

COUNTY COUNCIL OF BEAUFORT COUNTY

ADMINISTRATION BUILDING

100 RIBAUT ROAD

POST OFFICE DRAWER 1228

BEAUFORT, SOUTH CAROLINA 29901-1228

TELEPHONE: (843) 255-1000

FAX: (843) 255-9401

www.bcgov.net

D. PAUL SOMMERVILLE
CHAIRMAN

STEWART H. RODMAN
VICE CHAIRMAN

COUNCIL MEMBERS

CYNTHIA M. BENSCH
RICK CAPORALE
GERALD DAWSON
BRIAN E. FLEWELLING
STEVEN G. FOBES
WILLIAM L. MCBRIDE
GERALD W. STEWART
ROBERTS "TABOR" VAUX, JR.
LAURA L. VON HARTEN

Committee Members:

Rick Caporale, Chairman
Steve Fobes, Vice Chairman
Brian Flewelling
William McBride
Stu Rodman
Jerry Stewart

GARY KUBIC
COUNTY ADMINISTRATOR

BRYAN J. HILL
DEPUTY COUNTY ADMINISTRATOR

JOSHUA A. GRUBER
COUNTY ATTORNEY

SUZANNE M. RAINEY
CLERK TO COUNCIL

AGENDA

FINANCE COMMITTEE

Monday, April 7, 2014

12:00 Noon

Executive Conference Room
Administration Building, Government Center

Staff Support

Alicia Holland, Chief Financial Officer

1. CALL TO ORDER – 12:00 NOON
2. DISCUSSION / PORT ROYAL SOUND FOUNDATION FUNDING REQUEST ([backup](#))
([3% ordinance](#)) ([3% funds](#))
3. DISCUSSION / HILTON HEAD ISLAND TAX INCREMENT FINANCING (TIF)
EXTENSION ([backup](#))
4. DISCUSSION / CAPITAL IMPROVEMENT BOND CAPACITY FOR THE COUNTY'S
CAPITAL IMPROVEMENTS PROGRAM ([priority matrix](#)) ([millage rate](#))
5. PRESENTATIONS / FY 2015 BUDGET PROPOSALS
 - A. Technical College of the Lowcountry
6. PURCHASE OF 21-FOOT ALUMINUM WORK BOAT FOR PUBLIC WORKS
DEPARTMENT ([backup](#))
7. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENTS
 - A. Accommodations Tax Board
 - B. Airports Board
8. ADJOURNMENT

2014 Strategic Plan: Committee Assignments

Budget Document/Process and Financial Reporting: Revision
Mitchelville Historic Site Development: Funding
Reserve Policy





To: Beaufort County Council

From: Port Royal Sound Foundation

We are requesting \$292,000 from the ATAX fund that has been created to fund tourism infrastructure. The funds will be used to complete exhibits and renovation work at the Maritime Center located at the center of Beaufort County where Highway 170 crosses the Chechessee River. This request represents approximately 10% of the total amount of the project. The remaining 90% has been provided by the Community Foundations as well as donations from individual and private foundations.

We support the County's interest in promoting cultural and historic tourism and so as an inducement to you to grant this request; we are committing to provide space in our Maritime Center for displays about by Emancipation Oak, Gullah Geechee Corridor, Mitchellville, Santa Elena and other historic and cultural sites. The only requirement will be that similar space be made available to us in their locations.

Tourism is the largest non-government economic activity in Beaufort County at approximately \$1.5 billion annually. However, our tourism declines significantly in the spring and fall. We reasonably expect that we can cooperate with the parties named above to increase that activity 10% to 30% annually by increasing the length of stay as well as by attracting tourist focused on cultural and historic tourism. These tourists are typically older, spend more and travel without children which make them perfect guests for Beaufort County.

Thank you for considering this request.



Proposal to Beaufort County Council

Port Royal Sound Foundation Maritime Center: Creating a Hub to Promote Tourism

The Port Royal Sound has helped shape the history of Beaufort County through its natural resources and its economic value as a deep water port. Today, the Port Royal Sound is just beginning to be recognized for its ecological and historical significance that merits national attention. This potential for national recognition of Port Royal Sound creates an opportunity for Beaufort County to use Port Royal Sound as an economic driver to attract tourists and environmentally friendly companies to the region.

While there have been several entities working during the past decade to promote local environmental and historical features of the region, until very recently there has not been an organization that focused on a region-wide, comprehensive approach to protecting and marketing the Port Royal Sound. In 2010 the Port Royal Sound Foundation, formerly Friends of the Rivers, was established to address this need. The first major goal of the Port Royal Sound has been to create a hub that will serve as a home and "centering point" that can reach out to residents north and south of the Broad River helping them to see that it is the waterways that connect them to each other and to the landscape that they find so vital to the quality of life here in the LowCountry. This hub is the Port Royal Sound Foundation Maritime Center, formerly the old Lemon Island Marina on US 170 between Beaufort and Bluffton.

This location is unique: it is the only place in the county within easy reach of residents of both northern and southern Beaufort County, and it has high traffic flow of tourists, as well as residents. Establishing an interpretive center with high quality displays and interactive exhibits at this location will not only educate visitors about Port Royal Sound, but also provides an opportunity to educate visitors about other destinations throughout the region. Further, the Maritime Center becomes a physical place that represents the importance of Port Royal Sound to a national audience. Part of its mission is to reach out to national media organizations, such as National Geographic and Discovery Channel, to come to Port Royal Sound to tell the region's stories to a national audience.

The Port Royal Sound Foundation has made a strong start toward accomplishing its mission. In three short years it has been gifted land and a building and has raised \$2,340,000 in monetary and in-kind gifts toward the completion of the Maritime Center. To help ensure that the Maritime Center moves forward rapidly so that its full potential as an economic driver for the region can be reached as quickly as possible, the Foundation is requesting \$292,000 from the County to assist with the completion of infrastructure of the Maritime Center. This request represents approximately 10% of the project's



budget. This grant would fund four components of the Maritime Center that promote tourism of the greater Beaufort County area. These are:

- (1) completion of the necessary building renovations (\$100,000)
- (2) the rotating exhibit hall where a video introduces visitors to the beauty of the region using sweeping aerial footage taken from a helicopter as it shows wide panoramas that include Hilton Head, Bluffton, Port Royal and Beaufort (\$80,000);
- (2) the interactive History Wall exhibit that tells the story of the region and directs tourists to visit the historic sites and local museums throughout the county (\$50,000);
- (3) construction of a dock that will become home for the Spirit of America program, a nationally recognized boating safety program, which would provide up to \$250,000 funding to establish a program in Beaufort County (\$62,000).

As part of this initiative Beaufort County will be recognized as a founding partner in the Maritime Center.

Thank you.

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

DIVISION 2. ACCOMMODATIONS (3%) TAX

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

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

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

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

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

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

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

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

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

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

Sec. 66-41. Authority.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 66-45. Inspections and audits.

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

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

Sec. 66-46. Violations and penalty.

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

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

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

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

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

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

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

Sec. 66-48. Applicability and effective date.

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

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

Sec. 66-49. Severability.

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

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

Sec. 66-50. Reserved.

Beaufort County
Local Accomodations Tax
March 31, 2014 (Follows Ordinance 2009/15) - Preliminary and Unaudited

Description	Operations	County-Wide Advertising	Tourism Infrastructure	River/Beach Access	Reserve Fund	Total
Beginning Fund Balance	86,102	-	1,501,082	367,592	652,321	2,607,097
Revenues						
Local Accomodations Tax Fund Revenues & Interest	56,180	350,000	177,640	59,213	59,213	702,246
Expenditures						
Personnel						
County Personnel Expenditures	(31,531)	-	-	-	-	(31,531)
Purchased Services						
Printing						
Budget Print Center	(58)	-	-	-	-	(58)
Postage						
USPS	(254)	-	-	-	-	(254)
Telephone						
Hargray	(8)	-	-	-	-	(8)
Maintenance Contracts						
Tyler Technologies	(1,988)	-	-	-	-	(1,988)
Equipment Rentals						
Automated Business Resources	(235)	-	-	-	-	(235)
Garage Repairs						
First Vehicle Services	(255)	-	-	-	-	(255)
Training and Conferences						
Municipal Association of SC	(111)	-	-	-	-	(111)
Beaufort County Employee(s)	(13)	-	-	-	-	(13)
Vehicle Insurance						
State Budget & Control Board	(154)	-	-	-	-	(154)
	(3,077)	-	-	-	-	(3,077)
Supplies						
Office Supplies						
Automated Business Resources	(88)	-	-	-	-	(88)
Forms & Supply Inc	(176)	-	-	-	-	(176)
	(265)	-	-	-	-	(265)
Subsidies to Others						
County-Wide Advertising						
Beaufort County Black Chamber of Commerce	-	(50,000)	-	-	-	(50,000)
Beaufort Regional Chamber of Commerce	-	(150,000)	-	-	-	(150,000)
Hilton Head Island-Bluffton Chamber of Commerce	-	(150,000)	-	-	-	(150,000)
	-	(350,000)	-	-	-	(350,000)

