director

**SUBJ:** New Contract as a Result of Solicitation ▼

IFB 080117HXD, Recommendation for Contract Award for a Sole Source Provider for Hilton Head Island Airport

**DATE:** 09/01/2017 

**BACKGROUND:**

Hilton Head Island Airport is undertaking a project to extend Runway 3/21. Part of that project is the installation of an Engineered Material Arresting System (EMAS) on Runway 3/21.

**VENDOR INFORMATION:**

Engineered Arresting Systems Corporation, Logan Township, NJ

**COST:**

\$2,388,400

☒ Insert Addition Vendor Info.

**FUNDING:**


90% via FAA AIP Grant 40, 5% through SCAC Grant (Pending) and 5% via Hilton Head Island Airport Capital Projects Fund

Funding approved: Yes ▼ By: aholland Date: 09/01/2017

**FOR ACTION:** Finance Committee September 5, 2017

**RECOMMENDATION:**

Purchasing recommends that the Finance Committee approve and recommend to County Council the contract award to Arresting Systems.

Attachment:  Recommendation Ltr Attachment HXD EMAS Rwy 21 Dep End 09012017.pdf  
168.74 KB

cc: Gary Kubic, County Administrator

Approved: Select... ▼ Date:

Check to override approval: ☒ Overridden by: Imaietta

Override Date: 2017-09-01

Joshua Gruber, Deputy County Administrator/Special Counsel

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved: Yes ▼ Date: 09/01/2017

Colin Kinton, Director, Transportation Engineering Division ▼

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date: ready for admin: ☒

Jon Rembold, Director, Airports Department ▼

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date: ready for admin: ☒

☒ CC others

**After Initial Submission, Use the Save and Close Buttons**



COUNTY COUNCIL OF BEAUFORT COUNTY  
**PURCHASING DEPARTMENT**

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

TO: Councilman Jerry Stewart, Chairman, Finance Committee

FROM: Dave Thomas, CPPO, Purchasing Director

SUBJ: **Contract Award Recommendation for IFB#080117HXD Runway 21 End EMAS Installation;  
Hilton Head Island Airport**

DATE: September 5, 2017

**BACKGROUND:** Hilton Head Island Airport is undertaking a project to extend Runway 3/21. Part of that project is the installation of an Engineered Materials Arresting System (EMAS) bed in the Extended Runway Safety Area. **This contract award is for the installation of the EMAS bed at the north end of the airport.** This project is being executed in accordance with the Hilton Head Island Airport Master Plan Phase I Implementation as directed by Beaufort County and Town of Hilton Head Councils in 2010 and is part of the scope of work that is included in the approved FAA Airport Improvement Program Grant 39 that was received in September 2016.

**VENDOR INFORMATION:**

Quality Enterprises USA, Inc. Chesapeake, VA (sole bidder)

**COST:**

\$389,216.60

Total: \$389,216.60

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

**FOR ACTION:** Finance Committee September 5, 2017

**RECOMMENDATION:** Purchasing recommends that the Finance Committee approve and recommend to County Council the contract award to Quality Enterprises USA, Inc. in the amount of \$389,216.60 for the installation of EMAS at the RWY 21 end of the Hilton Head Island Airport.

cc: Gary Kubic, County Administrator  
Joshua Gruber, Deputy County Administrator/Special Counsel  
Alicia Holland, Asst. County Administrator, Finance  
Colin Kinton, Director, Transportation Engineering  
Jon Rembold, Airports Director

Att: Bid Tabulation

BID TABULATION  
 RUNWAY 21 END EMAS INSTALLATION  
 HILTON HEAD ISLAND AIRPORT  
 TBE PROJECT NO. 2119-1006  
 AUGUST 29, 2017

					QUALITY ENTERPRISES USA, INC. CHESAPEAKE, VA		Engineer's Estimate		
BASE BID					LICENSE NO.: 97783				
ITEM NO.	SPEC NO.	DESCRIPTION	QTY	UNIT	UNIT PRICE	EXT. TOTAL	UNIT PRICE	EXT. TOTAL	
1	GP105	MOBILIZATION	1	LS	\$54,249.00	\$54,249.00	\$45,000.00	\$45,000.00	
2	P-555	EMAS BED INSTALLATION	1	LS	\$311,967.50	\$311,967.50	\$390,000.00	\$390,000.00	
3	P-620	AIRFIELD PAVEMENT MARKING (REFLECTORIZED AVIATION YELLOW)	2,835	SF	\$3.90	\$11,056.50	\$2.00	\$5,670.00	
4	P-620	AIRFIELD PAVEMENT MARKIING (NON-REFLECTORIZED BLACK)	1,955	SF	\$3.25	\$6,353.75	\$1.50	\$2,932.50	
5	REP	REMOVE EXISTING BITUMINOUS PAVEMENT, FULL DEPTH (AIRFIELD)	35	SY	\$159.71	\$5,589.85	\$250.00	\$8,750.00	

TOTAL BASE BID AMOUNT

\$389,216.60

\$452,352.50

DBE SUBCONTRACTOR AMOUNT

\$4,150.00

DBE PERCENTAGE OF BASE BID AMOUNT

1.07%

I HEREBY CERTIFY THIS TABULATION OF BIDS TO BE CORRECT.

8/30/2017

TALBER, BRIGHT & ELLINGTON, INC.

