

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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GERALD W. STEWART  
VICE CHAIRMAN

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ROBERTS "TABOR" VAUX

Committee Members:

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COUNTY ADMINISTRATOR

JOSHUA A. GRUBER  
DEPUTY COUNTY ADMINISTRATOR

THOMAS J. KEAVENY, II  
COUNTY ATTORNEY

ASHLEY M. BENNETT  
CLERK TO COUNCIL

## AGENDA PUBLIC FACILITIES COMMITTEE

Monday, March 6, 2017

1:00 p.m.

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

Staff Support:

Colin Kinton, Division Director  
Transportation Engineering  
Eric Larson, Division Director  
Environmental Engineering  
Robert McFee, Division Director  
Facilities and Construction Engineering

1. CALL TO ORDER – 1:00 P.M.
2. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENTS:
  - County Transportation Committee
  - Solid Waste and Recycling Board
3. CONSIDERATION OF PUBLIC WORKS DEPARTMENT CONTRACT AWARDS:
  - Steel Track Brush Cutter (\$395,910 / Stormwater Budget / Council Approval) ([backup](#))
  - Cat Model 305 5E2 Mini Hydraulic Excavator (\$84,351 / Committee Approval Only) ([backup](#))
4. CONSIDERATION OF MOU WITH THE TOWN OF BLUFFTON FOR THE CARE AND MAINTENANCE OF CALHOUN STREET PARK (Committee Approval Only) ([backup](#))
5. CONSIDERATION OF A POTENTIAL ORDINANCE ALLOWING NIGHTTIME USE OF GOLF CARTS IN DESIGNATED PORTIONS OF THE COUNTY ([backup](#))
6. CONSIDERATION OF LEASE / PURCHASE AGREEMENT / OLD LEROY BROWNE SERVICE BUILDING ([backup](#))
7. DISCUSSION OF POTENTIAL CHANGE ORDER ON BOUNDARY STREET PROJECT - STEEL CABLE FOR BOARDWALKS
8. CONSIDERATION OF PROPOSED U.S. 278 GATEWAY CORRIDOR RESOLUTION ([backup](#))
9. DIALOG WITH STAFF / OPEN ISSUES / FUTURE AGENDA ITEMS
10. ADJOURNMENT



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 Stu Rodman, Chairman, Public Facilities Committee
FROM: David L Thomas. CPPO. Purchasing Director
SUBJ: Sole Source Purchase
Request to Purchase a GT-35 Steel Track Brush Cutter from Gyro-Trac Corporation for Public Works Stormwater Department
DATE: 02/27/2017

BACKGROUND:

The Purchasing Department received a request from the Director of Public Works to purchase one new GT-35 Steel Track Brush Cutter from Gyro-Trac Corporation, Summerville, SC, a sole source contract vendor. The new equipment is a replacement for a 1998 model Shinn-System Brush Cutter assigned to the Public Works Department, with over 7,516/hours of operation; parts are getting hard to purchase. The department utilizes the equipment to clear land for work-shelfs, and to mulch trees and vegetation on-site to save on disposal cost. Total cost of \$395,910 includes all discounts, delivery, SC sales tax, manuals, one year of maintenance, operations, and daily maintenance training. Includes free teeth for one year. See the attached quote.

VENDOR INFORMATION:

Gyro-Tech Corporation, Summerville, SC

COST:

\$395,910

Insert Addition Vendor Info.

FUNDING:

Account #50250011-54200; Specialized Capital Equipment. This account has \$450,000 for this purchase.

Funding approved: Yes By: aholland Date: 02/20/2017

FOR ACTION:

Public Facilities Committee meeting on February 27, 2017

RECOMMENDATION:

The Purchasing Department recommends that the Public Facilities Committee approve and recommend to County Council the contract award of \$395,910 to purchase one new 2017 GT-35 Steel Track Brush Cutter from the aforementioned vendor in support of Public Works operations.

Attachment: RecMemoSteelTrackBrushCutterAttachments 02272017.pdf 1.21 MB

cc: Gary Kubic, County Administrator

Approval grid with fields for name, approval status, override date, and date. Includes entries for Gary Kubic, Joshua Gruber, Alicia Holland, and Eric Larson.

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

David Wilhelm Director. Public Works Department  Approved: Yes  Date: 02/21/2017

Check to override approval:  Overridden by: elarson  Override Date: 02/21/2017  ready for admin:

CC others

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



# QUOTATION

4964

02/16/17

10 Flying Cloud Dr. | Summerville, SC | USA 29483 | Toll Free: 866-800-3900 | sales@gyrotrac.com Fax: 843-879-0218

**CUSTOMER** Beaufort County Public Works

**CUST NO.** B-SC2015

**BUYER** Chad Stanley

**BILL TO:** Beaufort County Public Works

120 Shanklin Road

Beaufort SC 29906  
USA

**PURCHASE ORDER NO.** Quote for a GT35XP Steel Tr

**SALESPERSON** omones

**SHIP TO:** Beaufort County Public Works

120 Shanklin Road

Beaufort SC 29906  
USA

ITEM NO.	DESCRIPTION	QUANTITY	RETAIL PRICE	UNIT PRICE	EXTENSION
GT35 Steel Track	GT-35 Steel Track Brush Cutter	1.00	415,000.0000	\$ 373,500.0000	\$ 373,500.00

GT35 Steel Track Brush Cutter, 350 HP Cummins comes with a one year or 1000 hours, whichever occurs first for parts & service warranty

Warranty is one year for parts and service.

Includes Free Teeth for One Year

Includes one year of Maintenance Interval Schedule, 50 hour, 250 hour, 500 hour up to 1000 hours

Maintenance checks includes lubrication, engine oil change, engine fuel filter, hydraulic oil filter, Auxiliary Hydraulic Filter,

Includes Operations and Daily Maintenance Training

Gyro-Trac will delivery the machine to Beaufort County Public Works at no additional charge.

GT28C19	CAMERA	1.00	539.2200
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Sabre Tooth which cuts like a knife, self-cleaning effect clearing tooth for next cut.

Splitter Block point splits the chip into smaller mulch leaving a saw-dust mulch

Controlled Bite – new design with two ribs under tooth.

Takes only ONE bolt to remove and replace a tooth

Nexus Touch Command Control, Danfoss Plus 1 system which reads the pressures for the pumps, rpms & engine codes.

Subtotal \$ 373,500.00

Thank you for allowing me to quote you. Odette

Sales Taxes \$ 22,410.00

Freight

**TOTAL QUOTE \$ 395,910.00**

---PAYMENT DUE UPON RECEIPT---

\* All prices are in U.S. Dollars

\*\*All merchandise sold by Gyro-Trac Corporation shall remain the property of Gyro-Trac Corporation until full payment is received.





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10 Flying Cloud Dr. | Summerville, SC | USA 29483 | Toll Free: 866-800-3900 | sales@gyrotrac.com Fax: 843-879-0218

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Beaufort SC 29906  
USA

ITEM NO.	DESCRIPTION	QUANTITY	RETAIL PRICE	UNIT PRICE	EXTENSION
----------	-------------	----------	--------------	------------	-----------

15,000 lb. Winch

Low-Profile Fully Enclosed Forward-Tilt Cab, Comfortable Suspension Seat & Pressurized Cab

Delivery of GT35 Steel Track includes all operators, parts and service manuals.

Thank you for allowing me to quote you. Odette

Subtotal \$ 373,500.00

Sales Taxes \$ 22,410.00

Freight

**TOTAL QUOTE \$ 395,910.00**

---PAYMENT DUE UPON RECEIPT---

\* All prices are in U.S. Dollars

\*\*All merchandise sold by Gyro-Trac Corporation shall remain the property of Gyro-Trac Corporation until full payment is received.



February 7, 2017

**VIA EMAIL ONLY**  
dthomas@bcgov.net

David Thomas  
Beaufort County  
P O Drawer 1228  
Beaufort, SC 29901

Re: Sole Source Vendor for GT-35 Steel Track Brush Cutter

Dear Mr. Thomas,

I am President of Gyro-Trac Corporation. Gyro-Trac is the sole manufacturer and vendor of the GT-35. We distribute this equipment only through direct sales to customers and do not have any authorized dealers or resellers for this Gyro-Trac product.

Thank you for your interest in Gyro-Trac. Please do not hesitate to contact me if you have any questions.

Sincerely,

GYRO-TRAC CORPORATION

A handwritten signature in black ink, appearing to read "Daniel Gaudreault", is written over a horizontal line that extends across the width of the signature area.

Daniel Gaudreault  
President

## 350 HP, Heavy-Duty Mulcher

With a 350-horsepower Cummins Tier III turbo diesel engine, powerful hydraulic pumps & motors and our latest patented Cutter-head technology performance, productivity, and profitability will always be achieved!