Beaufort County
Local Accomodations Tax
March 31, 2014 (Follows Ordinance 2009/15) - Preliminary and Unaudited

Description	Operations	County-Wide Advertising	Tourism Infrastructure	River/Beach Access	Reserve Fund	Total
Tourism Infrastructure						
Friends of the Spanish Moss Trail	-	-	(275,000)	-	-	(275,000)
Port Royal Sound Foundation	-	-	(25,000)	-	-	(25,000)
Sewah Studios, Inc.	-	-	(6,090)	-	-	(6,090)
Spectrum	-	-	(4,685)	-	-	(4,685)
	-	-	(310,775)	-	-	(310,775)
Total Revenues	56,180	350,000	177,640	59,213	59,213	702,246
Total Expenditures	(34,872)	(350,000)	(310,775)	-	-	(695,647)
Net Revenues (Expenditures)	21,308	-	(133,135)	59,213	59,213	6,599
Ending Fund Balance	107,410	-	1,367,947	426,805	711,534	2,613,696
Vendor Totals for FY 2014						
County Personnel	(31,531)	-	-	-	-	(31,531)
Beaufort County Black Chamber of Commerce	-	(50,000)	-	-	-	(50,000)
Beaufort County Employee(s)	(13)	-	-	-	-	(13)
Beaufort Regional Chamber of Commerce	-	(150,000)	-	-	-	(150,000)
Budget Print Center	(58)	-	-	-	-	(58)
Automated Business Resources	(324)	-	-	-	-	(324)
First Vehicle Services	(255)	-	-	-	-	(255)
Forms & Supply Inc	(176)	-	-	-	-	(176)
Friends of Spanish Moss Trail	-	-	(275,000)	-	-	(275,000)
Hargray	(8)	-	-	-	-	(8)
Hilton Head Island-Bluffton Chamber of Commerce	-	(150,000)	-	-	-	(150,000)
Municipal Association of SC	(111)	-	-	-	-	(111)
Port Royal Sound Foundation	-	-	(25,000)	-	-	(25,000)
Sewah Studios, Inc.	-	-	(6,090)	-	-	(6,090)
Spectrum	-	-	(4,685)	-	-	(4,685)
State Budget & Control Board	(154)	-	-	-	-	(154)
Tyler Technologies	(1,988)	-	-	-	-	(1,988)
USPS	(254)	-	-	-	-	(254)
	(34,872)	(350,000)	(310,775)	-	-	(695,647)

TOWN OF HILTON HEAD ISLAND

One Town Center Court, Hilton Head Island, S.C. 29928

(843) 341-4600 Fax (843) 842-7728

www.hiltonheadislandsc.gov

Drew A. Laughlin
Mayor

William D. Harkins
Mayor ProTem

Council Members

Wm. Lee Edwards
Marc A. Grant
Kim W. Likins
John J. McCann
George W. Williams, Jr.

Stephen G. Riley
Town Manager

April 3, 2014

VIA HAND DELIVERY

The Honorable D. Paul Sommerville
Chairman, County Council
Beaufort County, South Carolina
100 Ribaut Road
Beaufort, South Carolina 29901

Gary Kubic, Administrator
Beaufort County, South Carolina
100 Ribaut Road
Beaufort, South Carolina 29901

Dear Chairman Sommerville and Mr. Kubic:

The Town Council (the "Council") of the Town of Hilton Head Island, South Carolina (the "Town"), has approved the distribution of an Amended Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Areas (the "Amended TIF Plan"). At its meeting on Tuesday, April 1, 2014, the Town Council voted to hold a public hearing on the Amended TIF Plan to be held in the Benjamin R. Racusin Town Council Chambers at One Town Center Court, Hilton Head Island, South Carolina at 5:00 p.m. on May 20, 2014. Attached hereto is a copy of the Amended TIF Plan and a copy of the Notice of Public Hearing.

South Carolina law requires that not less than forty-five (45) days prior to the date set for the public hearing, the Town must give notice to all taxing districts of which taxable property is included in the redevelopment project area. As you know, Beaufort County (the "County"), as a taxing district, has the right to "opt in" or "opt out" of participating in the Amended TIF Plan. Pursuant to State law, this decision must be made before the public hearing. If the County does not file an objection to the Amended TIF Plan at or prior to the date of the public hearing, the County is considered to have consented to the Amended TIF Plan.

It is our understanding that the County Council's Finance Committee indicated its intent to recommend participation in the Amended TIF Plan to the full Council. We believe the Amended TIF Plan is consistent with our prior discussions and presentations. We are hopeful that the County Council will take official action to "opt in" to the Amended TIF Plan. For your consideration, we have included a proposed resolution which could be adopted by the County Council as its official action. After you have reviewed the Amended TIF Plan, please let us know if you have any comments you would like addressed before the County Council takes official action.

Please acknowledge receipt of this letter and enclosures by signing the enclosed copy and returning it to me at the address shown above. If you have any questions or comments regarding this matter, please do not hesitate to contact Susan Simmons at (843) 341-4645 or me at (843) 341-4701. Thank you in advance for your continued cooperation with the Town.

Sincerely,

Susan M. Simmons for

Steve Riley

Stephen G. Riley, ICMA-CM, Town Manager

Enclosures

RECEIPT ACKNOWLEDGED AS STATED HEREIN:

BEAUFORT COUNTY, SOUTH CAROLINA

By: _____

Date: _____

**RESOLUTION OF THE TOWN OF HILTON HEAD ISLAND TOWN COUNCIL
AUTHORIZING THE DISTRIBUTION OF AN AMENDED TAX INCREMENT FINANCING
PLAN FOR THE TOWN OF HILTON HEAD ISLAND REDEVELOPMENT AREA**

WHEREAS, the Town Council (the "Council") of the Town of Hilton Head Island, South Carolina (the "Town"), hereby finds and determines:

(a) The Town is an incorporated municipality located in Beaufort County, and as such possesses all powers granted to municipalities by the constitution and general law of this State.

(b) Pursuant to Section 5-5-10, Code of Laws of South Carolina 1976, as amended (the "Code"), the Town has selected the Council/Manager form of government and is governed by a Town Council which constitutes the governing body of the Town.

(c) Pursuant to Act No. 452 (1984 Acts), codified as Sections 31-6-10 to Section 31-6-120 South Carolina Code of Laws 1976, as amended (the "Act"), the governing bodies of incorporated municipalities are vested with all powers consistent with the Constitution necessary, useful, and desirable to enable them to accomplish redevelopment in the areas which are or threaten to become blighted.

(d) The Town has caused to be prepared a redevelopment plan entitled: "Amended Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Areas, March 2014" (the "Amended TIF Plan")

(e) The Amended TIF Plan amends the Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area Approved in 1999 (the "Original TIF Plan") as follows: (1) Extending the time for the implementation of the Original TIF Plan, as amended, and of the existence of the Town of Hilton Head Island's (the "Town") tax increment financing district (the "TIF District") for an additional 10 years; (2) Increasing the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan; (3) Describing the TIF Projects which will be included in the Amended TIF plan; and (4) Establishing binding terms and conditions upon which Hilton Head Public Service District (the "PSD"), Beaufort County, South Carolina (the "County"), and the Beaufort County School District, South Carolina (the "School District") (collectively the "Taxing Districts") will agree to participate in the Amended TIF Plan.

(f) Pursuant to Section 31-6-80 of the Code, the Town must conduct a public hearing prior to the adoption of the Amended TIF Plan and not less than forty-five (45) days prior to the date set for the public hearing, the Town must give notice to all taxing districts of which taxable property is included in the Redevelopment Project Area.

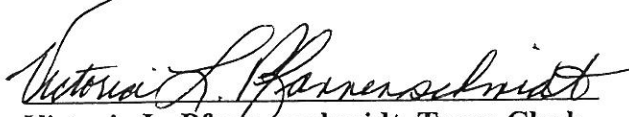
(g) The Council has scheduled its public hearing for May 20, 2014, at 5:00 p.m. in Council Chambers at Town Hall.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, that the Amended TIF Plan, a copy of which is attached to this Resolution, shall be delivered to the Administrator of Beaufort County on behalf of the County, to the Superintendent of the Beaufort County School District on behalf of the School District, and to the General Manager of the Hilton Head Public Service District on behalf of the PSD, together with such notices and other information as may be required by law.

PASSED AND APPROVED by the Town Council of the Town of Hilton Head Island on this 1st day of APRIL, 2014.


Drew A. Laughlin, Mayor

ATTEST:


Victoria L. Pfannenschmidt, Town Clerk

Approved as to Form:


Gregory M. Alford, Town Attorney

INTRODUCED BY COUNCIL MEMBER: WILLIAM D. HARKINS

**AMENDED TAX INCREMENT FINANCING PLAN
FOR THE TOWN OF HILTON HEAD ISLAND
REDEVELOPMENT AREAS**

HILTON HEAD ISLAND, SOUTH CAROLINA

MARCH 2014

I. INTRODUCTION

This amendment to the Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area (the "Amended TIF Plan") is intended to modify and supplement the original Tax Increment Financing Plan for the Town of Hilton Head Island Redevelopment Area approved in 1999 (the "Original TIF Plan"). The Original TIF Plan will remain in full force and effect except to the extent modified herein.