DATE

**COUNTY COUNCIL OF BEAUFORT COUNTY****PURCHASING DEPARTMENT**

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

David L Thomas, Purchasing Director

dthomas@bcgov.net 843.255.2353

**TO:** Councilman Jerry Stewart, Chairman, Finance Committee ▼

**FROM:** David L Thomas. CPPO. Purchasing Director

**SUBJ:** New Contract as a Result of Solicitation ▼

IFB 080117HXD, Runway 21 End EMAS Installation, Hilton Head Island Airport

**DATE:** 09/01/2017 

**BACKGROUND:**

Hilton Head Island Airport is undertaking a project to extend Runway 3/21. Part of that project is the installation of an Engineered Material

**VENDOR INFORMATION:**

Quality Enterprises USA, Inc. Chesapeake, VA (sole bidder)

**COST:**

\$389,216.60

☒ Insert Addition Vendor Info.

**FUNDING:**




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

Funding approved: Yes ▼ By: aholland Date: 09/01/2017

**FOR ACTION:** Finance Committee September 5, 2017

**RECOMMENDATION:**

Purchasing recommends that the Finance Committee approve and recommend to County Council the contract award to Quality Enterprises

Attachment:  Recommendation Ltr Attachment Rnwy 21 End EMAS Installation 09012017.pdf  
25 KB

cc: Gary Kubic, County Administrator

Approved: Select... ▼ Date:

Check to override approval: ☒ Overridden by: Imaietta

Override Date: 2017-09-01

Joshua Gruber, Deputy County Administrator/Special Counsel

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date:

Alicia Holland, Assistant County Administrator, Finance

Approved: Yes ▼ Date: 09/01/2017

Colin Kinton, Director, Transportation Engineering Divisic ▼

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date: ready for admin: ☒

Jon Rembold, Director, Airports Department ▼

Approved: Yes ▼ Date: 09/01/2017

Check to override approval: ☐ Overridden by:

Override Date: ready for admin: ☒

☒ CC others

**After Initial Submission, Use the Save and Close Buttons**



ALAN WILSON  
ATTORNEY GENERAL

August 30, 2017

Christopher S. Inglese, Esquire  
Beaufort County Assistant Attorney  
County Council of Beaufort County  
Post Office Drawer 1228  
Beaufort, SC 29901-1228

Dear Mr. Inglese:

Attorney General Alan Wilson has referred your letter dated June 16, 2017 to the Opinions section for a response. The following is this Office's understanding of your questions and our opinion based on that understanding.

**Issues** (as quoted from your letter):

*Beaufort County has ratified local ordinances Sec. 66-26 et seq. regarding Accommodations tax and Sec. 66-531 et seq. regarding Hospitality tax. The County Ordinances adopt essentially the language of the State statutes to wit:*

*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.*

*The same is provided for expenditures of Hospitality tax funds:*

*Sec. 66-534. - Permitted uses of hospitality tax funds.*

*(a) The county council is hereby authorized to utilize the funds collected from the imposition and collection of the hospitality tax and other funds deposited into "The County of Beaufort, South Carolina, Hospitality Tax Account." The revenue generated by the hospitality tax*

*must be used exclusively for the following purposes:*

- (1) Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;*
- (2) Tourism-related cultural, recreational, historic facilities, or land acquisition;*
- (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.*

*On behalf of Beaufort County Council, and in consideration of any other relevant provisions of Title 6 Chapter 4 of the South Carolina Code of Laws, I respectfully submit the following questions for your consideration and request your office issue a legal opinion:*

***[1] May County Council spend Accommodations tax funds for the construction of a culinary art institute as part of the Technical College of the Lowcountry's vocational programs?***

***[2] May County Council spend Hospitality tax funds for the construction of a culinary art institute as part of the Technical College of the Lowcountry's vocational programs?***

*Would your opinion change in consideration of the following question:*

***[3] May County Council spend Accommodations tax funds, or Hospitality tax funds for the construction of a culinary tourism center in which the primary function is to provide an international culinary experience wherein a culinary art degree program of the Technical College of the Lowcountry is the administrative office of the culinary tourism center?***

**Law/Analysis:**

First and foremost, this Office generally defers the interpretation of administrative questions to administrative agencies within their jurisdiction. See, e.g., Op. S.C. Att’y Gen., 2015 WL 836506 (S.C.A.G. February 17, 2015). It is this Office’s understanding that, pursuant to South Carolina Code Ann. § 6-4-20(A), the South Carolina Treasurer administers an accommodations tax account. It is also our understanding, as we stated in a prior opinion, that the South Carolina Department of Revenue does not administer and collect a Local Hospitality Tax. Op. S.C. Att’y Gen., 2015 WL 836506 (S.C.A.G. February 17, 2015). Moreover, the Department of Revenue reviews sales tax returns for those “engaged or continuing within this State in the business of furnishing accommodations to transients for consideration.” S.C. Code Ann. § 12-36-920. Thus, to the extent that the Treasurer and the Department of Revenue administer and collect the Local Accommodations Tax, we would generally defer to their interpretations of the statutes as long as such interpretations are reasonable. Id. Furthermore, we note that the South Carolina Department of Revenue issued a ruling on October 27, 1998 pertaining to Accommodation Tax funds. See S.C. Revenue Ruling No. 98-22, 1998 WL 34058107 (October 27, 1998). In the ruling the Department advised that the use of Accommodations Tax funds are prohibited as to those activities that provide “a purely local function or benefit” and limited “tourism-related

expenditure” to those activities that are “used to attract or provide for tourists ... [and not] for an item that would normally be provided by the county or municipality.” S.C. Revenue Ruling No. 98-22, 1998 WL 34058107 (October 27, 1998). Additionally, the ruling concluded that Accommodations Tax funds may promote events that affect tourism but may not be used to support local programs that benefit the local population without tourists benefitting from the programs. Id. The Ruling concluded that tourism funds could not be used to pay for local art and music programs but could be used for cultural and civil activities in addition to visitor centers as long as they were used to attract and provide for tourists without providing “a purely local function.” Id.