### Standard Features:

- Low-profile Fully Enclosed Forward-Tilt Cab
- Comfortable Suspension Seat
- Six Exterior Lights
- Electronic System Performance & Diagnostic Center
- 15,000 lb Winch
- Pressurized Cab
- Cutter-head Guide Bar to assist in felling trees
- Controlled Bite Ribs on Cutter-head's Drum for increased productivity
- Exclusive Patented Spiral Pattern on Cutter-head Drum
- Patented Fixed Tooth Planar Style Teeth on Drum

US Pat. No. 7,810,531  
CA Pat. No. 2,546,294  
All Other Patents Pending



# GT-35 STEEL TRACK SPECIFICATIONS\*

## Machine Dimensions

Overall Length .....	234" (561 cm)
Overall Width .....	102 1/4" ( 260 cm)
Overall Height .....	119" (302 cm)
Operating Weight .....	29,500 lbs (10659 kg)
Ground Pressure .....	3.5 psi (24 kPa)
Ground Clearance .....	14 1/2" (36.83 cm)

## Engine

Make .....	In-line 6-cylinder, 4-stroke diesel
Model .....	QSL9
Horsepower .....	350 hp @ 1900 RPM
Torque .....	1050 ft lb-ft @ 1500 RPM
Cooling System .....	Ethylene Glycol/Water
Capacity .....	12 US gal. (45 liters)
Radiator Normal Operating Temperature .....	180°F (82°C)
Pressure .....	16 psi (110 kPa atmosphere)

## Fuel Tank

Capacity .....	97 US gal. (367 liters)
Est. Max Fuel Consumption .....	18 gal/hr (68 L/hr)

## Hydraulic Drive System (Closed Loop)

Hydraulic Tank .....	44 US gal. (166 liters)
Traction	
Dual Traction Motors	
Dual Traction Pumps .....	@ 38 gpm ea
Series .....	H1

## Brake & Parking Brake

Positive Hydraulic Multi-disc .....	Integral to each Drive Motor
-------------------------------------	------------------------------

## Gear Box

Ratio .....	1.52:1
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## Undercarriage

The undercarriage is designed to fit the GT-35 frame.  
It consists of central chassis and two side chassis specifically sized for the GT-35 machine.  
The central chassis is flange by means of bolts.

## Cab

Steel Construction	
ISO 8082 & CSA B352.0 .....	(Roll Over Protection System) ROPS
ISO 8083 & G608 .....	(Fall Object Protection system) FOPS
ISO 8084 .....	(Operator Protection System) OPS
Forward Tilt Cab Jack .....	Raised Cab Electric-Motor Pump
Windows .....	Lexan MR-10
Seat .....	Adjustable Suspension w/Armrest & Seat Belt
HVAC .....	3-Speed

## TOMA-AX 700HF CUTTER-HEAD

Maximum rpm .....	25000 rpm
Number of Teeth .....	30 Fixed
Weight .....	5180 lbs. (2355 kg)
Dual Rotor Motors	
Rotor Pump .....	@ 110 gpm
Operating Pressure .....	6000 psi (41369 kPa)

\* Specifications are based on published information at time of publication and are subject to change without notice.

## **GT-35 Steel Track Brush Cutter, 350 HP, Heavy-Duty Steel Track Mulcher**

Exclusive Patented Spiral Pattern on Cutter-head Drum

Patented Fixed Tooth Planar Style Teeth on Drum, wider tooth for better cutting coverage.

Sabre Tooth which cuts like a knife, self-cleaning effect clearing tooth for next cut.

Splitter Block point splits the chip into smaller mulch leaving a saw-dust mulch

Controlled Bite – new design with two ribs under tooth.

Takes only ONE bolt to remove and replace a tooth

Nexus Touch Command Control, Danfoss Plus 1 system which reads the pressures for the pumps, rpms and engine codes.

Low-Profile Fully Enclosed Forward-Tilt Cab

Comfortable Suspension Seat

Six Exterior Lights

Digital Performance & Diagnostic Display Screen

15,000 lb. Winch

Pressurized Cab

Cutter-head Guide Bar to assist in falling trees

Controlled Bite Ribs on Cutter-Head's Drum for increased productivity





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 Stu Rodman, Chairman, Public Facilities Committee

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

**SUBJ:** State Contract Purchase  
Request to Purchase a Cat Model 305 5E2 Mini Hydraulic Excavator from State Contract for the Public Works Department

**DATE:** 03/06/2017

**BACKGROUND:**

The Purchasing Department received a request from the Director of Public Works to purchase one new 305.5E2 Mini Hydraulic Excavator with all standard equipment (see the attached quote and specification sheet). The new equipment is for various projects slated for the entire County and will be assigned to the Public Works Department. The department utilizes the equipment to clean out roadside ditches, as well as small outfall channels. It enables quick response to localized flooded locations and tight areas of work. The size makes it very versatile, easy to load and transport. Total cost of \$84,351 includes all discounts, delivery, SC sales tax, and manuals.

**VENDOR INFORMATION:**

Blanchard Machinery, Columbia, SC

**COST:**

\$84,351

**FUNDING:**


Account #10001320-54200; Specialized Capital Equipment. This purchase is within the department's approved Fiscal Year 2017 appropriation.

Funding approved:  By:  Date:

**FOR ACTION:**

**RECOMMENDATION:**

The Purchasing Department recommends that the Public Facilities Committee approve the \$84,351 to purchase one new 2017 305.5E2 Mini Hydraulic Excavator from the aforementioned vendor in support of Public Works operations.

Attachment:   1.63 MB

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:

Approved:  Date:

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

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



Quote 116644-01

February 6, 2017

BEAUFORT COUNTY PUBLIC WORKS  
120 SHANKLIN ROAD  
BEAUFORT, SC 29901

Attention: CHAD STANLEY

Dear Chad,

We would like to thank you for your interest in our company and our products, and are pleased to quote the following for your consideration.

One (1) New CAT Model: 305.5E2 Mini Hydraulic Excavators with all standard equipment in addition to the additional specifications listed below:

This quotation is valid for 30 days, after which time we reserve the right to re-quote. If there are any questions, please do not hesitate to contact me.

Sincerely,

Ryan Luthren  
Machine Sales Representative

**One (1) New CAT Model: 305E2 Mini Hydraulic Excavators with all standard equipment in addition to the additional specifications listed below:**

**STANDARD EQUIPMENT**

**POWERTRAIN**-Cat C2.4 Diesel Engine-Automatic Engine Idle-U.S. EPA Tier 4 Interim-Automatic Swing Park Brake-ISO 9249/EEC 80/1269-Automatic Two Speed Travel-and EU Stage IIIB-Fuel and Water Separator-Rated Net Power 30.0kW/ 40.2hp

**ELECTRICAL**-12 Volt Electrical System-Ignition Key Start / Stop Switch-60 Ampere Alternator-Slow Blow Fuse-650 CCA Maintenance Free Battery-Warning Horn-Fuse Box

**OPERATOR ENVIRONMENT**-100% Pilot Control Ergonomic Joysticks-Digital liquid crystal monitor-Adjustable Arm Rests-Hydraulic Neutral Lockout System-Anti-theft System-Literature Holder-COMPASS: Complete, Operation,-Mirror, Cab Left-Maintenance Performance and-Travel Alarm-Security System-Travel control pedals with hand levers--Multiple Languages-Washable floor mat-Cup Holder

**OTHER STANDARD EQUIPMENT**-Radio Ready-Economy Mode-Tip Over Protective Structure (TOPS)-Hydraulic Oil Cooler-(ISO 12117)-Load Sensing Hydraulics-Top Guard - ISO 10262 (Level 1)-Lockable Fuel Cap-1-way and 2-way (combined function)-Rear Reflector-Auxiliary Hydraulic Lines-Roll Over Protective Structure (ROPS)-Adjustable Auxiliary Hydraulics-(ISO 12117-2)-Auxiliary Line Quick Disconnects-Swing Boom-Caterpillar Corporate "One Key" System-Tie Down Eyes on Track Frame-Continuous Flow-Tool Storage Area-Door Locks-Towing Eye on Base Frame-Dozer Blade with Float Function-Twin Work Lights

**MACHINE SPECIFICATIONS**

**Description**

305.5E2 MHE RUBBER BELT TRK DCA3

ROPS CAB

CONTROL, PATTERN CHANGER

LINES, BOOM

LINES, STICK

BELT, SEAT, 3" RETRACTABLE

TRACK, RUBBER BELT

BLADE, POWER ANGLE

DRAIN, ECOLOGY

SUSPENSION SEAT

ENGINE T4F, HIGH AMBIENT

TRAVEL ALARM

BUCKET, 24, HDC

BUCKET-DC, 51"

THUMB, HYDRAULIC

COUPLER, PG, HYDRAULIC, DUAL LOCK

BUCKET, 24", HD



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<b>Sell Price</b>	<b>\$84,351.00</b>
<b>Ext Warranty</b>	<b>Included</b>

**WARRANTY**

Standard Warranty: 12 Month/1,500 Hour Standard Warranty

Extended Warranty: 4 year/4000 Hour Powertrain

**F.O.B./TERMS**

Heavy Columbia

Accepted by \_\_\_\_\_ on \_\_\_\_\_

\_\_\_\_\_  
Signature



# Cat<sup>®</sup> 305.5E2 CR

## MINI HYDRAULIC EXCAVATOR

### FEATURES:

The Cat<sup>®</sup> 305.5E2 CR Mini Hydraulic Excavator delivers high performance, durability and versatility in a compact design to help you work in a variety of applications. The 305.5E2 CR features the following:

- **Spacious operator environment** offers industry leading comfort, ergonomically designed 100% pilot controls and excellent visibility for superior productivity and safety on the job.
- **Compact Radius Design** lets you work within confined areas. The radius of the upper body stays within 140 mm (5 in) of the undercarriage so the operator can concentrate on the work being done without having to worry about the back of the machine.
- **High Definition Hydraulic System** provides a load sensing and flow sharing capability leading to operational precision, efficient performance and greater controllability.
- **Broad range of Cat Work Tools** makes the Cat Mini Hydraulic Excavator a versatile machine able to meet the requirements of any job site.
- **Over 200 degrees of bucket rotation** provides greater material retention during truck loading and easier flat wall digging without having to reposition the machine.
- **Convenient service and maintenance requirements** include ease of access to daily check points, 500 hour engine oil and filter change period, 500 hour grease interval on front implement, S-O-S<sup>SM</sup> oil sampling valve and overall long term durability which reduces operating costs and machine downtime.
- **COMPASS Control Panel** is a standard feature that allows the operator to easily adjust auxiliary flows to achieve the optimal work tool performance, activate auto idle or economy mode for improved fuel efficiency and utilize the security system to ensure protection of valuable assets with the simple touch of a button.
- **Cat dealers offer you unmatched customer support** with excellent equipment management services, equipment maintenance and fast parts availability, resulting in optimized performance, reliability and profit.