The amendments to the Original TIF Plan are being proposed for the purposes of:

1. Extending the time for the implementation of the Original TIF Plan, as amended, and of the existence of the Town of Hilton Head Island's (the "Town") tax increment financing district (the "TIF District") for an additional 10 years;
2. Increasing the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan;
3. Describing the TIF Projects which will be included in the Amended TIF plan; and
4. Establishing binding terms and conditions upon which Hilton Head Public Service District (the "PSD"), Beaufort County, South Carolina (the "County"), and the Beaufort County School District, South Carolina (the "School District") (collectively the "Taxing Districts") will agree to participate in the Amended TIF Plan.

II. FINDINGS OF FACT

This Amended TIF Plan sets forth the following significant facts supplementing the Original TIF Plan.

1. The Original TIF Plan was approved in December 1999 and has been implemented over the past 14 years, with the desired results of encouraging private investment in the TIF District. Many improvements in the conditions existing in 1999 have been made. However, deleterious conditions continue to exist which cannot be mitigated within the one remaining year and remaining capped expenditures of the original TIF Plan.
2. Additional public investment in the TIF District will encourage additional private development, which will result in increases in the assessed values within the TIF District, and improve land use conditions and improve quality of life for the residents within the TIF District.
3. Continued implementation of the Original TIF Plan, as amended, and completion of the TIF Projects will advance the interests of the health, safety, and general welfare of the Town.
4. Pursuant to Section 31-6-80, Code of Laws of South Carolina, 1976, as amended (the "TIF Act"), the Taxing Districts have the right to allow or disallow the revenue generated within the TIF District from millage imposed for each of the Taxing Districts as applied to assessed value above the initial equalized assessed value (the "Incremental Tax Revenue") to be used to fund the TIF Projects. The Taxing Districts have agreed to participate in the Amended TIF Plan by allowing such revenue to be included as Incremental Tax Revenue so long as the following conditions are observed.
 - A. The Incremental Tax Revenue from the School District for funding the Amended TIF Plan will be generated from 75% of the debt service millage of the School District for no more

than 10 years and not exceed \$13 million in total (the District will retain its total operating millage revenues in the Amended TIF Plan);

- B. The Incremental Tax Revenue to be included in funding the Amended TIF Plan will be generated from the millage of Beaufort County for no more than 10 years;
- C. The Incremental Tax Revenue to be included in funding the Amended TIF Plan will be generated from the millage of the PSD for no more than 10 years;
- D. The 10 years of Incremental Tax Revenues in the Amended TIF Plan are based on tax years 2015 through 2024 which correlate with the Town and Taxing Districts' fiscal years 2016 through 2025;
- E. Expenditures from the Original TIF Plan and Amended TIF Plan will not exceed \$115 million;
- F. All Incremental Tax Revenue from the TIF District during the implementation of the Amended TIF Plan will be used to retire tax increment financing bonds or directly pay the costs of the TIF Projects;
- G. The Amended TIF Plan and TIF District will terminate and cease to exist upon the later of the repayment of the tax increment bonds or completion of the TIF Projects;
- H. The TIF Projects as described herein will be the only projects included in this Amended TIF Plan;
- I. The Town will continue to provide the Taxing Districts with an annual report of the Incremental Tax Revenues received and expended;
- J. The geographic area of the TIF District as described in the Original TIF Plan will not be amended;
- K. The Original TIF Plan and TIF District will not be further amended or modified without the approval of the Taxing Districts; and
- L. The consent to this Amended TIF Plan and the agreement to participate in this Amended TIF Plan of each Taxing District is contingent upon the consent of the other Taxing Districts.

III. CURRENT CONDITIONS

While significant improvements have been made in the inadequacy of utilities, deteriorating structures, and excessive vacancies identified in the Original TIF Plan, many areas within the TIF District continue to experience problems associated with the following conditions.

- 1. Dilapidated, obsolete and deteriorating structures;
- 2. Structures below minimum Town code standards;
- 3. Excessive vacancies and abandonment of property;
- 4. Inadequate utilities;
- 5. Deleterious land use or layout;

6. Depreciation of physical maintenance;
7. Lack of community planning; and
8. Illegal use of structures.

Eliminating or mitigating each of these problem areas continues to be a priority for the Town. The TIF Projects are intended to directly address the need for catalyzing private investment in distressed and underperforming areas of the TIF District. This public investment is intended to make the area within the TIF District more desirable for residential and commercial development. The quality of life, general safety and welfare of residents of the TIF District and the community as a whole will be greatly improved as the result of the TIF Projects.

IV. DESCRIPTION OF TIF PROJECTS

TIF Expenditures through June 30, 2013

\$51,875,403

Through June 30, 2013, the Town has completed most of the projects included in the Original TIF Plan; a few are in progress or not yet started. These actual project expenditures have been reported to the Taxing Districts in the annual TIF report for fiscal year 2013.

TIF Budget for remainder of Original TIF Plan

\$13,124,597

1. Projects Completed within Original TIF Plan
2. Financing and Project Management
3. Coligny/Pope Initiative Area – Planning/Design/Land Acquisition
4. Chaplin Linear Park – Planning/Design/Phase I
5. Mathews/Chaplin and Stoney – Planning/Design/Begin Construction

In fiscal years 2014 and 2015 with Original TIF Plan revenues, the Town will make the final interest payments on its 2004 and 2008 TIF Revenue Bonds and incur project management costs. The Town will begin the remaining three groups of projects described below but completion of these projects will likely extend several years into the Amended TIF Plan.

Estimated TIF Expenditures in Amended TIF Plan

\$50,000,000

As noted above, the TIF Projects in the Amended TIF Plan will consist of projects designed or started in the final two years of the Original TIF Plan. Due to timing and funding limitations or significant project size, these projects will not be complete at the end of the Original TIF Plan. The Town anticipates these project expenditures to be paid with monies generated through the Original TIF Plan, the Amended TIF Plan or both.

1. COLIGNY/POPE INITIATIVE AREA

- A. Coligny Area Improvements
- B. University of South Carolina - Beaufort (USCB) at Office Park Road

2. CHAPLIN LINEAR PARK

3. COMPLETION OF MATHEWS/CHAPLIN AND STONEY PROJECTS

4. FINANCING COSTS AND PROJECT MANAGEMENT

TOTAL TIF EXPENDITURES FOR ORIGINAL AND AMENDED TIF PLANS **\$115,000,000**

V. TAX INCREMENT FUNDING PLAN

As described above, the TIF Projects in the Amended TIF Plan shall be initially funded with monies generated from the Original TIF Plan and subsequently funded with the monies generated during the Amended TIF Plan. The cumulative TIF Project expenditures for the Original and Amended TIF Plans will not exceed \$115 million.

Additional funding beyond TIF Incremental Tax Revenues for the TIF Projects will come from USCB's fundraising or appropriations, other Town funding sources, investment income, and private fundraising. Some of the remaining TIF Projects are currently in design phases; therefore, final estimated total costs and funding sources have not been determined.

VI. IMPACT ON TAXING DISTRICTS

Based on current millage rates for the Town and the Taxing Districts, the Town estimates the following breakdown of Incremental Tax Revenues by Taxing District over the life of the Amended TIF Plan. These amounts and percentages will change as one Taxing District increases its millage rates independently of the other Taxing Districts. The table below represents only the \$50 million Incremental Tax Revenues planned during the Amended TIF Plan. The Town and its other partners using other public funding sources and private fundraising will provide additional monies to the TIF Projects and other projects within the TIF District.

<u>Taxing District</u>	<u>Percentage</u>	<u>Incremental Tax Revenues Projected During Amended TIF Plan</u>
Beaufort County	52%	\$ 26,100,000
Hilton Head Island PSD	2%	1,100,000
Town of Hilton Head Island	20%	9,800,000
Beaufort County School District	26%	13,000,000 ^a
Total TIF Extension Tax Revenues	100%	\$ 50,000,000

- a The School District will participate at 75% of debt service millage and its Incremental Tax Revenues for the Amended TIF Plan will be capped at \$13 million.

NOTICE OF PUBLIC HEARING

AMENDMENT TO TAX INCREMENT FINANCING PLAN FOR THE TOWN OF HILTON HEAD ISLAND REDEVELOPMENT AREAS

Notice is hereby given that a public hearing will be held by the Town Council of the Town of Hilton Head Island, South Carolina, in the Council Chambers, One Town Center Court, Hilton Head Island, South Carolina, at 5:00 p.m. on May 20, 2014.