Let us examine the statutes regarding the Local Accommodations Tax and the Local Hospitality Tax.<sup>1</sup> Regarding the Local Accommodations Tax, the Act requires that:

- (A) 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) tourism-related cultural, recreational, or historic facilities;
  - (3) beach access, renourishment, or other tourism-related lands and water access;
  - (4) highways, roads, streets, and bridges providing access to tourist destinations;
  - (5) advertisements and promotions related to tourism development; or
  - (6) water and sewer infrastructure to serve tourism-related demand.
- (B) (1) In a county in which at least nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, the revenues of the local accommodations tax authorized in this article may also be used for the operation and maintenance of those items provided in (A)(1) through (6) including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.
- (2) In a county in which less than nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, an amount not to exceed fifty percent of the revenue in the preceding fiscal year of the local accommodations tax authorized pursuant to this article may be used for the additional purposes provided in item (1) of this subsection.

S.C. Code Ann. § 6-1-530 (emphasis added). As you reference in your letter, the Local Hospitality Tax (S.C. Code Ann. § 6-1-730) may be used for almost the identical purposes as the Local Accommodations Tax (S.C. Code Ann. § 6-1-530, as listed above) except that § 6-1-730 limits the third purpose to “(3) beach access and renourishment” instead of “(3) beach access, renourishment, or other tourism-related lands and water access;” as in South Carolina Code Ann. § 6-1-530.

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<sup>1</sup> When this opinion references the “Local Accommodations Tax,” we are referring to the “Local Accommodations Tax Act” in S.C. Code Ann. § 6-1-500 et seq. When this opinion refers to the “Local Hospitality Tax,” we are referring to the “Local Hospitality Tax Act” in S.C. Code Ann. § 6-1-700 et seq. Moreover, for purposes of this opinion we have not been provided the information as to the amounts of revenue, etc. for the county and presume they comply within the applicable statutes.

As a background regarding statutory interpretation, the cardinal rule of statutory construction is to ascertain the intent of the General Assembly and to accomplish that intent. Hawkins v. Bruno Yacht Sales, Inc., 353 S.C. 31, 39, 577 S.E.2d 202, 207 (2003). The true aim and intention of the legislature controls the literal meaning of a statute. Greenville Baseball v. Bearden, 200 S.C. 363, 20 S.E.2d 813 (1942). The historical background and circumstances at the time a statute was passed can be used to assist in interpreting a statute. Id. An entire statute's interpretation must be "practical, reasonable, and fair" and consistent with the purpose, plan and reasoning behind its making. Id. at 816. Statutes are to be interpreted with a "sensible construction," and a "literal application of language which leads to absurd consequences should be avoided whenever a reasonable application can be given consistent with the legislative purpose." U.S. v. Rippetoe, 178 F.2d 735, 737 (4th Cir. 1950). The dominant factor concerning statutory construction is the intent of the Legislature, not the language used. Spartanburg Sanitary Sewer Dist. v. City of Spartanburg, 283 S.C. 67, 321 S.E.2d 258 (1984) (citing Abell v. Bell, 229 S.C. 1, 91 S.E.2d 548 (1956)).

While this Office keeps the literal reading of these statutes in mind, in answering your questions we must bring to your attention the funding source for these taxes. As you are likely aware, "[a] local governing body may impose, by ordinance, a local hospitality tax not to exceed two percent of the charges for food and beverages." S.C. Code Ann. § 6-1-720. Thus, a Local Hospitality Tax is a tax on food and beverages. Id. Contrastingly, "[a] local governing body may impose, by ordinance, a local accommodations tax, not to exceed three percent." S.C. Code Ann. § 6-1-520. The statute defines a local accommodations tax as "a tax on the gross proceeds derived from the rental or charges for accommodations furnished to transients as provided in Section 12-36-920(A) and which is imposed on every person engaged or continuing within the jurisdiction of the imposing local governmental body in the business of furnishing accommodations to transients for consideration." S.C. Code Ann. § 6-1-510. Thus, a Local Accommodations Tax is a tax on the fees for the furnishing of accommodations to "transients." Id. As you are also likely aware, South Carolina imposes a statewide sales tax "equal to seven percent is imposed 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 a consideration." S.C. Code Ann. § 12-36-920. Thus, we advise keeping all expenditures consistent with the overall purpose and basis for the tax as expressed by the General Assembly.

***[1] May County Council spend Accommodations tax funds for the construction of a culinary art institute as part of the Technical College of the Lowcountry's vocational programs?***

Regarding your first question and keeping in mind that the Local Accommodations Tax is a tax on the fees for the furnishing of accommodations to "transients," we believe a court would find that funds from the Local Accommodations Tax must exclusively be used for the purposes listed within S.C. Code Ann. § 6-1-530 (i.e. "(1) tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums; (2) tourism-related cultural, recreational, or historic facilities; et seq."). Chapter 4 of Title 6 defines "travel" and "tourism" as "the action and activities of people taking trips outside their home communities for any purpose, except daily commuting to and from work." S.C. Code Ann. § 6-4-5(4). This Office has previously opined regarding the Accommodations Tax that "the General Assembly has broadly defined tourism ... [which is] indicative of an intent that 'tourism-related expenditures' also be broadly interpreted." Op. S.C. Att'y Gen., 2015 WL 5462169 (S.C.A.G. September 3, 2015) (quoting Op. S.C. Att'y Gen., 2003 WL 21043497 (S.C.A.G. April 2, 2003)). The county must be prepared to

show how the funds will benefit tourism and this Office believes a court will find the funds should benefit tourism at least implicitly through “transients” coming to stay because of the culinary art institute in order to fulfill this compliance. Moreover, the South Carolina Court of Appeals has ruled regarding the Accommodations Tax that:

The Accommodations Tax Act was enacted to raise revenue for the purpose of promoting tourism and providing for facilities and services which enhance the ability of counties and municipalities to attract and provide for tourists. Section 1, Act No. 316, Acts and Joint Resolutions of the General Assembly of South Carolina, Regular Session, 1984, 63 Stat. at Large 1570 (1984). To generate revenues, the Act imposes an accommodations tax on the transient use of hotel, motel, and campground facilities. The Tax Commission annually returns a portion of the tax receipts to the county or municipality from which they were collected.