## Specifications

### Engine

Engine Model*	Cat C2.4	
<b>Rated Net Power @ 2,200 rpm</b> ISO 9249/EEC 80/1269	32.9 kW	44.1 hp
<b>Gross Power</b> ISO 14396	34.1 kW	45.7 hp
Bore	87 mm	3.4 in
Stroke	102.4 mm	4 in
Displacement	2.4 L	146 in <sup>3</sup>

\*Meets U.S. EPA Tier 4 Interim/EU Stage IIIA emission standards.

### Weights\*

Weight – Canopy, Standard Stick	5217 kg	11,503 lb
Weight – Canopy, Long Stick	5259 kg	11,596 lb
Weight – Cab, Standard Stick	5380 kg	11,863 lb
Weight – Cab, Long Stick	5423 kg	11,958 lb

\*Weight includes counterweight, rubber tracks, bucket, operator, full fuel and auxiliary lines.

### Service Refill Capacities

Cooling System	10.5 L	2.8 gal
Engine Oil	9.5 L	2.5 gal
Fuel Tank	63 L	16.6 gal
Hydraulic Tank	68.3 L	18 gal
Hydraulic System	78 L	20.6 gal

### Travel System

Travel Speed – High	4.5 km/h	2.8 mph
Travel Speed – Low	2.8 km/h	1.7 mph
Max Traction Force – High Speed	26.8 kN	6,025 lb
Max Traction Force – Low Speed	47.8 kN	10,746 lb
Ground Pressure – Canopy	31 kPa	4.5 psi
Ground Pressure – Cab	31.9 kPa	4.6 psi
Gradeability (maximum)	30°	

### Hydraulic System

Load Sensing Hydraulics with Variable Displacement Piston Pump		
Pump Flow at 2,400 rpm	150 L/min	39.6 gal/min
Operating Pressure – Equipment	245 bar	3,553 psi
Operating Pressure – Travel	245 bar	3,553 psi
Operating Pressure – Swing	216 bar	3,132 psi
Auxiliary Circuit – Primary (186 bar/2,734 psi)	80 L/min	21.1 gal/min
Auxiliary Circuit – Secondary (174 bar/2,524 psi)	25 L/min	6.6 gal/min
Digging Force – Stick (standard)	28.9 kN	6,500 lb
Digging Force – Stick (long)	24.8 kN	5,575 lb
Digging Force – Bucket	50.9 kN	11,445 lb





# 305.5E2 CR Mini Hydraulic Excavator

## Swing System

Machine Swing Speed	10 rpm
Boom Swing – Left* (without stop)	80°
Boom Swing – Left* (with stop)	60°
Boom Swing – Right	50°

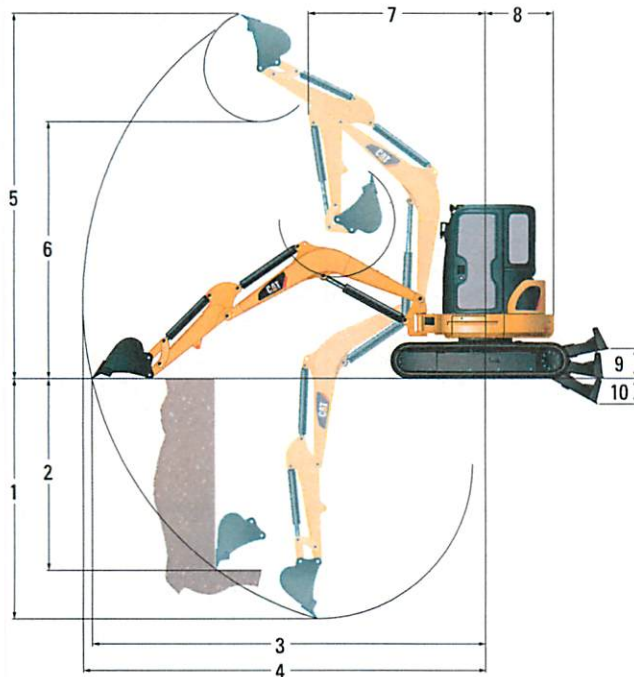
\*Automatic swing brake, spring applied, hydraulic release.

## Blade

Width	1980 mm	78.0 in
Height	375 mm	14.8 in
Dig Depth	555 mm	21.9 in
Lift Height	405 mm	15.9 in

## Operating Specifications

Stick Length – Standard	1420 mm	55 in
Stick Length – Long	1820 mm	70 in
Counterweight	165.3 kg	364.4 lb



## Undercarriage

Number of Carrier Rollers	3
Number of Track Rollers	3
Track Roller Type	Triple Flange

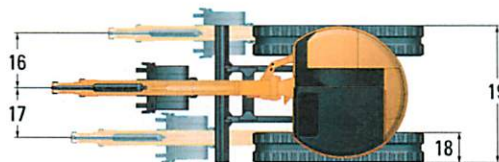
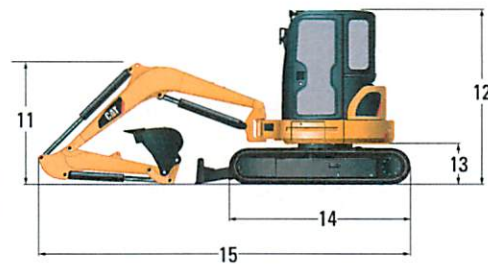
## Certification – Cab and Canopy

Roll Over Protective Structure (ROPS)	ISO 12117-2
Tip Over Protective Structure (TOPS)	ISO 12117
Top Guard	ISO 10262 (Level I)

## Lift Capacities at Ground Level\*

Lift Point Radius		3000 mm (9'8")		4500 mm (14'9")	
		Front	Side	Front	Side
Blade Down	kg	2590	1290	1380	690
	(lb)	(5,710)	(2,844)	(3,042)	(1,521)
Blade Up	kg	1550	1150	820	620
	(lb)	(3,417)	(2,535)	(1,808)	(1,367)

\*The above loads are in compliance with hydraulic excavator lift capacity rating standard ISO 10567:2007 and they do not exceed 87% of hydraulic lifting capacity or 75% of tipping capacity. The excavator bucket weight is not included on this chart. Lifting capacities are for standard stick.



## Dimensions

	Standard Stick		Long Stick	
	mm	in	mm	in
1 Dig Depth	3470	137	3870	152
2 Vertical Wall	2330	92	2730	107
3 Maximum Reach at Ground Level	5630	222	6020	237
4 Maximum Reach	5790	228	6170	243
5 Maximum Dig Height	5330	210	5590	220
6 Maximum Dump Clearance	3820	150	4080	161
7 Boom In Reach	2400	94	2530	100
8 Tail Swing	1130	44	1130	44
9 Maximum Blade Height	405	16	405	16
10 Maximum Blade Depth	555	22	555	22

	Standard Stick		Long Stick	
	mm	in	mm	in
11 Boom Height in Shipping Position	1740	69	2150	85
12 O/A Shipping Height	2550	100	2550	100
13 Swing Bearing Height	615	24	615	24
14 O/A Undercarriage Length	2580	102	2580	102
15 O/A Shipping Length	5330	210	5460	215
16 Boom Swing Right	785	31	785	31
17 Boom Swing Left	695	27	695	27
18 Track Belt/Shoe Width	400	16	400	16
19 O/A Track Width	1980	78	1980	78

# 305.5E2 CR Mini Hydraulic Excavator

## STANDARD EQUIPMENT

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- 1-way and 2-way (combined function) auxiliary hydraulic lines
- 100% pilot control joysticks
- Adjustable auxiliary flow control for work tools
- Adjustable armrests
- Alternator
- Anti-theft security system
- Automatic engine idle
- Automatic swing park brake
- Automatic two speed travel
- Auxiliary line quick disconnects
- Boom cylinder guard
- Cab mounted work light
- Canopy with FOPS ISO 10262 (Level 1) and Tip-Over Protection (TOPS) ISO 12117
- Coat hook
- COMPASS display panel
- Cup holder
- Continuous flow
- Control pattern changer (not available in Europe)
- Dozer blade with float function
- Economy mode settings
- Floor mat
- Foot travel pedals
- Gauges or indicators for fuel level engine coolant temperature, hour meter, engine oil pressure, air cleaner, alternator and glow plugs, service interval
- Horn
- Hydraulic oil cooler
- Lifting eye on bucket linkage (standard equipment for all regions except Europe)
- Lockable fuel cap
- Lockable storage box
- Low maintenance linkage pin joints
- Maintenance free battery
- Rubber track
- Retractable seatbelt
- Standard stick
- Suspension seat, vinyl covered
- "Thumb ready" sticks (standard equipment for all regions except Europe)
- Travel alarm (optional in Europe)

## OPTIONAL EQUIPMENT

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- Air conditioning
- Angle dozer blade with float function
- Beacon socket for canopy machines
- Block heater
- Boom check valve
- Boom mounted light
- Cab, radio ready with FOPS ISO 10262 (Level 1), ROPS ISO 12117-2 and Tip-Over Protection (TOPS) ISO 12117 with heater/defroster, interior light and windshield wiper/washer
- Ecology drain valve for hydraulic tank
- Extra counterweight for extreme lifting applications
- High back suspension seat, fabric covered
- Hydraulic quick coupler lines
- Long stick
- Mirrors for cab and canopy
- Quick Coupler, mechanical or hydraulic
- Secondary auxiliary hydraulic lines
- Steel track and steel track with rubber pads
- Stick check valve

## 305.5E2 CR Mini Hydraulic Excavator

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For more complete information on Cat products, dealer services, and industry solutions, visit us on the web at [www.cat.com](http://www.cat.com)

AEHQ7320 (07-14)

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STATE OF SOUTH CAROLINA            )  
  )  
COUNTY OF BEAUFORT                )     **AGREEMENT BETWEEN BEAUFORT  
  )     COUNTY AND TOWN OF BLUFFTON**

This Agreement (hereinafter “Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2017 by and between Beaufort County, a political subdivision of the State of South Carolina (hereinafter the “County”), and the Town of Bluffton, South Carolina (hereinafter the “Town”).