The purpose of the public hearing is to consider an Amended Tax Increment Financing Plan (the "Amended TIF Plan") for the redevelopment of the Town of Hilton Head Island, South Carolina (the "TIF District") which is intended to modify and supplement the original Tax Increment Financing Plan for The Town of Hilton Head Island Redevelopment Area Approved in 1999 (the "Original TIF Plan"). The Original TIF Plan will remain in full force and effect except to the extent modified in the Amended TIF Plan.

The boundaries of the TIF District as set forth in the Original TIF Plan will not change.

The Amended TIF Plan amends the Original TIF Plan as follows: (1) Extending the time for the implementation of the Original TIF Plan, as amended, and of the existence of the Town of Hilton Head Island's (the "Town") tax increment financing district (the "TIF District") for an additional ten years; (2) Increasing the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan; (3) Describing the TIF Projects which will be included in the Amended TIF plan; and (4) Establishing binding terms and conditions upon which Hilton Head Public Service District, Beaufort County, South Carolina, and the Beaufort County School District, South Carolina will agree to participate in the Amended TIF Plan.

The maximum estimated term of the obligations to be issued under the Amended TIF Plan will not exceed the duration of the Amended TIF Plan which is ten years.

A copy of the Amended TIF Plan is available at the office of the Clerk of the Town.

At the public hearing all taxpayers and residents of the Town and any other interested persons will be given an opportunity to be heard at the public hearing.

TOWN OF HILTON HEAD ISLAND,
SOUTH CAROLINA

TOWN OF HILTON HEAD TIF EXTENSION

CALENDAR

<u>Date</u>	<u>POC</u>	<u>Action</u>
March 14, 2014	Staff	Staff prepare and finalize amended TIF Plan
March 18, 2014	TM/McNair	TM and McNair review/approve amended TIF Plan; Return for changes if needed
March 20, 2014	Staff	Agenda deadline for April 1, 2014, Town Council meeting
April 1, 2014	Council	Town Council adopts a resolution to distribute the amended plan
April 2, 2014	Staff	Hand Deliver Notice of Public Hearing to Taxing Districts (Beaufort County, Beaufort School District, and Hilton Head Public Service District No. 1) (at least 45 days prior to public hearing)
April 21, 2014	Staff	Submit Notice of Public Hearing to the Island Packet
May 1, 2014	Island Packet	Publish Notice of Public Hearing in The Island Packet (at least 15 days prior to public hearing)
<u>TBD</u> , 2014	BC Council	Beaufort County Council adopts Resolution consenting to the amended Plan and continued participation in the extended TIF
<u>TBD</u> , 2014	BCSD Board	Beaufort County Board of Education adopts Resolution consenting to the amended Plan and continued participating in the extended TIF
<u>TBD</u> , 2014	PSD Board	Hilton Head Public Service District Board of Commissioners adopts Resolution consenting to the amended Plan and continued participating in the extended TIF
May 8, 2014	Staff	Agenda deadline for May 20, 2014, Town Council meeting
May 20, 2014	Council	Public Hearing and Town Council considers first reading of Ordinance amending the TIF Plan
May 22, 2014	Staff	Agenda deadline for June 3, 2014, Town Council meeting
June 3, 2014	Council	Second reading of ordinance amending the TIF Plan
June 4, 2014	Staff	Submit Notice of Adoption published in The Island Packet
On/About June 9, 2014	Island Packet	Public Notice of Adoption in the Island Packet

A RESOLUTION

OF BEAUFORT COUNTY, SOUTH CAROLINA, CONSENTING TO AND AGREEING TO PARTICIPATE IN THE AMENDED TAX INCREMENT FINANCING PLAN FOR THE TOWN OF HILTON HEAD ISLAND REDEVELOPMENT AREAS

WHEREAS, pursuant to Section 31-6-10 et seq. of the Code of Laws of South Carolina, 1976, as amended (the "TIF Act"), an Ordinance enacted on December 7, 1999, by the Town Council of the Town of Hilton Head Island, South Carolina (the "Town"), approved a Tax Increment Financing Plan for The Town of Hilton Head Island Redevelopment Area Approved in 1999 (the "Original TIF Plan") for the Town of Hilton Head Island Redevelopment Area (the "TIF District"); and

WHEREAS, the Town has proposed to amend the TIF Plan as follows: (1) Extending the time for the implementation of the Original TIF Plan, as amended, and of the existence of the Town's TIF District for an additional ten years; (2) Increasing the cap on TIF expenditures from \$65 million in the Original TIF Plan to a cumulative \$115 million through the Amended TIF Plan; (3) Describing the TIF Projects which will be included in the Amended TIF plan; and (4) Establishing binding terms and conditions upon which Hilton Head Public Service District, Beaufort County, South Carolina, and the Beaufort County School District, South Carolina (together, the "Taxing Districts") will agree to participate in the Amended TIF Plan; and

WHEREAS, the Town has requested that the County Council (the "Council") of Beaufort County, South Carolina (the "County") agree to participate in the Amended TIF Plan by allowing the Incremental Tax Revenue (as defined in the Act) generated from the County millage to be included in the Amended TIF Plan; and

WHEREAS, pursuant to the TIF Act, the County has the right to "opt in" or "opt out" of the Amended TIF Plan; and

WHEREAS, the County Council has indicated its willingness to participate in the Amended TIF Plan.

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

1. The County hereby consents to and agrees to participate in the Amended TIF Plan by allowing its Incremental Tax Revenue to be included in the Amended TIF Plan.
2. The Original TIF Plan and TIF District will not be further amended or modified without the approval of the County.
3. This consent to the Amended TIF Plan and the agreement to participate in the Amended TIF Plan is contingent upon the consent of the other Taxing Districts.
4. This Resolution shall be effective immediately upon its adoption and a copy of such shall be delivered to the Town of Hilton Head Island, South Carolina.

Adopted this ____ day of _____, 2014.

BEAUFORT COUNTY, SOUTH CAROLINA

Chair, County Council

(SEAL)

ATTEST:

Clerk, County Council

Beaufort County Capital Improvements Program

March 31, 2014

Priority	Presenter	Division	Need Location	Description	7-Year	10-Year	20-Year
1	Roseneau, M.	Administration	HHI Government Center	HVAC Replacement *		115,000	
2	Roseneau, M.	Administration	Human Services Building	HVAC Replacement *		390,000	
3	Roseneau, M.	Administration	Law Enforcement Center	Roof Replacement *			110,000
4	Roseneau, M.	Administration	Law Enforcement Center	HVAC Replacement *		120,000	
5	Roseneau, M.	Administration	Administration Building	Administration Roof & Interior Work			4,367,400
6	Roseneau, M.	Administration	Arthur Horne Building	Building Demolition	340,000		
7	Roseneau, J.	Clerk of Court	Courthouse	Interior Renovations		445,000	
1	Marshall/Roseneau	Community Services	PALS	Roof Replacement - Port Royal *		70,000	
2	Marshall/Roseneau	Community Services	PALS	Roof Replacement - Southside*		22,000	
3	Marshall/Roseneau	Community Services	PALS	Roof Replacement - Lind Brown *		230,000	
4	Marshall/Roseneau	Community Services	PALS	HVAC Replacement - Lind Brown *		180,000	
5	Marshall/Roseneau	Community Services	PALS	HVAC Replacement - Port Royal *		85,500	
6	Marshall/Roseneau	Community Services	PALS	Pools- Gas Heaters-Conversion *	50,000		
8	Marshall/Roseneau	Community Services	PALS	Installation of Water Fountains *		56,000	
9	Marshall/Roseneau	Community Services	PALS	Roof Replacement - Port Royal *		72,000	
1	Marshall	Community Services	PALS	Ball Field Light Replacement *			185,000
***	Marshall/Roseneau	Community Services	PALS	Buckwalter Expansion (Impact Fee Payment) ***			3,500,000
*****	Marshall	Community Services	PALS	Vehicle Purchase *	25,000		
*****	Marshall	Community Services	PALS	Recreation Equipment *	15,000		
2	Wagner	Community Services	DSN	Ivey Lane *		35,000	
1	Wagner	Community Services	DSN	Old Miller Road *			450,000
3	Campbell	Community Services	Bluffton Library	HVAC Replacement *			350,000
4	Campbell	Community Services	Hilton Head Island Library	HVAC Replacement *			615,000
5	Campbell	Community Services	Minor Interior Renovations	Carpet/Tiles/Painting*		200,000	
1	Campbell	Community Services	Bluffton Library	Roof Replacement *			255,000
2	Campbell	Community Services	Beaufort Library	HVAC Replacement *			220,000
1	Bellamy	Eng and Infrastructure	Public Works-Drainage (North)	Motor Graders (2) *		310,000	
2	Bellamy	Eng and Infrastructure	Public Works-Drainage (North)	TruckKat *		178,000	
3	Bellamy	Eng and Infrastructure	Public Works-Drainage (North)	Vehicle *	35,298		
3	Bellamy	Eng and Infrastructure	Public Works-Road & Drainage (South)	Vehicle *	30,000		
1	Bellamy	Eng and Infrastructure	Public Works-Road & Drainage (South)	Tag Along Tralier *		23,332	
2	Bellamy	Eng and Infrastructure	Public Works-Road & Drainage (South)	Motor Grader *		145,900	
4	Bellamy	Eng and Infrastructure	Public Works-Road & Drainage (South)	Dump Truck *		155,000	
5	Bellamy	Eng and Infrastructure	Public Works-Road & Drainage (South)	Tracked Skid Loader *		70,000	
6	Bellamy	Eng and Infrastructure	Public Works-Road & Drainage (South)	Street Sweeper *		175,000	