...

In our view, the statute reflects a practical recognition by the Legislature that expenditures which promote tourism will generally enlarge the economic benefits for an entire geographic area of the county without regard to municipal boundary lines. Thus, for example, a festival held within the city limits will bring economic benefits to motels and campgrounds along highways coming into the city. Conversely, a visitor information center in an unincorporated area of the county will bring economic benefits to the entire geographic area by promoting tourist services and facilities in nearby incorporated areas. For this reason, it makes sense to give counties some flexibility as to how and where they spend accommodations tax revenues.

This reading of the statute is reinforced by the further provision that suit may be brought to challenge expenditures if the county is not “substantially in compliance” with its provisions. A standard of “substantial” compliance, rather than “strict” compliance, acknowledges that the county must have some discretion in deciding how to spend (C) funds. As long as it substantially complies with the two requirements of Section 12-35-720(1) in the overall expenditure of funds, there is no warrant for judicial interference with its decisions.

Thompson v. Horry Cty., 294 S.C. 81, 85, 362 S.E.2d 646, 648 (Ct. App. 1987). Additionally the Administrative Law Court has ruled that Accommodations Tax funds may be given to “for-profit” entities pursuant to S.C. Code Ann. § 6-4-10(4). City of Myrtle Beach v. Tourism Expenditure Review Committee, 2005 WL 3308567 (S.C. Admin.LawJudge Div. 2005).

Nevertheless, the General Assembly has granted the local advisory committee authority to recommend expenditures of the revenue from Accommodations Taxes and the local government’s actions following the recommendation. S.C. Code § 6-4-25. Furthermore, the law states regarding the Tourism Expenditure Review Committee that it:

[S]hall serve as the oversight authority on all questionable tourism-related expenditures and to that end, all reports filed pursuant to Section 6-4-25(D)(3) must be forwarded to the committee for review to determine if they are in compliance with this chapter. The municipality or county must be notified if an expenditure is questioned, and the committee may consider any further supporting

information the municipality or county may provide. If the committee finds an expenditure to be in noncompliance, it shall certify the noncompliance to the State Treasurer, who shall withhold the amount of the expenditure found in noncompliance from subsequent distributions in accommodations tax revenue otherwise due the municipality or county. An appeal from an action of the committee under this subitem lies with the Administrative Law Judge Division.

S.C. Code § 6-4-35(B)(1)(a). The Advisory Committee serves to recommend how Accommodations Tax funds should be spent by local governing bodies. S.C. Code Ann. § 6-4-25. The Tourism Expenditure Review Committee serves as the oversight authority on any questionable tourism-related expenditures of Accommodations Tax funds. S.C. Code Ann. §§ 6-4-35.

***[2] May County Council spend Hospitality tax funds for the construction of a culinary art institute as part of the Technical College of the Lowcountry's vocational programs?***

Regarding the Local Hospitality Tax and “with respect to capital projects,” the law defines a “tourist” as “a person who does not reside in but rather enters temporarily, for reasons of recreation or leisure, the jurisdictional boundaries of a municipality for a municipal project or the immediate area of the project for a county project.” S.C. Code Ann. § 6-1-760 (1976 Code, as amended). Regarding a Local Hospitality Tax, this Office has previously opined that:

[A]n athletic house and improvements to an athletic field at a public school would likely be used for the students and staff of the school, rather than for tourists to the area. Op. S.C. Atty. Gen., 2006 WL 3877521 (December 20, 2006). Moreover, there are other cases that may be of assistance in guiding you as to how a court may rule on your question. For example, the West Virginia Supreme Court [...] upheld [sic] a movie theatre deemed a tourist recreational activity destination. See Fountain Place Cinema 8, LLC, v. Morris, 227 W.Va. 249, 707 S.E.2d 859 (2011). Thus, we believe a court will find there must be a direct and casual connection between tourism and the promotion thereof for Local Hospitality Funds to be used in whole or part to pay for a recreational facility.

Moreover, in a 2010 opinion, this Office analyzed whether we thought Clarendon County could use a portion of money collected pursuant to its Local Hospitality Tax to operate and maintain its tourism facility. Op. S.C. Atty. Gen., 2010 WL 2678689 (June 10, 2010). In that opinion, the county relied on South Carolina Code Section 6-1-730 for its authority to do so. Id. This Office analyzed the statute based on rules of statutory interpretation and concluded that as long as the building was tourism-related, funds from the county's hospitality tax could be used for the building. Id.

Furthermore, in 2006, this Office wrote an opinion concluding a municipality may use funds from its hospitality tax for the purposes in Section 6-1-730(B) as long as at least one of the counties where the municipality is located collects the requisite amount. Op. S.C. Atty. Gen., 2006 WL 422564 (February 3, 2006). In that opinion, we discussed how the Local Hospitality Tax appears to be a “mechanism to generate revenue for the promotion of tourism and funds that mechanism by a revenue source which presumably would be affected by an increase in tourism.” Id.

We also referenced Thompson v. Horry County in support of the interpretation that a municipality may use funds from its hospitality tax within the entire municipality. Id. (citing Thompson v. Horry County, 294 S.C. 81, 362 S.E.2d 646 (1987)).