**WHEREAS**, the Town, a political subdivision of the State of South Carolina, has contracted to purchase 1.27 acres described as 111 Calhoun Street, Bluffton, South Carolina, Tax Map No. R610-039-00A-0111-000 (hereinafter the “Property”); and

**WHEREAS**, the parties will, after closing, each own an undivided Fifty (50%) percent interest in the Property; and

**WHEREAS**, the County and the Town desired to enter into this Agreement to define responsibility for the acquisition, maintenance, liability and operation of the Property.

**NOW, THEREFORE**, for due and valuable consideration, the parties agree as follows:

1. The Property shall be jointly owned by the Town and the County and maintained as open space, as a passive park, and open gateway to scenic vistas and accesses to the May River. The Town has plans to make future improvements to the passive park, said improvements to be subject to the applicable ordinances of the Town.

2. Operation and improvements of the Property are under the supervisory authority of the Town.

3. The terms of this paragraph may be amended, changed, modified or altered by the Town if doing so, in its discretion, is in the public’s best interests.

a. **Hours of Operation:** The Property shall be open to the general public daily, during daylight hours, and at such other times as may be approved by the Town as provided herein.

b. **Special Events:** A Special Event means the congregation of persons on the Property premises, at a function hosted or approved by the Town, and where food, beverages, events, entertainment or a concert are provided.

c. **Process of Handling of Special Events:** Special Events at the Property will be procedurally and substantively handled like all other Special Events in the Town.

d. **Disposition of Fees from Special Events:** The gross receipts from Special Events shall inure to the benefit of the Property unless prior approval has

been given to host a Special Event as a “fundraiser” for a public or charitable purpose. Other than permitted public purpose or charitable “fundraisers,” the gross receipts from Special Events shall be remitted to the Town. These Special Event funds shall be expended solely for the general upkeep, maintenance and improvement of the Property.

4. Use of Alcoholic Beverages. Town owned recreation facilities are publicly funded and for the purpose of carrying on leisure, recreation and sporting events. As such, the Town shall regulate the Property in a manner that shall provide for the greatest public use. Alcoholic beverages may be permitted for family outings, social events, fundraising events and Special Events provided that its use is not in conflict with any other County or Town ordinance or state law.

5. The Town shall provide, at least weekly, regular refuse, litter and garbage pick-up for the Property. Additionally, the Town shall be responsible for providing all maintenance and cleaning of any facilities located on the Property.

6. The County and the Town shall notify their respective property and liability insurers, which provide the County and the Town general liability insurance now and in the future of the modifications to the initial undertaking. As the party responsible for the operation, maintenance, use and condition of the Property and all related facilities, the Town agrees to be the primary responsible party for any and all liability resulting from the use of the Property to the extent that immunity has been waived under State of South Carolina law.

7. Capital Improvements shall be planned and implemented by the Town. The Town and County agree to cooperate to secure funds for capital improvement from any available source. Funds collected from grants and/or non-profit/private entities for capital improvements may be received on terms acceptable to the Town.

8. The County and the Town acknowledge the presence of a structure on the Property with historic significance. Any improvements or renovations to the structure shall conform to the Town’s Historic Preservation Commission guidelines. The Town shall set reasonable guidelines for the use of the structure.

9. Signage and associated lighting shall be guided by the Town’s sign ordinance and lighting standards.

10. The Town shall provide law enforcement for the Property.

11. Each party shall have the right of first refusal to purchase the interest of the other party in the event either party desires to sell or transfer its interest to a third party.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be executed by their duly appointed officers this day and year as aforewritten.

**BEAUFORT COUNTY COUNCIL**

By: \_\_\_\_\_  
Gary Kubic  
County Administrator

**TOWN OF BLUFFTON**

By: \_\_\_\_\_  
Marc Orlando  
Town Manager

**Chapter 70 – TRAFFIC AND VEHICLES**

**ARTICLE I. – IN GENERAL**

**Secs. 70-1 – 70-25. – Reserved.**

**ARTICLE II. – PARKING**

**Secs. 70-26 – 70-31. – Used.**

**Secs. 70-32 – 70-60. – Reserved.**

**ARTICLE III. – IMPOUNDMENT OF VEHICLE**

**Secs. 70-61 – 70-79. – Used.**

**Secs. 70-80 – 70-99. - Reserved (proposed).**

**ARTICLE IV. – OPERATION OF GOLF CARTS**

**Sec. 70-100. – Purpose and Intent.**

The purpose of this Ordinance is to provide for the lawful, restrictive operation and use of permitted golf carts (see S.C. Code Ann. § 56-2-05) on the streets and secondary highways designated herein by persons authorized by state law to operate such vehicles. This Ordinance shall not be construed or interpreted to authorize the operation or use of any golf cart on the County's streets, roads and secondary highways which is not otherwise authorized by state law or County Ordinance.

**Sec. 70-101. – Operation of Golf Carts Generally.**

Operation of golf carts in unincorporated portions of Beaufort County shall, all times, be in accordance with this Ordinance and S.C. Code Ann § 56-2-105 unless otherwise indicated.

**Sec. 70-102. Operation of Permitted Golf Carts at Night.**

Operation of permitted golf carts at night by authorized persons shall be permissible in those portions of the County designated below and subject to the provisions set forth herein.

(a) *Permitted Locations of Operations.* Permitted golf carts may be operated at night (thirty minutes after dusk) until \_\_\_\_\_ P.M. in the following portions of Beaufort County:

(1) Daufuskie Island

(i) all roads

(2)

(b) *Operation.* All operators of golf carts at night:

(1) Shall be at least \_\_\_\_\_ years of age;

(2) Shall abide by all traffic regulations applicable to vehicular traffic;

(3) Shall not pull any object or person;

(4) Shall not allow an unlicensed person to operate a golf cart;

(5) Shall not exceed the seating capacity of the golf carts as designed by the manufacturer;

(6) Shall remain seated at all times the golf cart is in motion and ensure that all passengers remain seated when the golf cart is in motion;

(7) Shall not carry passengers under the age of \_\_\_\_\_;

(8) Shall not allow passengers to sit on the lap of other passengers;

(9) Shall not drive or park a golf cart on sidewalks, rights-of-way or any other location on which a motor vehicle cannot be operated.

(c) *Required Equipment.* The purpose of this standard is to ensure that golf carts which are operated at night on the public streets, roads and highways of the County are equipped with



the minimum equipment necessary for vehicle safety. All golf carts which are operated at night shall be equipped with the following equipment:

- (1) Reflex Reflectors: one red on each side as far to the rear as practicable;
- (2) Two operating headlights in the front of the vehicle (one on each side of the vehicle) both of which are visible at a distance of 500 feet;
- (3) Two operating tail lights and brake lights on the back of the vehicle (one on each side of the vehicle) both of which are visible at a distance of 500 feet;
- (4) Front and rear turn signals which are visible at a distance of 500 feet;
- (5) Flashing amber strobe light affixed to the exterior surface of the golf cart roof which shall be active whenever headlights are on;
- (6) Footbrakes;
- (7) A high-mounted stop bar whose centerline (when the vehicle is viewed from the rear) is centered between right and left sides of the vehicle and visible at a distance of 500 feet;
- (8) A Horn;
- (9) An exterior mirror mounted on the driver's side and either an exterior mirror mounted on the passenger side of the vehicle or an interior mirror;
- (10) An acrylic windshield pre-manufactured for use on golf carts;
- (11) A vehicle identification number or serial number;
- (12) A parking brake;
- (13) DOT approved tires;
- (14) Safety belts for each occupant.

(d) *Inspections.* Golf carts which are to be operated at night must be inspected annually to ensure properly functioning equipment as required herein. Beaufort County will issue an inspection decal which shall be mounted on the bottom right windshield.

*ALTERNATIVELY: Maintenance of Safety Equipment. The registered owner of a permitted golf cart shall be responsible for ensuring the safety equipment required herein is properly functioning.*

**Sec. 70-103. – Prohibited Operation When Visibility is Impaired.**

No person may operate a golf cart on unincorporated portions of the county during any weather event or similar event when visibility is impaired by fog, heavy rain, smoke or any time when insufficient lighting makes it impossible to see a person or vehicle on the road at a distance of five hundred (500) feet.

**Sec. 70-104. – Parking.**

Golf carts operated on public streets, roads and highways of unincorporated areas of the County shall, when parked in public parking spaces, be parked in a manner that will allow the use of the parking space by another golf cart. Golf carts shall be parked side by side or in another fashion which allows each golf cart to leave the space when desired. Identified handicapped parking spaces may be used by golf carts complying with the law for the use of these spaces by vehicles.

**Sec. 70-105. – Penalty.**

Any person who violates this section shall be guilty of a misdemeanor punishable by a fine not to exceed Five Hundred Dollars (\$500.00) or thirty (30) days in jail. Each day that any violation of this section is violated constitutes a separate offense and the violator shall be fined accordingly plus court costs.

**Sec. 70-106. – Conflict of Law.**

In the event this Ordinance conflicts with any other ordinance of Beaufort County or other applicable law, the more restrictive shall apply.

**Sec. 70-107. – Severability.**

Should any portion or part of this Ordinance be found invalid or unenforceable by a court of competent jurisdiction, the same shall be construed to affect any other valid portion hereof and all valid portions hereof shall remain in full force and effect.