Beaufort County Capital Improvements Program

March 31, 2014

Priority	Presenter	Division	Need Location	Description	7-Year	10-Year	20-Year
3	Bellamy	Eng and Infrastructure	Public Works-General Support	Vehicles (2) *	65,298		
1	Bellamy	Eng and Infrastructure	Public Works-General Support	Boat*		77,527	
2	Bellamy	Eng and Infrastructure	Public Works-General Support	Rubber Tire Front Loader*		148,125	
4	Bellamy	Eng and Infrastructure	Public Works-General Support	Bull Dozer*		133,700	
****	McFee	Eng and Infrastructure	Perryclear Bridge	MCAS - Bridge Replacement			1,000,000
1	Kinton	Eng and Infrastructure	Traffic Management	Signalization Upgrade*		61,000	
1	Minor	Eng and Infrastructure	Solid Waste and Recycling	Tire Truck *		180,000	
2	Minor	Eng and Infrastructure	Solid Waste and Recycling	Compactors (St. Helena Island)*		180,000	
3	Minor	Eng and Infrastructure	Solid Waste and Recycling	Vehicles (2)*	60,000		
1	Roseneau, M.	Eng and Infrastructure	Building Maintenance	Lawn Mowers (2)*	14,895		
2	Roseneau, M.	Eng and Infrastructure	Building Maintenance	Vehicles (2)*	44,000		
2	Morgan	Management Info. Systems	MIS-Horne	MIS Relocation*			1,000,000
3	Morgan	Management Info. Systems	MIS-Hampton	Disaster Recovery Upgrade*			700,000
1	Morgan	Management Info. Systems	MIS-Administration	SAN Purchase*	300,000		
4	Morgan	Management Info. Systems	MIS	Security Upgrades*		250,000	
6	Morgan	Management Info. Systems	MIS	Fax Server Upgrade*	45,000		
5	Morgan	Management Info. Systems	MIS	10 G Bandwith Upgrade*	50,000		
7	Keough	Management Info. Systems	Records Management	Shelving *			190,000
1	Foot	Public Safety	Detention Center	Roof Replacement*			750,000
2	Foot	Public Safety	Detention Center	Security Door Locks/Replacement*			200,000
3	Foot	Public Safety	Detention Center	Walk-In Freezer*			161,000
4	Foot	Public Safety	Detention Center	Water Heating/Boiler*		135,000	
7	Foot	Public Safety	Detention Center	Food Service Equipment *	40,000		
5	Foot	Public Safety	Detention Center	Fire Alarms*	50,000		
8	Foot	Public Safety	Detention Center	VCT Flooring*	80,000		
9	Foot	Public Safety	Detention Center	Stucco Repair *	90,000		
10	Foot	Public Safety	Detention Center	Interior Painting *	85,000		
6	Foot	Public Safety	Detention Center	Camera Replacement *		125,000	
11	Foot	Public Safety	Detention Center	Radio Upgrade*	3,000		
1	Hunt	Public Safety	Mosquito & Control	Truck-Mounted Sprayers*	31,744		
2	Hunt	Public Safety	Mosquito & Control	Autoclave*	6,394		
3	Hunt	Public Safety	Mosquito & Control	Vehicles (2)*	49,500		
7	Ownby	Public Safety	Emergency Medical Services	Lighting Upgrade*	8,000		
4	Ownby	Public Safety	Emergency Medical Services	Computers	20,000		
3	Ownby	Public Safety	Emergency Medical Services	LUCAS Chest Devices*	40,000		

Beaufort County Capital Improvements Program

March 31, 2014

Priority	Presenter	Division	Need Location	Description	7-Year	10-Year	20-Year
2	Ownby	Public Safety	Emergency Medical Services	Cardiac Monitors*	156,000		
1	Ownby	Public Safety	Emergency Medical Services	Ambulance *	345,000		
5	Ownby	Public Safety	Emergency Medical Services	HVAC Replacement *		36,000	
6	Ownby	Public Safety	Emergency Medical Services	Roof Replacement *			350,000
1	Trice	Public Safety	Animal Shelter	Animal Shelter Complex**			3,500,000
2	Trice	Public Safety	Animal Shelter	Specialized Equipment *	120,000		
3	Trice	Public Safety	Animal Shelter	Vehicles (3)*	78,000		
1	Baxley	Public Safety	Sheriff	Replacement of Microwaves*		1,500,000	
2	Baxley	Public Safety	Sheriff	Facility Relocation *			600,000
3	Baxley	Public Safety	Sheriff	Dynamic Messaging*		300,000	
4	Baxley	Public Safety	Sheriff	HAR-Gardens Corner*		45,000	
5	Baxley	Public Safety	Sheriff	Flashing Beacons*		37,515	

	<u>7-Year</u>	<u>10-Year</u>	<u>20-Year</u>
	2,277,129	6,286,599	18,503,400

Millage Value as of Febraury 28, 2014: 1,659,329	325,304	628,660	925,170
Millage Required Per Year 4% interest	0.204	0.394	0.580
Year 1-7 millage requirement	1.178		
Year 8-10 millage requirement		0.974	
Year 11-20 millage requirement			0.580

CIP GRAND TOTAL	27,067,128
------------------------	-------------------

NOTES:
* Fiscal Year 2014 Requested Budget
** Potential Referendum
*** PALS Impact Fees, will repay against borrowed funding
**** Perry Clear Bridge
***** Moving to the General Fund FY 14

Millage Rate Fiscal Years 2014-2024 (Proposed Borrowing)

April 7, 2014

Amount Borrowed	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24
Millage Rate	5.48	5.25	5.26	5.08	5.08	5.09	5.09	5.22	5.08	4.89	4.78
27,067,128	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65
22,067,128	0.53	0.53	0.53	0.53	0.53	0.53	0.53	0.53	0.53	0.53	0.53
17,067,128	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41	0.41
12,067,128	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29	0.29
7,067,128	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17	0.17

1,659,329

New Millage Rate based on the proposed borrowing at 4% 20-year payoff

27,067,128	6.13	5.90	5.91	5.73	5.73	5.74	5.74	5.87	5.73	5.54	5.43
22,067,128	6.01	5.78	5.79	5.61	5.61	5.62	5.62	5.75	5.61	5.42	5.31
17,067,128	5.89	5.66	5.67	5.49	5.49	5.50	5.50	5.63	5.49	5.30	5.19
12,067,128	5.77	5.54	5.55	5.37	5.37	5.38	5.38	5.51	5.37	5.18	5.07
7,067,128	5.65	5.42	5.43	5.25	5.25	5.26	5.26	5.39	5.25	5.06	4.95

Straightline at 4%, once items are identified or an amount is provided, the Finance team will be able to blend the rates into the three categories: 7, 10, & 20-year bonds.



**COUNTY COUNCIL OF BEAUFORT COUNTY
PURCHASING DEPARTMENT**

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

TO: Councilman Rick Caporale, Chairman, Finance Committee

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

SUBJ: **Request to Purchase a 21' Aluminum Work Boat from the William E. Munson Company for Beaufort County's Public Works Department**

DATE: April 7, 2014

BACKGROUND: The Purchasing Department received a request from the Public Works Department to purchase a 21' Munson Packman heavy duty aluminum work boat with an enclosed T-top, landing ramp, pusher knees, and towing bit from a Government Services Administration (GSA) contract vendor. The boat comes equipped with a Yamaha 150 horse-power four-stroke outboard engine and a 5,200 lb class aluminum trailer. The new boat is a replacement for the 2003 21' Carolina Skiff that has suffered significant hull damage and is beyond economical repair. The new boat has an estimated useful life of 20 years and will provide a significant improvement in our capability to support Daufuskie Island and other waterborne operations.

GSA CONTRACT VENDOR INFORMATION:

COST

William E. Munson Company, Burlington, WA

\$76,927

FUNDING: Account # 10001301-54200, Public Works General Support, Specialized Capital Equipment
Current Available Budget: \$3,800

FOR ACTION: Finance Committee meeting occurring on April 7, 2014.

RECOMMENDATION: The Purchasing Department recommends that the Finance Committee approve the contract award of \$76,927 to purchase a 21' Packman work boat, outboard motor, and trailer from the aforementioned vendor in support of Public Works operations.