While the Thompson case dealt with the Accommodations Tax, the Court's conclusion is helpful in determining how the Court may interpret your question regarding the Local Hospitality Tax. In Thompson, the Court concluded state Accommodations Tax funds must be used for "tourism-related" expenditures and used primarily in the area of the county where the tax is collected where practical. Id.

Op. S.C. Att'y Gen., 2015 WL 836506 (S.C.A.G. Feb. 17, 2015). This Office has previously opined regarding whether an individual project would comply with the intent of the Local Hospitality Tax is a question of fact that is outside the scope of an opinion. See Op. S.C. Att'y Gen., 2014 WL 1511521 (S.C.A.G. Mar. 27, 2014). This Office also previously opined regarding the Local Accommodations Tax that:

In reading the provisions contained in the [Local Hospitality] Act as a whole, we understand that the Legislature intended to use hospitality tax revenues to fund projects and infrastructure that promote and further tourism. As we stated in a 2006 opinion discussing the Act, "in our view, the Act creates a mechanism to generate revenue for the promotion of tourism and funds that mechanism by a revenue source which presumably would be affected by an increase in tourism." Op. S.C. Atty. Gen., February 3, 2006.

Op. S.C. Atty. Gen., 2008 WL 5120764 (November 4, 2008). As the 2006 opinion also stated concerning the Hospitality Act:

...the Act allows counties and municipalities to impose a hospitality tax on certain meals and beverages served in restaurant and restaurant type establishments. S.C. Code Ann. § 6-1-710. Further, the Act requires the revenue generated from hospitality taxes to be kept separate and primarily used for tourism related expenditures. S.C. Code Ann. § 6-1-710. Specifically, section 6-1-730(A) states the expenditures are to be used "exclusively" for what appear to [be] expenses related to the promotion and facilitation of tourism. Thus, in our view, the Act creates a mechanism to generate revenue for the promotion of tourism and funds that mechanism by a revenue source which presumably would be affected by an increase in tourism.

Op. S.C. Atty. Gen., [2006 WL 422564 (February 3, 2006).]

Op. S.C. Att'y Gen., 2014 WL 1511521 (S.C.A.G. March 27, 2014). Thus, we would answer your questions likewise in that what is and is not a tourist destination is a question of fact. This Office issues legal, not factual opinions. Op. S.C. Atty. Gen., 1996 WL 599391 (September 6, 1996) (citing Op. S.C. Atty. Gen., 1983 WL 182076 (December 12, 1983)).



***[3] May County Council spend Accommodations tax funds, or Hospitality tax funds for the construction of a culinary tourism center in which the primary function is to provide an international culinary experience wherein a culinary art degree program of the Technical College of the Lowcountry is the administrative office of the culinary tourism center?***

This Office believes a court will determine that whether a culinary tourism center would meet the purposes for the funds is a question of fact, but we believe a court could find that a “culinary tourism center” could serve as a purpose listed within the statutes for use of Accommodations and Hospitality Tax funds. S.C. Code Ann. § 6-1-530 (“(2) tourism-related cultural, recreational, or historic facilities;”); § 6-1-730 (“(2) tourism-related cultural, recreational, or historic facilities;”) based on our answers to your first and second questions in the promotion of tourism. Furthermore, we believe it will strengthen your argument for there to be at least an implicit nexus between Accommodations Tax revenues and “transients” coming and staying in Beaufort in order to fulfill the purposes in S.C. Code Ann. § 6-1-530. Likewise, we believe it will strengthen your argument for there to be an implicit nexus between Hospitality Tax revenues and people dining in Beaufort in order to fulfill the purposes in S.C. Code Ann. § 6-1-730. We believe not only showing one of the purposes but also showing at minimum an implicit nexus behind the purpose for the tax will strengthen a legal argument for the use of the funds.

**Conclusion:**

As this Office stated in a previous opinion and for purposes of this opinion, we are not going to determine what is and is not a tourist destination for purposes of the Local Hospitality and Accommodations Taxes, as that is a question of fact better answered by the local government or a court.<sup>2</sup> Regarding your questions, we believe a court will find that a technical college generally is created to serve the needs of citizens either in a specific location or for a special set of skills and is not generally regarded as tourism-related. Our answers to your specific questions are as follows:

- 1) First and foremost, any such expenditure of Local Accommodations Tax funds would need to comply with South Carolina Department of Revenue Ruling No. 98-22, 1998 WL 34058107 (October 27, 1998). It prohibits the use of Accommodations Tax funds for “a purely local function or benefit” and limited “tourism-related expenditure[s]” to those that are “used to attract or provide for tourists ... [and not] for an item that would normally be provided by the county or municipality.” *Id.* Thus, the Revenue Ruling does not appear to support the use of Accommodations Tax funds to construct a culinary art institute as a part of the Technical College. Additionally, the Tourism Advisory Review Committee serves as the oversight authority on any questionable tourism-related expenditures of Accommodation Tax funds. S.C. Code Ann. § 6-4-35. Lastly, we advise consulting your Advisory Committee on the use of such funds. *See* S.C. Code Ann. § 6-4-25.
- 2) Regarding your second question, as this Office has previously opined, we believe a court will find there must be a direct and casual connection between tourism and the promotion thereof for Local Hospitality Funds to be used in whole or in part to pay for a recreational facility. *See Op. S.C. Att’y Gen.*, 2015 WL 836506 (S.C.A.G. Feb. 17, 2015). We believe there is a legal argument for using Local Hospitality Tax funds for a culinary art institute if the county can show a nexus between the institute and tourism sufficient to overcome the purely local benefit it would provide to the Technical College.

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<sup>2</sup> *See Op. S.C. Att’y Gen.*, 2014 WL 1511521 (S.C.A.G. Mar. 27, 2014).