**Sec. 70-108. – Liability.**

Nothing herein is intended, nor shall it be construed as a representation, opinion, claim, warranty or guarantee that operating any particular golf cart on any street, road or secondary highway is safe, advisable, nor that any particular person is competent to so operate such a vehicle. Therefore, Beaufort County, its Council Members, the Sheriff and Beaufort County employees will assume no liability when a golf cart permit is issued. Beaufort County disclaims liability for personal injury, death, property damage and other losses caused or alleged to be caused or incurred by any person due to, or alleged to be due to, the operation of a golf cart on a street, road or secondary highway in the unincorporated portions of the county. Anyone who operates a golf cart and all persons who are passengers in such golf carts shall be deemed to have waived any claim, including but not limited to, property damage, bodily injury or death against the county or its agents for its legislative decision to permit nighttime operations of golf carts.

**70-109. - Effective Date.**

This Ordinance shall take effect thirty (30) days after being approved by County Council.

**SECTION 56-2-105.** Golf cart permit and the operation of a golf cart.

(A) For the purposes of this section, "gated community" means any homeowners' community with at least one access controlled ingress and egress which includes the presence of a guard house, a mechanical barrier, or another method of controlled conveyance.

(B) An individual or business owner of a vehicle commonly known as a golf cart may obtain a permit decal and registration from the Department of Motor Vehicles upon presenting proof of ownership and liability insurance for the golf cart and upon payment of a five dollar fee.

(C) During daylight hours only:

(1) A permitted golf cart may be operated within four miles of the address on the registration certificate and only on a secondary highway or street for which the posted speed limit is thirty-five miles an hour or less.

(2) A permitted golf cart may be operated within four miles of a point of ingress and egress to a gated community and only on a secondary highway or street for which the posted speed limit is thirty-five miles an hour or less.

(3) Within four miles of the registration holder's address, and while traveling along a secondary highway or street for which the posted speed limit is thirty-five miles an hour or less, a permitted golf cart may cross a highway or street at an intersection where the highway has a posted speed limit of more than thirty-five miles an hour.

(4) A permitted golf cart may be operated along a secondary highway or street for which the posted speed limit is thirty-five miles an hour or less on an island not accessible by a bridge designed for use by automobiles.

(D) A person operating a permitted golf cart must be at least sixteen years of age and hold a valid driver's license. The operator of a permitted golf cart being operated on a highway or street must have in his possession:

(1) the registration certificate issued by the department;

(2) proof of liability insurance for the golf cart; and

(3) his driver's license.

(E) A golf cart permit must be replaced with a new permit every five years, or at the time the permit holder changes his address.

(F)(1) A political subdivision may, on designated streets or roads within the political subdivision's jurisdiction, reduce the area in which a permitted golf cart may operate from four miles to no less than two miles.

(2) A political subdivision may, on primary highways, secondary highways, streets, or roads within the political subdivision's jurisdiction, create separate golf cart paths on the shoulder of its primary highways, secondary highways, streets and roads for the purpose of golf cart transportation, if:

(a) the political subdivision obtains the necessary approvals, if any, to create the golf cart paths; and

(b) the golf cart path is:

(i) separated from the traffic lanes by a hard concrete curb;

(ii) separated from the traffic lanes by parking spaces; or

(iii) separated from the traffic lanes by a distance of four feet or more.

(3) In a county with a population of no less than one hundred fifty thousand and no more than two hundred fifty thousand persons:

(a) if a municipality has jurisdiction over a barrier island, the municipality may enact an ordinance allowing for the operation of a golf cart at night on designated

portions of the barrier island within the municipality, provided the golf cart is equipped with working headlights and rear lights; or

(b) if a barrier island is not within the jurisdiction of a municipality, the county in which the barrier island is located may enact an ordinance allowing for the operation of a golf cart at night on designated portions of the county, provided the golf cart is equipped with working headlights and rear lights.

If a municipality or county enacts an ordinance allowing golf carts to operate at night on a barrier island, the requirements of subsection (C), other than operation in daylight hours only, shall still apply to all permitted golf carts.

(4) A political subdivision may not reduce or otherwise amend the other restrictions placed on the operation of a permitted golf cart contained in this section.

(G) The provisions of this section that restrict the use of a golf cart to certain streets, certain hours, and certain distances shall not apply to a golf cart used by a public safety agency in connection with the performance of its duties.

HISTORY: 2012 Act No. 177, Section 1, eff October 1, 2012; 2015 Act No. 86 (S.211), Section 1, eff June 8, 2015; 2016 Act No. 246 (H.5118), Section 1, eff June 6, 2016.

#### Editor's Note

2016 Act No. 246, Section 2, provides as follows:

"SECTION 2. Any municipal or county ordinance enacted pursuant to Section 56-2-105(F)(3) shall expire on January 1, 2021."

#### Effect of Amendment

2015 Act No. 86, Section 1, in (E), added the paragraph designators, added (2), and redesignated the former second sentence as (3).



2016 Act No. 246, Section 1, in (A), deleted the hyphen between "access" and "controlled"; added (C); inserted former (B)(1) through (B)(4) under (C); in (C)(1) through (C)(4), deleted "During daylight hours only," at the beginning; redesignated former (C) through (F) as (D) through (G); in (E), deleted designator (1), and deleted (2), relating to golf cart owners holding permits on or before October 1, 2012; added (F)(3), including (a), (b), and the undesignated paragraph following (b), relating to a county with a population of no less than one hundred fifty thousand and no more than two hundred fifty thousand persons; and redesignated former (E)(3) as (F)(4).

Gullah Cooperative (000's - \$)  
(excludes in-kinds)

	<u>Grants</u>	<u>Start-up</u>	<u>Yr 1</u>	<u>Yr 2</u>	<u>Yr 3</u>	<u>Yr 4</u>	<u>Yr 5</u>	<u>Total</u>
Sales			230.8	415.5	515.5	633.6	748.2	2,543.6
COGS	170.0	272.1	190.8	329.7	395.4	481.3	564.5	2,233.7
Gross Margin		(272.1)	40.1	85.8	120.1	152.3	183.7	309.9
%			17%	21%	23%	24%	25%	
Management	5.0	60.0	50.0	50.0	50.0	50.0	50.0	310.0
Marketing	52.0	52.0	26.0	26.0	6.0	6.2	6.4	122.5
Other	3.0	39.1	20.9	28.4	29.9	32.9	35.6	186.9
Building	20.0	25.6						25.6
Equipment		37.4						37.4
Expenses		214.1	96.9	104.4	85.9	89.0	92.0	682.4
Net (pre-Grants)		(486.2)	(56.8)	(18.6)	34.2	63.2	91.7	(372.5)
Start-up	250.0	250.0						250.0
VAPG			88.7	153.0				241.7
Net		(236.2)	31.9	134.3	34.2	63.2	91.7	119.1

**Old LeRoy Browne Service Building  
41 Ball Park Road, St Helena Island**

**Proposal to Beaufort County Council: Facilities Committee  
February 27, 2017**

**The Gullah Farmers' Cooperative Association**

The Gullah Farmers' Cooperative is a cooperative on St Helena Island with 17 farmer members and a board of directors. The core values of the cooperative are:

- Providing a market for local produce that is environmentally and economically sustainable.
- Encouraging the next generation of farmers: keeping farmland in production through providing economic growth opportunities and leaving a legacy.
- Benefitting the local community: distributing fresh and healthy vegetables to local schools, restaurants, grocery stores, and government installations.

**Proposed Use of the Building**

Collecting, washing, and distributing local farm produce for wholesale and retail markets on the East Coast as well as for local institutions.

- The building will be renovated to Department of Agriculture food standards.
- Clemson University has committed \$20,000 to this project.
- Approximately 1800 square feet will be needed out of the estimated 6000 square feet. This will allow for eventual expansion in size and scope of operations.

**Economic Benefits to County**

- Maintenance and Lease Payments. We propose to pay rent for the building as well as maintain the building and grounds.
- Job Creation. The Gullah Cooperative expects to create 6 part-time jobs and 1 full-time job within the first year of operation at this location.
- Helping Local Farmers get Access to Markets. Any net income received from the Gullah Farmers' Cooperative is distributed to its farmer members. It is hoped that the membership in the cooperative will be expanded with increased sales.
- Farm to School. More local produce will be served in school cafeterias in Beaufort County. There is also demand for local produce in Jasper, Colleton, and Hampton school systems.

## **Proposed Lease/Purchase Terms**

The key provisions for the lease sought by the Gullah Farmers' Cooperative:

Lease Term: 5 years with option to renew after 5 years

Lease Payments: Current estimated property taxes plus \$1000.00 per year.

Purchase Option: Option to buy the building from Beaufort County during lease period. It is the intent of the Gullah Farmers' Cooperative to buy the building. We propose a purchase price of \$225,000

Maintenance: The Gullah Farmers' Cooperative will be responsible for utilities and maintenance of the building while under the lease agreement.

Capital Improvements: The capital improvements made to the building will be handled differently depending on whether or not the building is purchased by the Gullah Farmer's Cooperative.

- If the building is purchased by the Gullah Farmers' Cooperative, then the book value (undepreciated amount) of capital improvements will be taken off the purchase option price.

**Example:** \$45,000 of capital improvements are put into the building in 2017. These leasehold improvements would be depreciated over 15 years. If the building is purchased after 10 years, \$30,000 of the improvements will have been depreciated. The remaining \$15,000 (book value) would be taken off the purchase option price.

- If the lease is terminated by the county, then the book value (undepreciated amount) of the capital improvements will be reimbursed to the Gullah Farmers' Cooperative upon lease termination.