CC: Gary Kubic, County Administrator *GKubic*
Bryan Hill, Deputy County Administrator
Alicia Holland, Chief Financial Officer *AH*
Robert McFee, Director of Engineering and Infrastructure *RM*
Eddie Bellamy, Director Public Works *EB*

Att: Pricing Information, Public Works Director's Recommendation



15806 Preston Place, Burlington, WA USA 98233
Phone: 360 707 2752 Fax: 360 707 2842
www.munsonboats.com

August 29, 2013 – Revision A
Specification & Quotation
For One
21' Packman Aluminum Landing Craft
For
Beaufort County Public Works
Beaufort, South Carolina
Contact: Chad Stanley
Office: 843 255 2743 Cell: 843 812 7572
Email: cstanley@bcgov.net

OVERVIEW: The following describes a Munson 21' Packman welded aluminum high speed mono hull landing craft to be used as a multipurpose workboat. The crafts' design and construction (hull, machinery, and electrical systems) shall comply with the USCG and ABYC regulations where applicable. Detailed drawings shall be submitted for approval prior to construction. Boat/motor/trailer package shall be delivered as a complete turn-key unit ready for service. Boat is quoted per Munson GSA Contract GS-07F-0442M.

GENERAL SPECIFICATIONS:

- | | |
|------------------------------------|------------------------|
| 1. Hull Length | 21 feet |
| 2. Beam | 8 feet 6 inches |
| 3. Transom Deadrise | 16 degrees |
| 4. Person and Cargo Capacity | 1800 lbs |
| 5. Power | Single 150 HP outboard |
| 6. Fuel Capacity | 50 gallons |
| 7. Bottom Plating | ¼ inch 5086-H116 |
| 8. Side Plating | ¼ inch 5052-H32 |
| 9. Deck Plating | 3/16 inch 5052-H32 |
| 10. Centerline Vertical Keel (CVK) | 3/8" x 4" 6061-T6 |

HULL DESIGN & OUTFITTING:

1. 21' PACKMAN mono hull square bow hull package incorporating a 16 degree modified vee hull design.
2. The hull shall incorporate a 5.25" wide gunnels, from transom to bow.
3. The hull shall incorporate two watertight bulkheads, forming three individually sealed buoyancy compartments.
4. Three 8" welded aluminum watertight deck hatches shall be installed for accessing below deck hull compartments.

5. The transom angle shall be set at 103 degrees off baseline for proper outboard trim.
6. A motor well shall be installed fwd of the transom with adequate space for trimming the outboard in any steering position.
7. Transom setup for single 25" shaft outboard motor with full width aft cross seat locker.
8. The motor well shall be self-bailing via two 2.5" pipe drains running out through transom. Drains shall be equipped with rubber flappers to divert water from entering slop well when operating the boat in reverse.
9. A ¾" aluminum double padeye shall be welded on centerline of the bow.
10. The main deck shall be self-bailing via two 3" pipe drains in the stern, two 7" x 2.5" open scuppers at midship, and two 1" pipe drains at the bow. Drains and scuppers shall be sized and installed in accordance with ABYC deck drainage requirements.

HULL OUTFITTING:

1. 1½" pipe safety railings shall be installed 32" above main deck from stern to midship.
2. Six 10" welded aluminum cleats shall be installed (3 per side).
3. Two M-30 zinc anodes shall be installed brackets welded to the transom.
4. ¼" x 4" beaching wear plates installed on the bow forefoot.
5. 2" aluminum pipe rub rail installed on the exterior gunwale.
6. 3" D-rubber push knees shall be installed on the port & stbd bow corners.

WELDING:

1. The hull and superstructure shall be constructed of marine grade aluminum and MIG welded throughout.
2. All weld seams in the hull shall be welded 100%, both interior & exterior.
3. All welding shall be performed in accordance with American Welding Society D1.2-2003 procedure qualifications.

BOW DOOR:

1. A 64 inch wide drop down bow door shall be installed to person & cargo transport.
2. The hull shall incorporate port and starboard bow lockers framing the door opening.
3. A Thern 1000 lb capacity stainless steel hand crank drum winch shall be installed on the port side bow locker for opening and closing the door.
4. The winch cable runs through stainless steel cheek pulleys on each side of the door providing equal tension on both sides when opened and closed.
5. The bow door shall be outfitted with ¾" stainless steel positive locking pin to prevent the bow door from opening while underway.
6. A replaceable rubber gasket seals the bow door watertight when closed.
7. The inside face of the bow door shall be double plated for a smooth working surface.
8. The bow door shall not obstruct the operators view from the helm.

FUEL SYSTEM:

1. A single 50 gallon non-integral under deck fuel tank shall be installed under deck.
2. Fuel tank to be built to USCG standards using ¼" aluminum plate, pressure tested and bolted into hull framing using stainless steel fasteners.
3. Fuel system shall be equipped with a Racor fuel filter with shut off valve, 12V fuel sender and console mounted fuel level gauge.
4. A 12V 140 CFM ventilation blower shall be installed in the fuel tank compartment.
5. Diurnal emissions system installed to meet EPA gasoline powered vessel requirements.

CONSOLE T-TOP:

1. A 48" wide console T-top shall be installed aft on centerline complete with a 53" wide x 72" long aluminum roof. Roof height is 6' 6" from main deck.
2. T-top includes three fixed rubber framed windows incorporating ¼" clear glass, full width control console, operator controls on starboard side, port side storage shelves, lockable console

access hatch, 1" pipe roof railings, and 1" pipe vertical grab rails port and starboard.

SEATING:

1. Seating shall be provided for 8 persons total.
2. A two person leaning post / seat locker shall be installed at the console.
3. Two passengers shall be seated on the aft cross seat locker (1 port / 1 stbd).

ELECTRIAL SYSTEM:

1. The vessel's electrical system shall be 12VDC.
2. All electrical cable shall be marine grade copper tinned wire brand and labeled for each circuit.
3. Cables should be routed in wireways wherever possible. Wherever exposed to potential damage, cables shall be protected with rubber.
4. Electrical cable shall be sized in accordance with the American Boat & Yacht Council.
5. All electrical cables shall be marked in accordance with the markings in electrical drawings.
6. All electrical switches shall be of a heavy-duty type toggles properly insulated.
7. The electrical system shall be grounded. In any case the hull shall not be used as part of a galvanic feeding loop.

ELECTRICAL ACCESSORIES:

1. One Blue Sea 6 position 12V back lighted distribution panel installed on console.
2. One 12V 2200 GPH bilge pump with auto/manual float switch installed.
3. Aqua Signal Series 25 navigation lights installed to USCG requirements.
4. 12V self-parking windshield wiper installed on windshield.
5. One 12V power receptacle shall be installed on the main console.
6. Single trumpet horn installed with momentary push button labeled on dash.

BATTERIES:

1. Two Group 27 AGM batteries shall be installed complete with a four-position battery switch.
2. Four-position battery switch shall be installed to draw power from either battery, or both, or off. The battery switches shall be within easy access in the aft locker.
3. Batteries to be installed in plastic battery boxes in the aft rigging locker and secured with straps.

PAINT & MARKINGS:

1. Matson Industrial Floor Grip non skid deck coating applied to all walking surfaces and bow door interior surface.
2. Hull and T-top to remain bare aluminum (no bottom paint).

PROPULSION:

1. Yamaha F150TXR 150 hp four stroke 25" shaft outboard motor complete with multifunction digital gauges, binnacle control head, harnesses, control cables and aluminum prop.
2. Install motor complete with Teleflex Seastar hydraulic steering, steering wheel with power knob, dual group 27 starting batteries, and battery selector switch.

TRAILER:

1. EZ Loader 5200 lb capacity tandem axle aluminum bunk trailer fitted to match boat.
2. Trailer shall be outfitted with manual strap winch, sealed LED lights, safety chain, heavy duty jack stand, and mounted spare tire with carrier.
3. Hydraulic surge disc brakes shall be installed on both axles.
4. Trailer shall have torsion axles, oil bath hubs and stainless steel hardware.

TESTING & DOCUMENTATION:

1. Vessel shall undergo seatrials prior to shipping. Munson shall perform speed, maneuvers, backing, beaching trials.
2. Seatrial tests shall be recorded and documented by the builder and shall be delivered with the craft.
3. Vessel shall be weighed by certified scales and documented by builder.
4. One Operation & Maintenance Manual shall be supplied with the craft. Includes OEM technical literature for all supplied equipment, operator/safety instructions, as-built boat drawings, electrical system drawings, and certified scale weight.