- 3) This Office has previously opined that we believe a court would find that Local Hospitality Tax funds could be used for a tourism facility, and we also believe a court would do so accordingly for Local Accommodations Tax funds. See Op. S.C. Atty. Gen., 2010 WL 2678689 (June 10, 2010). Without making any factual determinations, this Office believes a court would find that a culinary tourism center could serve as a purpose listed within the statutes for use of Accommodations and Hospitality Tax funds. S.C. Code Ann. § 6-1-530 (“(2) tourism-related cultural, recreational, or historic facilities;”); § 6-1-730 (“(2) tourism-related cultural, recreational, or historic facilities;”). As stated above, we also believe it would strengthen your argument for the county to show an implicit nexus between Accommodations Tax revenues and “transients” spending the night in fulfilling the purposes in South Carolina Code Ann. § 6-1-530. Likewise, we believe it would strengthen your argument for there to be at least an implicit nexus between Hospitality Tax revenues and tourists dining in order to fulfill the purposes in South Carolina Code Ann. § 6-1-730. This Office also advises following the applicable Revenue Rulings and coordination with the Advisory Committee regarding Accommodation Tax revenue, as detailed above.

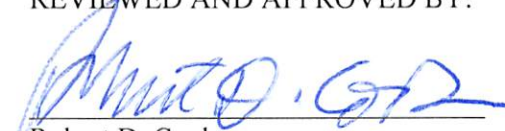
However, this Office is only issuing a legal opinion based on the current law at this time and the information as provided to us. This opinion is not an attempt to comment on any pending litigation or criminal proceeding. Until a court or the General Assembly specifically addresses the issues presented in your letter, this is only an opinion on how this Office believes a court would interpret the law in the matter. This opinion only addresses some of the sources in the subject area, but we can address other authority or additional questions in a follow-up opinion. Additionally, you may also petition the court for a declaratory judgment, as only a court of law can interpret statutes and make such determinations. See S.C. Code Ann. § 15-53-20. If it is later determined otherwise, or if you have any additional questions or issues, please let us know.

Sincerely,



Anita (Mardi) S. Fair  
Assistant Attorney General

REVIEWED AND APPROVED BY:



Robert D. Cook  
Solicitor General

**PROJECT WATERFRONT PARK EXTENSION INTO WHITEHALL DEVELOPMENT****SUMMARY:**

The City of Beaufort has negotiated with MidCity Real Estate Partners their donation of property (one acre +/-) on the Beaufort River side of the property around the old dock and pier. This property would be used for a passive park that will be connected to the Woods Bridge sidewalk and future county trail way which can be the beginning of the Beaufort County Greenways Plan that was developed and agreed by the County and the City in 1997. This would be a non-motorized pathway, pier and dock to be used by residents, tourists, and the public in general. As requested by the Natural Resources Committee there will be designated parking and signage for the park making it clear that it is a public facility.

The conditions for the donation are:

- Infrastructure for the park to be financed by the County for an amount of not to exceed \$300,000.00.
- Closing of the property is expected to take place on or before December 31<sup>st</sup>, 2017.
- The infrastructure to be completed by December 31<sup>st</sup>, 2018 or earlier
- The City will assume full responsibility for the project management during construction and all maintenance of the park and infrastructure once the park is completed.

We have an estimated cost of the entire project of approximately \$250,000 to \$300,000. The annual maintenance is estimated to be \$35,000 to \$40,000 per year.

The City asked the Natural Resources Committee to support and recommend this project to the County Council for funding of up to \$300,000.00. The committee voted to support this project but felt it should be funded by Local Accommodations Funds, or if desired this project would fall into the allowances for use of Hospitality Tax funds, as are most docks and water access projects in the county and therefore, has forwarded this to the Finance Committee for approval of the funding method.

**BACKGROUND & HISTORY:**

This project goes back to the Palmetto Greenways Initiative that was started in Beaufort County in 1997. The purpose of the Beaufort Greenways Project was to determine how and where greenways can best serve the Beaufort Community. Greenway projects have unique purposes for each community they are developed in. The Beaufort Greenway concept was and is intended to connect the community with safe routes for people to access the community's resources via walking or cycling, or by other nonmotorized modes. It is also the purpose of the Beaufort Greenways Project to provide the community with access to the many water courses. By providing water access, the community will be able to access their most valuable resource, their waterways.

In 2015 a proposal to sell a park on this same property to the County, City, and Open Land Trust was proposed by a different developer. The request at that time was for \$2.5 million dollars. For various reasons that project did not move forward and the property was placed under contract to a new development group.

We feel that this project will benefit all the residents of the County and the City just as the construction of the Henry Chambers Waterfront Park did in 1974 and it provides and meets the goals of the Beaufort Greenways project developed in 1997 and is still part of the overall masterplan for both the County and the City.

**THIS WILL BE A PASSIVE PARK:**

It will be like the Spanish Moss Trail and will only be for non-motorized use for the public in general.

It will have a boardwalk and dock for viewing and relaxation as well as an extended bike trail.

It will have seating and benches strategically placed.

It will be handicap accessible.

It will tie into a White Hall internal trail, the Henry Chambers Park, and the Beaufort County Greenways Plan.

It will have established trees and landscaping that will highlight the beauty of the Lowcountry.

It will be another recreational asset for our entire community to enjoy and will complement our Historic tours and sites.

It will be another tourist attraction and will be a great viewing area for events that are held in the Henry C. Chambers Park. We must keep in mind that access to water continues to be one of, if not the top reason for both visitors and citizens to fall in love with the lowcountry. As a community, we invest in opportunities such as these, knowing that our lowcountry views provide both an upgrade to our quality of life while enriching the quality of development in our county.

It will have designated parking for those that wish to access from within the White Hall development.

It is estimated that when the entire project is built out, the total assessed value is estimated to be \$59,000,000 and this would generate a revenue flow to the county of over \$180,000 dollars per year in new taxes alone, at the current rate.