**Example:** \$45,000 of capital improvements are put into the building in 2017. These leasehold improvements would be depreciated over 15 years. If the lease was terminated after 10 years, \$30,000 of the improvements will have been depreciated. The remaining \$15,000 (book value) would have to be reimbursed at the end of the lease. Or, when the building is subsequently sold to another party.

# Business Plan



## **Gullah Farmers' Cooperative Association**

PO Box 142, St Helena Island, SC

Prepared by: Steve Richards

Updated January 23, 2017

For Presentation to the Beaufort County Council

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## II. Executive Summary

The Gullah Farmers' Cooperative has been in existence since 2011 and has successfully entered the fresh-cut produce market. The cooperative now wants to expand into new markets through increased marketing, sales, and production. The purpose of this business plan is to demonstrate how USDA grant funds will be used to ramp up production and facilitate an expansion to a new facility.

This business plan, which builds upon a previously written feasibility study, describes how the Gullah Farmers' Cooperative will target new markets through a comprehensive marketing plan, an operations plan, and a committed management team.

The following is a brief summary of this business plan.

1. A timeline of goals and objectives to be met.
2. A marketing plan to increase wholesale sales to \$232,000 and retail sales to \$82,000 within two years. This will be achieved through increased marketing expenditures, the help of a marketing consultant, and widening the scope of products offered to produce consumers.
3. An operations plan to ramp up wholesale production to 192,000 pounds and retail production to 40,500 pounds within a two-year timeframe. This will be achieved with a strong, committed management team.
4. Financial projections for five years; including sources and uses of capital, profit and loss statements, and cash flow projections. The projections show how the Value Added Producers' Grant will be used effectively to capture new markets for the Gullah Farmers' Cooperative and its member farmers. These projections also show that the Gullah Farmers' Cooperative will remain a viable venture into the foreseeable future.

### **III. Company Description**

#### **The Business**

The Gullah Farmers' Cooperative is a cooperative on St Helena Island with 17 farmer members and a board of directors. The cooperative will aggregate, process, and market vegetables from Gullah farmers located in Beaufort, Colleton, Hampton, Charleston, and Jasper counties of South Carolina.

#### **Business Philosophy**

It is important for the farmers located in these three counties to be sustainable – both for the environment and the economic viability of their individual farms. It is important to the Gullah Farmers' Cooperative that farmland remain in production, provide economic growth opportunities for local farmers, and leave a legacy for the next generation of farmers. It is also important that the fresh and healthy vegetable produced by the Cooperative benefit the local community-through distribution to local schools, restaurants, grocery stores, and government installations.

#### **Industry Description**

The farm produce industry is a mature industry on the global and national level. However, in South Carolina, there are a lack of vegetable processors and marketers. So, there are growth opportunities on the state and regional scale. The grocery and restaurant consumer is also changing: they are demanding more local foods. Currently, in South Carolina, the demand for local foods is outstripping the supply – another opportunity for the Gullah Farmers' Cooperative

#### **Legal form of ownership**

The Gullah Farmers' Cooperative is structured as a Cooperative Corporation (S Corporation), with farmer members and a board of directors.

#### **Partners**

Penn Center, Inc., South Carolina State University, Clemson University, and Beaufort County. Other interested parties include the Low Country Economic Network of Beaufort County, the Marine Corps Air Station, and the Low Country Food Bank.

## **Business Goals and Objectives**

### Phase I: Complete planning phase (deadline: April 1, 2017)

- Update Business Plan from July 2016
- Finalize quotes to renovate and move into leased building
- Start Renovations

### Phase II: Begin Operations (deadline: May 1, 2017)

- Get new building operational and HACCP certified (5/1/2017)
- Obtain orders for October harvest
- Order seeds and commit acreage to fill orders
- Train new staff on food safety, personal safety, and production processes
- Start processing vegetables for Sodexo and get procedures in order

### Phase III: Ramp up Operations (begin: June 2017 - August 2017)

- Increase order volume through intense marketing and outreach
- Start retail sales channel: on site, farmers' markets, and CSA offerings
- High advertising expense year: Design bags, boxes, signs, brochures
- Estimate and order seed for next year's sales projections

### Phase IV: Increase Production by 80% (September 2017-October 2018)

- It is important that efficiencies of scale be captured by year three of production
- High marketing and advertising year
- Build retail sales and wholesale sales channels simultaneously

### Phase V: Stabilize operations and grow at a sustainable rate (October 2018-future)

- Once efficient volume is reached (see projections), can grow more slowly
- Management consulting, advertising, and marketing travel can be cut back
- Markets for more value added products and retail channels can be explored (for example: organic production, fruit processing, and specialty retail items)

## **IV. Marketing Plan**

### **Products**

The Gullah Farmers' Cooperative Association will aggregate, wash, cut, and package fresh produce in a Food Safety Modernization Act compliant facility. The products will be package for both institutional sales (bulk) and for direct and indirect retail sales (printed bags). The current core-product offering will be collards, kale, cabbage, spinach, and broccoli. Additional items to be added in the next year will most likely be cauliflower, potatoes, and leaf lettuce. The farmers in the cooperative enjoy the advantage of being able to produce almost any vegetable. This creates opportunities to add tomatoes, onions, bell peppers, sweet corn, squash, eggplant, and peas.

### **Services**

The services that the cooperative offers to its farmers are marketing services, food safety training through Good Agricultural Practices (GAP), production scheduling, aggregating and delivering produce, and produce processing.

Processing capabilities currently include sorting, washing, cutting, and packaging fresh produce at a HACCP/FSMA certified, licensed facility (needed for government, school food service buyers, and interstate commerce).

Additional processing capacity may be added at a later date and may include drying, freezing, and canning – either on site or with a co-packer. There may also be opportunities to package and distribute CSA shares from the Penn Center location.

### **Customers**

The customers for the products produced by the Gullah Farmers' Cooperative will be primarily institutional buyers at first, with retail customers added later. This is due to the fact that the processing capabilities of the Cooperative are currently suited toward institutional buyers and there are already a number of institutional buyers interested in the product. Primarily these customers are schools, hospitals, and the government facilities in Beaufort County (Parris Island and the Marine Air Base). In addition, those companies that service the schools and government facilities (Sodexo and Limehouse Produce, for example) are interested in buying products.

Schools: Currently, the School Districts of Beaufort County, Colleton County, and Jasper County are buying produce from the Gullah Farmers' Cooperative. These districts have expressed interest in buying more produce and different types of produce—namely leaf lettuce, onions, and tomatoes. There are other school districts interested in buying produce as well. These districts are Hampton County and Charleston County.

Hospitals: Currently, the U.S. Naval Hospital in Beaufort buys some produce from the Gullah Farmers' Cooperative. Other hospital food service buyers will be visited to gauge interest.

Institutional Supplier Sodexo: Sodexo is a very large multinational corporation that services many school districts and government entities. Sodexo representatives have met with the Gullah Farmers' Cooperative just recently and pledged to take as much produce as the Cooperative could deliver. Sodexo's upper management is committed to being a partner in the communities that it serves and views working with the Gullah Farmers' Cooperative as a key partnership. Sodexo services some of the school districts in South Carolina as well as the Marine Recruit Depot on Parris Island.

Institutional Supplier Limehouse Produce: Limehouse Produce is a regional produce wholesaler. Limehouse supplies many of the school districts in South Carolina. Limehouse has been a big advocate of the Gullah Farmers' Cooperative and a buyer of local vegetables. As soon as the new processing facility is up and running, Limehouse has committed to taking collard greens.

Government Installations: The Marine Recruit Depot on Parris Island is served by Sodexo. The representative of Sodexo that manages Georgia and South Carolina mentioned that he would get the Cooperative into the kitchens on Parris Island, once the Beaufort School District was taken care of. The Marine Air Base will be approached soon about its intent to buy from the cooperative.

Retail Customers: Retail customers will be sought after through attending local farmers' markets, talking to Home Owners' Associations in Bluffton, SC,

and Hilton Head Island, SC, about starting a CSA for their homeowners, and through on-site promotion at the Penn Center

**Customer Service:** There are multiple types of customers for the cooperative – the farmer/owners that supply produce to the cooperative, produce buyers and brokers, and produce end users.

Farmer/owners: the board of directors will be responsible for setting farm gate prices, for making sure farmers adhere to Good Agricultural Practices, for handling member disputes, for production and planting schedules, and all other cooperative to farmer communications. Directors Jackie Frazier and York Glover will be the designated persons to fill the “member relations” role.

Produce buyers and brokers: The Board of Directors is also responsible for meeting the needs of produce buyers and brokers. Currently, the designated person to fill the “sales and marketing” role is General Manager Steve Richards. As the sales increase, there will be opportunities to add a staff member to this position.

Wholesale customers: those that buy directly from the Cooperative. These would be institutional clients such as restaurants, grocery stores, schools, hospitals, and other government entities. Currently, the designated person to fill the “sales and marketing” role is General Manager Steve Richards. As the sales increase, there will be opportunities to add a staff member to this position.

Produce consumers: This could be through a Community Supported Agriculture (CSA) structure, an off-site farmers’ market, or an on-site produce store. The persons that will be delivering and selling this produce directly to the consumer will likely be employees of the cooperative and will be responsible for customer service at their location.

## **Distribution Channels**

Initially, the Gullah Farmers' Cooperative will seek to distribute its products through a distributor or through wholesale market channels. Retail and direct marketing channels will be added in the second year.

Institutional Clients: The final customers of these products would be institutional customers such as schools, hospitals, and government installations. This will include bidding on contracts and making sales calls to buyers and brokers.

Wholesale: Marketing directly to grocery stores and restaurants will also be a part of the plan in the future, branding and packaging the cut produce under the Gullah Farmers' Cooperative name will also be an opportunity.