DELIVERY:

1. Ship completed boat & trailer to Beaufort, SC.
2. Buyer responsible for offloading charges at destination.

TOTAL PRICE FOR ALL THE ABOVE	\$78,312.00
LESS 2.5% GSA DISCOUNT	(\$1958.00)
ADJUSTED PRICE	\$76,354.00
ADD GSA INDUSTRIAL FUNDING FEE (0.75%)	\$573.00
GSA PRICE, F.O.B. BEAUFORT, SC	\$76,927.00

For William E. Munson Company:

Jesse Munson, VP

Munson Boats Performance Report

For 21' Packman - Single 150 HP outboard

HULL ID NUMBER	MUN575PKB111
MODEL	Packman
HULL LENGTH	21 feet
BEAM	8.5 feet
FUEL CAPACITY	50 US gallons
WEIGHT	3,610 lbs
HULL DRAFT	15 inches
DEADRISE	16 degrees
ENGINE	Yamaha F150TXR
SERIAL NO.	63PX1102211
PROPELLER	Saltwater Series 15-1/4 x 15p
BATTERIES	Dual Group 27

PERFORMANCE DATA

RPM	KTS	MPH	GPH	MPG	RANGE
1000	4.4	5.1	0.6	8.5	425.0
1500	5.8	6.7	0.8	8.4	418.8
2000	7.1	8.2	1.8	4.6	227.8
2500	8.0	9.2	2.8	3.3	164.3
3000	11.9	13.7	3.8	3.6	180.3
3500	18.6	21.4	4.6	4.7	232.6
4000	22.6	26.0	5.9	4.4	220.3
4500	25.6	29.5	7.4	4.0	199.3
5000	28.4	32.7	9.0	3.6	181.7
5500	31.6	36.4	12.1	3.0	150.4
6100	34.7	40.0	15.2	2.6	131.6



William E. Munson Company Phone: 360 707 2752 Web: www.munsonboats.com

FUEL WHEN TESTED	20 US gallons
PAINT AT TRANSOM	inches
WATER EXITS CHINE	Station #6
STBD ROTATION	RH
ENGINE KEY #	Yamaha 753
GALVANIC RANGE	1
TIE BAR LENGTH	inches eye to eye
TRAILER VIN #	1ZEAAMTJXBA008842
TRAILER WEIGHT	1,280 lbs
TRAILER & VESSEL COMBINED DIM	
OVERALL LENGTH	29'-4"
OVERALL HEIGHT	10'-8"
GROUND TO ROOF	
OVERALL WIDTH	8'-8"
TONGUE WEIGHT	395 lbs

Work Boat Purchase

Public Works Director's Recommendation

I am requesting authorization to purchase a work boat to replace our 2003 21' Carolina Skiff work boat, 150 hp Yamaha motor, and trailer. We use this boat to transport personnel, supplies, and parts to Daufuskie; to make repairs as necessary to our boat landing floating docks; and to do whatever else that may be required in the over 50% of Beaufort County that is water and marsh. The existing boat has suffered severe structural damage to both the bow area and throughout the centerline portion of the hull. The cross-members have separated from the hull and the boat is out of commission and beyond economical repair.

I recommend that we purchase a 21' Munson Packman aluminum work boat with an enclosed T-top, landing ramp, pusher knees, and towing bit. We have done a great deal of research and determined that Munson offers the best value for the money. I have visited with and discussed Munson boats with several Munson owners including the Charleston Police Department and two marine contractors. The Munson boats are very well constructed, easy to maintain, and easily repaired. The particular model that we have specified will be capable of moving floating dock sections when we need to repair them, and carrying equipment and supplies to and from Daufuskie Island and off loading them directly onto the boat ramp through a bow door. It has a semi enclosed helm station that will provide good protection from the weather for two people and some shelter for an additional two. The hull is a modified vee design with 16 degrees deadrise at the transom and should provide a reasonably comfortable ride in the choppy waters that we often encounter. There is nothing fancy about the boat; it is strictly utilitarian. I expect that it has a useful life of 20-30 years.

I should add that we will gain a capability with this boat that we have never had before. The cargo deck and bow door will allow us to load, transport, and unload a six-wheel John Deere Gator or two four wheel ATV's for either EMS or the Sheriff's Office. That will give Beaufort County the capability to provide motorized law enforcement and/or emergency medical service to the numerous undeveloped islands throughout the county.

ADD-ONS

The document(s) herein were provided to Council for information and/or discussion after release of the official agenda and backup items.

Topic: Port Royal Sound Foundation

Date Submitted: April 7, 2014

Submitted By: Dick Stewart

Venue: Finance Committee



To: Beaufort County Council

From: Port Royal Sound Foundation

We are requesting \$292,000 from Beaufort County to fund tourism infrastructure and water quality facilities. With your support we will complete exhibits and renovation work at the Maritime Center located at the center of Beaufort County where Highway 170 crosses the Chechessee River. This request represents approximately 10% of the total amount of the project. The remaining 90% has been provided by the Community Foundation of the LowCountry; the Coastal Community Foundation; family foundations and donations from individual and private foundations.

We support the County's interest in promoting cultural and historic tourism. We are committing to provide space in our Maritime Center for displays about Gullah Geechee Corridor, Mitchellville, Santa Elena, Secession Oak and other historic and cultural sites. The only requirement will be that similar space be made available to us in their locations.

Tourism is the largest non-government economic activity in Beaufort County at approximately \$1.5 billion annually. However, our tourism declines significantly in the spring and fall. We reasonably expect that we can cooperate with the parties named above to increase that activity 10% to 30% annually by increasing the length of stay as well as by attracting tourists focused on cultural and historic tourism. Historic and Cultural tourists are typically older, spend more and travel without children which make them perfect guests for Beaufort County without requiring new accommodations. Charleston, Hilton Head and Savannah are top 10 tourism destination. We can help grow jobs and tax revenues with existing accommodations.

Water Quality is an important part of our economy and our quality of life. Our educational programs and exhibits will educate residents and visitors about the unique qualities of our area and the techniques that work to maintain water quality.

Thank you for considering this request.

Dick Stewart
Finance Committee
April 7, 2014



Proposal to Beaufort County Council

Port Royal Sound Foundation Maritime Center: Creating a Hub to Promote Tourism

The Port Royal Sound has helped shape the economy and history of Beaufort County through its natural resources and its value as a deep water port. Today, the Port Royal Sound is just beginning to be recognized for its ecological and historical significance that merits national attention. This potential for national recognition of Port Royal Sound creates an opportunity for Beaufort County to use Port Royal Sound as an economic driver to attract visitors and environmentally friendly companies to the region.

While there have been several entities working during the past decade to promote local environmental and historical features of the region, until very recently there has not been an organization that focused on a region-wide, comprehensive approach to protecting and marketing the Port Royal Sound. In 2010 the Port Royal Sound Foundation, formerly Friends of the Rivers, was established to address this need. The first major goal of the Port Royal Sound has been to create a hub that will serve as a home and “centering point” that can reach out to residents north and south of the Broad River helping them to see that it is the waterways that connect them to each other and to the landscape that they find so vital to the quality of life here in the LowCountry. This hub is the Port Royal Sound Foundation Maritime Center, formerly the old Lemon Island Marina on US 170 between Beaufort and Bluffton.

This location is unique: it is the only place in the county within easy reach of residents of both northern and southern Beaufort County, and it has high traffic flow of visitors, as well as residents. Establishing an interpretive center with high quality displays and interactive exhibits at this location will not only educate visitors about Port Royal Sound, but also provides an opportunity to educate visitors about other destinations throughout the region. Further, the Maritime Center becomes a physical place that represents the importance of Port Royal Sound to a national audience. Part of its mission is to reach out to national media organizations, such as National Geographic and Discovery Channel, to come to Port Royal Sound to tell the region’s stories to a national audience.

The Port Royal Sound Foundation has made a strong start toward accomplishing its mission. In three short years it has been gifted land and a building and has raised \$2,340,000 in monetary and in-kind gifts toward the completion of the Maritime Center. To help ensure that the Maritime Center moves forward rapidly so that its full potential as an economic driver for the region can be reached as quickly as possible, the Foundation is requesting \$292,000 from the County to assist with the completion of



infrastructure of the Maritime Center. This request represents approximately 10% of the project's budget. This grant would fund four components of the Maritime Center that promote tourism of the greater Beaufort County area. These are:

- (1) completion of the necessary building renovations (\$100,000)
- (2) the rotating exhibit hall where a video introduces visitors to the beauty of the region using sweeping aerial footage taken from a helicopter as it shows wide panoramas that include Hilton Head, Bluffton, Port Royal and Beaufort (\$80,000);
- (3) the interactive History Wall exhibit that tells the story of the region and directs tourists to visit the historic sites and local museums throughout the county (\$50,000);
- (4) construction of a dock that will become home for the Spirit of America program, a nationally recognized boating safety program, which would provide up to \$250,000 funding to establish a program in Beaufort County (\$62,000). This program will be conducted in cooperation with the

As part of this initiative Beaufort County will be recognized as a founding partner in the Maritime Center.

Thank you.