In 1976 when the Henry C. Chambers Park was being built it was stated "The entire project is expected to improve the vehicular and pedestrian circulation in the area, provide adequate parking, enhance the historical character of the city, provide more recreational and leisure time space, increase the flow of retail traffic in the downtown area, improve property values, increase employment and afford the city with an area that will attract tourists, encourage community pride and increase community spirit" That quote is an understatement as to what the Henry C. Chambers Park has done for the City and the County of Beaufort. Currently, we have over 100,000 people attend the major festivals at the Henry C. Chambers Park every year and these are a mix of residents from all over the county as well as tourist. We feel that this project will only add value to this wonderful asset and will generate additional A-Tax and Hospitality Tax revenue for both the county and the City.

Requested by: City of Beaufort

Presented by: W. Prokop, City Manager

09/01/2017

**REQUEST**

**BACKGROUND:** A recent assessment of SelfChek out machines (utilized by all library branches in Beaufort County to check out books and other library materials) determined that all of the units are over five years old, are failing to function properly and on January 1, 2018 the credit/debit card readers in these machines will no longer meet federal banking laws. This is a request to purchase replacement units. These are the only units that are compatible with our existing automated materials handling equipment. Received quote is attached from Bibliotheca for \$181,728.00.

**VENDOR INFORMATION:**

Bibliotheca, 3169 Holcomb Bridge Road, NW, Suite 200, Norcross, GA 30071

**FUNDING:**

Library Impact Fee Accounts

26000011-54200 \$45,432 (Current Balance \$290,003)  
26020011-54200 \$45,432 (Current Balance \$1,798,861)  
26030011-54200 \$45,432 (Current Balance \$652,477)  
26040011-54200 \$30,288 (Current Balance \$214,616)  
26060011-54200 \$15,444 (Current Balance \$30,578)

**FOR ACTION:**

Library Board of Trustees approved July 12, 2017.

Community Services Committee recommended approval August 28, 2017.



Ray McBride  
Director





## Non-Competitive Purchases Form



**This form shall be completed for any non-competitive purchase over \$2,500 that is not exempt.**

(a) A County contract may be awarded without competition when the Purchasing Director determines in writing, after conducting a good faith review of available sources, that there is only one source for the required supply, service, or construction item. The Purchasing Director shall conduct negotiations, as appropriate, as to price, delivery, and terms. A record of sole source procurements shall be maintained as public record and shall list each contractor's name, the amount and type of each contract, a listing of the items procured under each contract, and the identification of each contract file.

(b) Sole source procurement of a used item from the open market may only be considered, provided that:

(1) The using agency recommends purchase; (2) condition of the item is verified by appropriate County official; and (3) price analysis justifies purchase when the following factors are considered: (a) new acquisition price; (b) current book value; and (c) maintenance costs.

Code 1982 SS 12-19 Sec. 2-518 Sole source procurement

The County Council may by resolution, exempt specific supplies or services from the purchasing procedures required in the Code. The following supplies and services shall be exempt from the purchasing procedures required in this division; however, the Purchasing Director for just cause may limit or withdraw any exemption provided for in this section. (1) Works of art for museum and public display (2) Published books, library books, maps, periodicals, technical pamphlets (3) Copyrighted educational films, filmstrips, slides and transparencies (4) Postage stamps and postal fees (5) Professional dues, membership fees and seminar registration fees (6) Medicine and drugs (7) Utilities including gas, electric, water and sewer (8) Advertisements in professional publications or newspapers (9) Fresh fruit, vegetables, meats, fish, milk, bread and eggs (10) Oil company credit cards (11) Articles for commercial sale by all governmental bodies

Code 1982 SS 12-14 Ord. No. 2000-1 S 1, 1-1-0-2000 Sec. 2-514 Exemption from procedures

Notwithstanding any other section of this division, the Purchasing Director may make or authorize others to make emergency procurements of supplies, services, or construction items when there exists a threat to the functioning of county government; for the preservation or protection of property; or for the health, welfare or safety of any person, provided that such emergency procurements shall be made with such competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file. As soon as practicable, a record of each emergency procurement shall be made and shall set forth the contractor's name, the amount and type of the contract, a listing of the items procured under the contract, and the identification number of the contract file.

Code 1982 SS 12-20 Sec. 2-519 Emergency procurements

Requesting Department: Library Administration Requested Account Code: 10001620

Description of Requested Services:

Self-check machines: hardware, software, set-up and configuration

Please provide a listing of the items purchased, if additional pages are necessary please attach to this form:

Selfcheck 1000 integrated unlocker, desktop kiosk, heartland terminal S300, payment services installation, annual subscription, library connet devices subscription - license / device subsequent renewals after year 1.

Cost of Requested Services: \$181,728

Requested Vendor Name: Bibliotheca, LLC

Requested Vendor Address: 3169 Holcomb Bridge Road, NW, Suite 200, Norcross, GA 30071, USA

Requested Vendor Phone Number: 877.207.3127 Requested Vendor Email Address: g.duncan@bibliotheca.c...

Type of Service Requested (Please check one) Construction ☐ Service ☒ Supply/Good ☒

Please attach any documentation provided by the vendor that provides back up for the claims in this document.



## Non-Competitive Purchases Form



Please select a reason below as to why this is a non-competitive purchase and provide a brief explanation.