Retail: there will be opportunities in the future for sales at farmers' markets, having a Gullah Farmers' Cooperative CSA, and even a possible store front at the Penn Center. This could be an excellent way to move surplus inventory and get the brand name out there. Retail sales are also very important to getting acceptable margins for the produce.

Direct Marketing: As mentioned previously, there will be opportunities to market the produce to ethnic communities in the larger cities of the East Coast. Initial thoughts are to market these products through churches affiliated with churches attended by member of the Gullah Farmers' Cooperative.

## **Pricing and Margins: Wholesale**

Pricing for the wholesale and institutional markets follows stated prices from commodity exchanges and are able to be viewed on the Agricultural Marketing Service (AMS) website. These prices, however, do not include chopped vegetables. So, there is some wiggle room in the price that is offered to the Gullah Farmers' Cooperative. Price sensitivity is muted a little bit by the fact that the Cooperative is selling local produce as well. However, at the end of the day, the negotiated price has to be competitive with produce coming from outside the area. Typically, the prices for chopped vegetables have been between \$1.50 a pound and \$2.00 a pound.



<b>Table 1</b>			
<b>Pricing and Margins for Wholesale Products</b>			
<b>Vegetable</b>	<b>Raw Vegetable Price per #</b>	<b>Wholesale Price per #</b>	<b>Margin Between Raw &amp; Processed</b>
Collards	\$ 0.50	\$ 1.50	\$ 1.00
Cabbage	\$ 0.30	\$ 1.50	\$ 1.20
Broccoli	\$ 0.45	\$ 1.50	\$ 1.05
Kale	\$ 0.65	\$ 1.75	\$ 1.10
Romaine	\$ 0.78	\$ 2.00	\$ 1.22
Lettuce	\$ 0.75	\$ 1.75	\$ 1.00
Cauliflower	\$ 0.50	\$ 1.75	\$ 1.25
Other	\$ 0.50	\$ 1.50	\$ 1.00
Average	\$ 0.55	\$ 1.66	\$ 1.10

The margin to be found between the raw commodity price and the cut produce price is usually somewhere around \$1.00 per pound. This varies by commodity, but is fairly stable, and is enough to cover the variable and fixed costs of processing and provide a return to the member farmers.

### **Pricing and Margins: Retail**

Pricing for retail markets is somewhat similar to wholesale, as there are some standard prices in the industry for vegetables. Namely, what the local supermarkets charge. Like the wholesale channel, there is some wiggle room in the retail prices for the chopped produce, since it commands a premium price in the supermarket. Also, there are no farmers offering pre-cut produce at the local farmers' markets. The table below shows estimated retail prices for the top products offered by the Gullah Farmers' Cooperative.

<b>Table 2</b>			
<b>Pricing and Margins for Retail Products</b>			
<b>Vegetable</b>	<b>Raw Vegetable Price per #</b>	<b>Retail Price per #</b>	<b>Margin Between Raw &amp; Processed</b>
Collards	\$ 0.50	\$ 2.50	\$ 2.00
Cabbage	\$ 0.30	\$ 2.25	\$ 1.95
Broccoli	\$ 0.45	\$ 3.00	\$ 2.55
Kale	\$ 0.65	\$ 3.00	\$ 2.35
Romaine	\$ 0.78	\$ 3.00	\$ 2.22
Lettuce	\$ 0.75	\$ 2.75	\$ 2.00
Cauliflower	\$ 0.50	\$ 3.00	\$ 2.50
Other	\$ 0.50	\$ 2.25	\$ 1.75
Average	\$ 0.55	\$ 2.72	\$ 2.17

## Promotion

Currently, the promotional strategy is to simply visit institutional buyers of produce, tell them the story behind the Gullah Farmers' Cooperative, and ask if they would like to buy any of the vegetables that are available. The people from the Cooperative that are doing this are Steve Richards, York Glover, and Jackie Frazier. York has many connections from his time at Clemson Cooperative Extension. Jackie Frazier has a very successful farm, roadside stand, and wholesale vegetable operation and knows many of the produce buyers in South Carolina.

When it comes time to promote to grocery stores and restaurants, we have a marketing consultant on board named Gary Markham. Gary has 30 years of experience marketing consumer products to grocery stores and big box retailers. Gary will help us plan and execute this promotion plan.

Retail and Direct Marketing will involve branding, printed packaging, and more promotional materials than the institutional and wholesale routes. Currently, we are working on our website, have a logo designed, and will work on printed outreach materials such as brochures and flyers when the time arrives to start direct marketing products. The first products to be direct marketed will be collard greens, in bulk, to churches as previously mentioned. The first two years will see heavy marketing and promotional spending, as shown in the budget below. After 2018, this will taper off.

Marketing Budget	2017-2018 Amount	2017-2018 Subtotal	2018-2019 Amount	2018-2019 Subtotal	2 Year Total
<b>Advertisement</b>		<b>9200</b>		<b>13700</b>	<b>22900</b>
Periodicals	3000		6500		
Newspapers	5000		6000		
Association Fees	1200		1200		
<b>Printing</b>		<b>10500</b>		<b>11000</b>	<b>21500</b>
Design	5000				
Bags and Boxes	3000		7500		
Brochures	1000		1500		
Store Signs	500		1000		
Farm Mkt Signs	1000		1000		
<b>Internet</b>		<b>6300</b>		<b>1300</b>	<b>7600</b>
Design	5000				
Access	500		500		
Hosting	500		500		
Domains	300		300		
<b>TOTAL</b>		<b>26000</b>		<b>26000</b>	<b>52000</b>

### Sales Forecast: Wholesale and Retail Channels

Both wholesale and retail channels will be sought after. For the first 2 years (10/1/2017-9/30/2019), the Gullah Farmers' Cooperative will concentrate on institutional and wholesale buyers. This will build demand and get the farmer members used to a cropping cycle to fill the needs of the largest customers. Why this is important is that it will capture the efficiencies of scale (volume) right more quickly than retail sales. Retail sales, while it has a better margin, will take longer to build the volume needed.

The sales forecasts are shown in the tables below. The sales projections are shown by crop and by channel (in pounds) first shown is wholesale, followed by retail.

<b>Table 3</b>		<b>Sales Forecast: Five Year Wholesale Projection in Pounds</b>				
<b>Product</b>	<b>10/2017 - 10/2018</b>	<b>10/2018 - 10/2019</b>	<b>10/2019 - 10/2020</b>	<b>10/2020 - 10/2021</b>	<b>10/2021 - 10/2022</b>	
Romaine, Chopped	83,400	150,120	165,132	198,158	227,882	
Collards, Shredded	16,800	30,240	33,264	39,917	45,904	
Cabbage, Chopped	13,800	24,840	27,324	32,789	37,707	
Broccoli, Chopped	12,600	22,680	24,948	29,938	34,428	
Kale, Shredded	13,080	23,544	25,898	31,078	35,740	
Lettuce, Chopped	5,700	10,260	11,286	13,543	15,575	
Cauliflower, Chopped	4,500	8,100	8,910	10,692	12,296	
Other Products*	2,040	3,672	4,039	4,847	5,574	
<b>Total</b>	<b>151,920</b>	<b>273,456</b>	<b>300,802</b>	<b>360,962</b>	<b>415,106</b>	

\*=Tomatoes, onions, potatoes, bell peppers, sweet corn, squash, melons, eggplant, and green peas

<b>Table 4 Estimated Product per Wholesale Customer</b>						
<b>Collards</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Beaufort/Sodexo	8	3	24	112	480	5760
Colleton	5	0.5	2.5	12	50	600
Jasper	5	0.5	2.5	12	50	600
Limehouse /Wholesale	15	2	30	140	600	7200
Government/Sodexo	2	5	10	47	200	2400
Hospital	1	1	1	5	20	240
Total			70	326	1400	16800
<b>Cabbage</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Beaufort/Sodexo	10	1	10	47	200	2400
Colleton	5	0.4	2	9	40	480
Jasper	5	0.4	2	9	40	480
Limehouse /Wholesale	15	2.5	37.5	174	750	9000
Government/Sodexo	2	2.5	5	23	100	1200
Hospital	1	1	1	5	20	240
Total			57.5	267	1150	13800
<b>Broccoli</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Beaufort/Sodexo	10	0.5	5	23	100	1200
Colleton	5	0.4	2	9	40	480
Jasper	5	0.4	2	9	40	480
Limehouse /Wholesale	15	2.5	37.5	174	750	9000
Government/Sodexo	2	2.5	5	23	100	1200
Hospital	1	1	1	5	20	240
Total			53	244	1050	12600

<b>Table 5 Estimated Product per Wholesale Customer</b>						
<b>Kale</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Beaufort/Sodexo	10	0.5	5	23	100	1200
Colleton	5	0.2	1	5	20	240
Jasper	5	0.2	1	5	20	240
Limehouse /Wholesale	15	3	45	209	900	10800
Government/Sodexo	2	1	2	9	40	480
Hospital	1	0.5	0.5	2	10	120
<b>Total</b>			<b>55</b>	<b>253</b>	<b>1090</b>	<b>13080</b>
<b>Romaine</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Beaufort/Sodexo	10	25	250	1163	5000	60000
Colleton	5	2	10	47	200	2400
Jasper	5	2	10	47	200	2400
Limehouse /Wholesale	15	5	75	349	1500	18000
Government/Sodexo	2	1	2	9	40	480
Hospital	1	0.5	0.5	2	10	120
<b>Total</b>			<b>348</b>	<b>1616</b>	<b>6950</b>	<b>83400</b>
<b>Lettuce</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Beaufort/Sodexo	10	0.5	5	23	100	1200
Colleton	5	0.25	1.25	6	25	300
Jasper	5	0.25	1.25	6	25	300
Limehouse /Wholesale	15	1	15	70	300	3600
Government/Sodexo	2	0.5	1	5	20	240
Hospital	1	0.25	0.25	1	5	60
<b>Total</b>			<b>24</b>	<b>110</b>	<b>475</b>	<b>5700</b>
<b>Cauliflower</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Beaufort/Sodexo	10	0.25	2.5	12	50	600
Colleton	5	0	0	0	0	0
Jasper	5	0	0	0	0	0
Limehouse /Wholesale	15	1	15	70	300	3600
Government/Sodexo	2	0.5	1	5	20	240
Hospital	1	0.25	0.25	1	5	60
<b>Total</b>			<b>19</b>	<b>87</b>	<b>375</b>	<b>4500</b>