Board Members

Michael Long, Chairman

Gen Art Brown, Vice Chairman

Dick Stewart, Treasurer

Dr. Chris Marsh

David Harter

Dean Moss

Joan Crawford

Tom Henz

Pat Kelley

Ed Pappas

Topic:	Local 3% Accommodations Tax
Date Submitted:	April 7, 2014
Submitted By:	Stu Rodman
Venue:	Finance Committee

Local 3% Accomodations Tax (000's - \$)

4/7/14

		County	County-Wide Advertising	Tourism Infrastructure	Rivers & Beach	Reserve Fund	Total
Step	1	HHI-B Regional Black County	150				
			150				
			50				
			A/R				
2				60%	20%	20%	
'08	Beg Balance		86	732	184	249	1,250
	Revenues		58	350	187	62	720
	Expenditures		(61)	(350)			(411)
'09	Revenues		48	350	124	41	605
	Expenditures		(69)	(350)	(170) Arsenal	(75) H Is.	(664)
'10	Revenues		45	350	101	34	563
	Expenditures		(81)	(350)	(36)	(36) H Is.	(467)
'11	Revenues		57	350	182	61	709
	Expenditures		(48)	(350)	(42)	(42) H Is.	(440)
'12	Revenues		85	350	302	101	937
	Expenditures		(60)	(350)	(67)	(67) RR Bridge	(476)
'13	Revenues		76	350	314	105	950
	Expenditures		(50)	(350)	(270)	(270) Rail Trail	(670)
'14	Revenues		56	350	178	59	702
	YTD Expenditures		(35)	(350)	(311)	(311) Rail Trail & Santa Elena (25)	(696)
	Balance - Mar, '14		107	1,368	427	712	2,614
7 Year Increase			22	636	243	463	1,364

Topic: Technical College of the Lowcountry
FY 2015 Budget Proposal

Date Submitted: April 7, 2014

Submitted By: Bryan Hill

Venue: Finance Committee

Beaufort County Budget & Finance Request

Organization: Technical College of the Lowcountry

Requested Budget Amount: \$2,350,000

Report Due Date: March 14, 2014

Approved Budget Amount: _____ (Staff Recommendation)

Signature of Agency/Department Head:



Date: 3/6/13

Project Title: Funding for Higher Education Program Operations

- I. Summary of Project Operation Funding – In 150 to 200 words, include RESULTS, DEFINED OUTCOMES and NUMBERS (Anticipated) impacted by allocation of requested funds.

Beaufort County remains a valuable partner in higher education in our community through the sustained financial support it provides. This reliable funding has enabled TCL to continue our programs and projects without interruption. Below are several indicators of the College's local impact over the last year:

- *TCL delivered 1048 credit classes*
- *2,453 Beaufort county residents took at least one class for credit*
- *893 Beaufort county residents took at least one continuing education class*
- *93% of TCL graduates were employed or continuing their education.*

With Beaufort County's assistance, TCL remains committed to its vision to become the premiere academic institution – visionary, vibrant and valued – engaged in leading the region to economic prosperity by providing innovative workforce solutions.

- II. How will your organization support this project? (Identify all matches, include commitment).

Support for the organization comes from a variety of sources. In FY14, the distribution is as follows:

<i>Tuition & Fees</i>	<i>8,561,750</i>
<i>State allocation</i>	<i>2,718,000</i>
<i>Beaufort county allocation</i>	<i>2,100,000</i>
<i>Other county allocations</i>	<i>45,000</i>
<i>Auxiliary enterprises</i>	<i>1,448,000</i>
<i>Other</i>	<i>183,500</i>

Bryan Hill
Finance Committee
April 7, 2014

- III. Describe the challenges faced throughout the project and how/if you were able to overcome them.

During the recent recession, state and local allocations to support the College fell markedly. From its high point in 2008 to now, state and local funding to TCL is down a combined \$3.2 million. As the recession has gradually lifted, these funding allocations seem relatively safe from additional cuts, but have not been restored to earlier levels. Over the same period, enrollment at TCL has grown by 22%.

The College has responded to this challenge with changes to tuition, staff reduction through attrition, extended hiring lags and the consolidation of administrative operations through two reorganizations. We remain fiscally attuned to funding difficulties and continue to operate as a good steward of funds received. The challenge TCL faces is to maintain full operations without any further reduction in staff or in academic programs. Without additional funding, our ability to begin new programs with potential benefit to the community is extremely constrained.

- IV. Does your organization need further resources or time to effectively complete the goals described in your summary? (If Yes, provide timeframe on desired goals).

Providing the full amount of funds requested will support all existing programs and operations, with no anticipated cut to services. TCL has ambitious plans to expand curriculum areas to compliment local economic development. Economic growth requires a workforce with ready access to advanced levels of training. With the county's support, TCL can lead these efforts, deliver the training needed to place graduates in local jobs that directly enhance the local economy, and produce a positive return on investment. The timeframe to begin new program expansion will occur with the start of the new fiscal year – July 1, 2014.

- V. List project budget with proposed allocations for fiscal year 2015. (See Attached).

See attached

- VI. Please provide copies of your last three (3) audits.

See attached

- VII. What control deficiencies were found in your previous three (3) audits?

No control deficiencies were found in the 2013 or 2011 audits.

In 2012, one control deficiency was found related to cash management of a federal grant program. In the 2013 financial audit, external auditors found that appropriate corrective action had been taken to address the issue.

ORGANIZATION INFORMATION

Organization Name: Technical College of the Lowcountry

Address: 921 Ribaut Road PO Box 1288

City: Beaufort, SC

Zip Code: 29901

Contact Person: Richard J. Gough, President

Phone: (843)525-8246

Fax: (843)525-8366

Email: rgough@tcl.edu

Tax I.D.: 57-0781070

Mission/Purpose of Organization:

TCL Vision Statement: The Technical College of the Lowcountry will be the premiere academic institution, visionary – vibrant – and valued, engaged in leading the region to prosperity by providing innovative workforce development.

One of sixteen colleges comprising the South Carolina Technical College System, the Technical College of the Lowcountry traces its origin to the Mather School founded in 1868. The college is a comprehensive, public, two-year college dedicated to serving the diverse educational needs of the rural counties of Beaufort, Colleton, Hampton, and Jasper.

The Technical College of the Lowcountry provides quality, affordable academic and technical programs leading to Associate Degrees, Diplomas, and Certificates in an environment fostering excellence in teaching and learning. The College prepares graduates with knowledge and skills for transfer to senior colleges and universities and for careers in computer technology, industrial technology, engineering technology, occupational technology, business, health sciences, and public service.

The College serves as an effective partner in the economic and human resource development of the Lowcountry. As an open admissions institution, the Technical College of the Lowcountry offers academic, transfer, and specialized programs. Offerings include developmental education; arts and sciences; career development; specialized, contract courses tailored for specific businesses and industries; and continuing education to meet the workforce needs of the Lowcountry. In addition to responding to local and regional needs of the area, the College recognizes that state, national, and international issues affect the lives of the citizens of the Lowcountry and responds to these issues appropriately.

In support of its educational programs and services the College offers comprehensive student development services to all who seek to better their lives through education. In an atmosphere of shared values, the College encourages creativity, innovation, and resourcefulness among its

students, faculty, staff, and administrators. With a commitment to excellence, the Technical College of the Lowcountry creates a positive, student-centered environment. The College empowers individuals by enabling them to learn and to develop throughout their lifetimes.

Geographic area(s) to be served by the project/program:

☒ HHI, ☒ Bluffton, ☒ Port Royal, ☒ City of Beaufort, ☒ St. Helena Island,

☒ North of Whale Branch, ☒ Burton, ☒ Lady's Island, ☒ Other (explain)

Technical College of the Lowcountry serves all of Beaufort County, as well as Jasper, Hampton and Colleton Counties.

Statement of Need: (Purpose of the Application) - Please keep to two sentences:

TCL is in the business of job creation through educational programs; our aim is to prepare the workforce, both current and future, to meet the demands of area employers. The requested funding allows the College to offer academic content in programs that foster local job development and contribute to a balanced economy.

What is the situation creating this need? (Who has identified this as a need and why is this a need in Beaufort County?):

The situation creating this need is the simple fact that employers, both those currently residing in Beaufort County as well as those considering locating here, depend on a threshold level of advanced education. Job growth for postsecondary degree holders is expected to increase. In SC, 61% of future jobs will require more than high school education, but less than baccalaureate degree. That puts TCL at the epicenter of postsecondary training for the residents of Beaufort County.

BEAUFORT COUNTY - 2015 Budget Request

	FY-2014	FY-2014	FY-2015	FY-2015
	Total Budget	County Portion	Total Budget	County Request
Salaries	8,028,693	1,154,156	8,156,724	1,283,054
Fringe Benefits	<u>2,473,655</u>	<u>355,598</u>	<u>2,498,403</u>	<u>393,000</u>
<i>Total Personnel</i>	<u>10,502,348</u>	<u>1,509,754</u>	<u>10,655,127</u>	<u>1,676,054</u>
Advertising	241,368	34,698	241,368	37,967
Office Supplies	42,809	6,154	46,809	7,363
Contractual Services	888,830	127,773	944,285	148,536
Utilities	572,400	82,285	572,400	90,039
Vehicles	20,500	2,947	20,500	3,225
Debt Service	115,168	-	116,881	-
Other	<u>2,340,039</u>	<u>336,390</u>	<u>2,459,092</u>	<u>386,816</u>
<i>Total Operating Expenses</i>	<u>4,221,114</u>	<u>590,246</u>	<u>4,401,335</u>	<u>673,946</u>
 Total Budget	 14,723,462	 2,100,000	 15,056,462	 2,350,000