- ☒ *It is not possible to obtain competition. There is only one source available for the supply, service, or construction item.*
- ☐ *The procurement is for a used item from the open market. The item may only be considered if, (1) the using agency recommends purchase, (2) condition of the item is verified by appropriate County official, (3) Price analysis justifies purchase when the following factors are considered: (a) new acquisition price; (b) current book value; and (c) maintenance costs.*
- ☐ *The item is a single source purchase. Other sources may be available but purchases are directed to one source because of factors unique to Beaufort County. Please select an option below:*
- ☐ *Standardization*
- ☐ *Warranty*
- ☐ *Other, if selected please specify below.*

- 
- ☐ *An emergency exists that threatens the functioning of County government.*
- ☐ *An emergency exists that threatens the preservation or protection of County property.*

**What steps have been taken to verify that these features are not available elsewhere?**

- ☐ Other brands/manufacturers were examined (please list names and contact information, and explain why they are not suitable for use by the County-attach additional pages as necessary):

- ☐ Other vendors were contracted (please list names and contact information and explain why those contacted did not meet the needs of the County-attach additional pages as necessary):

Requester Name: Ray McBride

Requester Signature: Ray McBride

Date: 09/01/17

Department Head Name: Ray McBride

Department Head Signature: Ray McBride

Date: 09/01/17

## Customer Official System Quote



**Quote Number:** QUO-29433-H8C5, Rev: 4

**Quote Date:** August 24, 2017

**Name:** George Duncan

**Email:** g.duncan@bibliotheca.com

**Telephone:**

### Quote To

Beaufort County Public Library SC - Main  
Ray McBride  
311 Scott St,  
Beaufort, SC 29902-5591  
United States of America  
rmcbride@bcgov.net  
(843) 255-6471

### Quote Details:

Beaufort County: Kiosk Refresh

Quote expires sixty (60) days from Quote Date above.

**If applicable, the hardware and software includes 12-month warranty, set-up and configuration**

Item ID	Item Type	Quantity	Sale Price	Sub Total
SCK200009-000-US	selfCheck 1000 Integrated Unlocker	12	\$4,380.000	\$52,560.00
SCK200019-000-US	selfCheck 1000 Desktop Kiosk, Black	12	\$8,584.000	\$103,008.00
SCK904000-000-US	Heartland Terminal S300	12	\$1,099.000	\$13,188.00
SER903994-000-US	Heartland Payment Services Installation	12	\$100.000	\$1,200.00
SER903993-000-US	Heartland Payment Annual Subscription	12	\$399.000	\$4,788.00
SHP000001-000-US	Shipping and Handling Shipping is estimated on one receiving location, unless otherwise noted, and on current rates and proposal.	1	\$3,684.000	\$3,684.00
SWR000004-000-US	libraryConnect™ Devices subscription - 1 license / device Subsequent renewals after year 1 (SWR000017-000)	12	\$275.000	\$3,300.00
<b>Total</b>				\$181,728.00
<b>(Less Sales Tax):</b>				

**Grand Total:** \$181,728.00

### Additional Details

All prices including Service and Maintenance do not include any applicable sales tax. If tax exempt, please provide Tax Exempt Certificate.

Terms are NET 30 Days from Date of Invoice. Invoice is generated at the time of Shipment.

A copy of Tax Exemption Certificate is required with purchase order for all tax exempt customers.

Quotations are good for 60 days. All dates are based on ship dates. Order must ship within the 60 day window.

After 60 days, quotation expires. Contact Bibliotheca for a New Quotation.

**Manager Approval:** \_\_\_\_\_

**Submit Purchase Order by fax to 1-877-689-2269 or by email to [orders-us@bibliotheca.com](mailto:orders-us@bibliotheca.com).**

**Accepted By:** \_\_\_\_\_

**Accepted Date:** \_\_\_\_\_

**Customer Purchase Order Number:** \_\_\_\_\_

**Bibliotheca, LLC**  
3169 Holcomb Bridge Road, NW, Suite 200,  
Norcross, GA 30071, USA

Phone No - 877-207-3127  
Fax No - 1-877 689 2269  
[www.bibliotheca.com](http://www.bibliotheca.com)



**Beaufort County**  
**State Accommodations Tax (2%)**  
**Fiscal Year 2017 as of June 30, 2017**  
**Preliminary and Unaudited**

		<i>Projected<sup>2</sup></i> <i>FY 2018</i>
<b>Revenues</b>		
State Accommodations Tax	\$ 767,057	\$ 782,398
City of Beaufort Revenue (2017 Air Show contribution )	15,000	-
Total Revenues	<u>782,057</u>	<u>782,398</u>
<b>Expenditures</b>		
Direct Subsidies via State Accommodations Tax Board	546,000	550,000
Other Subsidies (2017 Air Show LEO services )	30,000	-
HHI - Bluffton Chamber of Commerce		
Distribution per Ordinance 2009/15	111,309	113,535
Beaufort Regional Chamber of Commerce		
Distribution per Ordinance 2009/15	<u>111,309</u>	<u>113,535</u>
Total Expenditures	798,618	777,070
Excess (deficiency) of revenues over expenditures	(16,561)	5,328
<b>Other Financing Sources (Uses)</b>		
Transfer to General Fund	(62,103)	(63,345)
Transfer to Hospitality Tax Fund <sup>1</sup>	<u>(50,000)</u>	<u>(50,000)</u>
Total Other Financing Sources (Uses)	<u>(112,103)</u>	<u>(113,345)</u>
Net Change in Fund Balance	(128,664)	(108,017)
<b>Fund Balance, beginning</b>	<u>269,415</u>	<u>140,751</u>
<b>Fund Balance, ending</b>	<u><b>\$ 140,751</b></u>	<u><b>\$ 32,734</b></u>

Note 1: County Council approved a \$200,000 transfer from the local hospitality tax fund to the State Accommodation Tax (2%) Fund on October 27, 2014. This amount is being repaid in four equal annual installments of \$50,000 from fiscal year 2015, 2016, 2017, and 2018.

Note 2: Fiscal Year 2018 projected data is based on a 2% growth factor.