<b>Product</b>	<b>10/2017 - 10/2018</b>	<b>10/2018 - 10/2019</b>	<b>10/2019 - 10/2020</b>	<b>10/2020 - 10/2021</b>	<b>10/2021 - 10/2022</b>
Collards, Shredded	3,576	6,437	11,586	15,062	18,828
Cabbage, Chopped	768	1,382	2,488	3,235	4,044
Broccoli, Chopped	828	1,490	2,683	3,488	4,359
Kale, Shredded	1,764	3,175	5,715	7,430	9,287
Romaine, Chopped	1,692	3,046	5,482	7,127	8,908
Lettuce, Chopped	3,780	6,804	12,247	15,921	19,902
Cauliflower, Chopped	3,180	5,724	10,303	13,394	16,743
Other Products*	6,960	12,528	22,550	29,316	36,644
<b>Total</b>	<b>22,548</b>	<b>40,586</b>	<b>73,056</b>	<b>94,972</b>	<b>118,715</b>

\*=Tomatoes, onions, potatoes, bell peppers, sweet corn, squash, melons, eggplant, and green peas

<b>Collards</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Farmers Markets	3	0.3	0.9	4	18	216
On Site Sales	1	0.5	0.5	2	10	120
Churches	3	2	6	28	120	1440
CSA Use	25	0.3	7.5	35	150	1800
<b>Total</b>			<b>15</b>	<b>69</b>	<b>298</b>	<b>3576</b>
<b>Cabbage</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Farmers Markets	3	0.1	0.3	1	6	72
On Site Sales	1	0.4	0.4	2	8	96
Churches	3	0	0	0	0	0
CSA Use	25	0.1	2.5	12	50	600
<b>Total</b>			<b>3</b>	<b>15</b>	<b>64</b>	<b>768</b>
<b>Broccoli</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Farmers Markets	3	0.25	0.75	3	15	180
On Site Sales	1	0.2	0.2	1	4	48
Churches	3	0	0	0	0	0
CSA Use	25	0.1	2.5	12	50	600
<b>Total</b>			<b>3</b>	<b>16</b>	<b>69</b>	<b>828</b>



<b>Table 8 Estimated Product per Retail Customer</b>						
<b>Kale</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Farmers Markets	3	0.3	0.9	4	18	216
On Site Sales	1	0.2	0.2	1	4	48
Churches	3	0	0	0	0	0
CSA Use	25	0.25	6.25	29	125	1500
Total			7	34	147	1764
<b>Romaine</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Farmers Markets	3	0.2	0.6	3	12	144
On Site Sales	1	0.2	0.2	1	4	48
Churches	3	0	0	0	0	0
CSA Use	25	0.25	6.25	29	125	1500
Total			7	33	141	1692
<b>Lettuce</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Farmers Markets	3	1	3	14	60	720
On Site Sales	1	0.25	0.25	1	5	60
Churches	3	0	0	0	0	0
CSA Use	25	0.5	12.5	58	250	3000
Total			16	73	315	3780
<b>Cauliflower</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Farmers Markets	3	0.25	0.75	3	15	180
On Site Sales	1	0	0	0	0	0
Churches	3	0	0	0	0	0
CSA Use	25	0.5	12.5	58	250	3000
Total			13	62	265	3180
<b>Other</b>	<b># Of Outlets</b>	<b># Cs/Mo/Outlet</b>	<b>Total Cases/Mo</b>	<b>Pounds/Week</b>	<b>Total Pounds/Mo</b>	<b>Pounds/Yr</b>
Farmers Markets	3	1	3	14	60	720
On Site Sales	1	1	1	5	20	240
Churches	3	0	0	0	0	0
CSA Use	25	1	25	116	500	6000
Total			29	135	580	6960

## V. Operational Plan

### **Production Process**

Produce washing and drying equipment and process is shown on the next page.

Production techniques: currently, the process involves sorting, washing, packaging, and cold storage of produce.

Production Scheduling: will be determined through outstanding produce orders and the produce that is forecasted to be available for harvest at the time. We are looking to use a model that has already been developed at another cooperative in North Carolina.

### **Quality control**

Currently, collards, turnip greens, and mustard greens are exempted from the Food Safety Modernization act while cabbage, broccoli, kale and spinach fall under the new rules. By having a HACCP/FSMA quality assurance plan, all vegetables will be able to be processed at this location.

Staff: The workers in the facility are trained in safe food handling. The training of the workers will be the responsibility of the Gullah Farmers' Cooperative Association production manager or a designated employee that has the appropriate training.

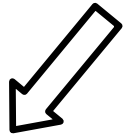
Monitoring: The monitoring and execution of the HACCP plan will be performed by the Gullah Farmers' Cooperative Association production manager or a designated employee that has the appropriate training.

Record Keeping: Record keeping, HACCP program validation, and produce tracking will be the responsibility of the board of directors. The production manager will be responsible for many of these items, but the board will have authority to audit and validate the HACCP records and tracking.

# Gullah Co-Op Vegetable Processing Equipment



Produce is washed with clean, cooled water.



Transferred to a Spin Dryer



Bagged and Weighed



Metal Detection



## **Inventory control**

Just in time inventory control that is possible due to planting and processing schedules. The turnaround for produce orders, ideally, is 24 hours.

Farmers/Suppliers: currently 17 farms representing 750 producing acres. If orders are shown to outstrip supply in the future, then as many as 50 farms can be brought on board at the cooperative.

Produce Buyers: every effort should be made to meet buyers' delivery schedules. Not only does the freshness of the produce depend on this, but the buyers have their own production schedules and menus that they have to meet.

Produce Consumers: Eventually, excess vegetables will be able to be sold directly to the end user. This can be a form of inventory management. If there are excess levels of inventory- due to higher than expected crop yields or buyer changes, then these products can be sold to the public- through a CSA, farm market, or on site store.

## **Production Personnel**

Processing employees: There will be six (6) processing employees to run the plant. Four (4) employees that process and two (2) that process and have responsibilities for cleaning, set-up, and tear down as well as Quality Assurance monitoring. There will also be either the Cooperative Manager or Production Manager on site, making a total of seven (7) employees on site during processing.

Training methods and requirements: quality assurance and production training will be provided. Safety training will also be necessary, as there are machines that do vegetable cutting. This will be the responsibility of the Cooperative Manager and the Production Manager.

## **Production Supplies and Inventory**

Currently, the only supplies (other than produce) needed are minimal. Cleaning supplies, maintenance supplies, and packaging materials are the three main categories. Most of these supplies can be ordered in bulk, since they do not spoil. They also can be

purchased locally, should the Cooperative need them at a moment's notice.

### **Production capacity constraints**

The production system process has been analyzed in the feasibility study to find its capacity limits and constraints. For the purpose of the business plan, it is useful to list the constraints that need to be managed closely. These are as follows:

Turbidity and free chlorine in the vegetable processing water: Once the turbidity level passes the desired limit, then the water has to be changed. The amount of time to drain, refill, and chill the system adds time to the process. At least two key variables will have to be monitored to minimize this bottleneck:

- *The cleanliness of the incoming produce:* the more debris that comes in with the produce, the faster the processing water will exceed its turbidity limit.
- *The processing batch size:* limiting the processing batch sizes to that which the processing water will be sufficient. Also subject to the processing time consideration listed below.

Vegetable spin drying: this slowest step in the process and will determine the speed of the entire production line. Perhaps an additional spin dryer will be necessary as future demand increases.

Processing time: no produce should take longer than 4 hours to process in room temperatures over 41 degrees Fahrenheit. No batch size will be so large that the produce remains in ambient temperatures over 41 degrees Fahrenheit.

Cooler size and rate of cooling: batch size may also be limited by the capacity of the walk-in cooler to cool the produce or by the amount of storage the produce cooler can provide. Excess storage capacity, for a short period of time, can be achieved by using the Gullah Farmers' Cooperative Association refrigerated truck.

### **Credit Policies and Accounts Receivable**

Most buyers have set payment schedules. Since the Cooperative is a small player in the produce buying world, it will have to take whatever payment terms are offered. Negotiating these terms will be attempted with all opportunities. However, slow payment from government entities needs to be addressed in the cash flow planning section.

### **Producer Payments and Accounts Payable**

The largest Accounts Payable will be the Cooperative members' payment for produce. Most agricultural producers have to be paid within 30 days of delivering their product, unless they are a member of the cooperative under a contract to modify these terms. No contract is in place at this time, but it may be a consideration if the payment schedules from buyers is greater than 30 days.



## **VI. Management and Organization**

### **Cooperative Management**

The cooperative is governed by a 7-member Board of Directors. The Board of Directors is responsible for the direction of the organization and they also give direction to the Cooperative Manager. The General Manager is responsible for the marketing and operations of the Cooperative.

Board of Directors: There is a board of directors for the Cooperative consisting of six members: Joe McDomick, Ben Teasdale, Betty Strickland, Jackie Frazier, Joseph Fields, Oliver Freeman, and York Glover. Joe McDomick is the president of the board. The duties of the board are to manage the overall direction of the cooperative and handle the financial transactions.

Gullah Cooperative Manager: Steve Richards is currently the part time manager of the cooperative. His duties are to manage the daily affairs of the cooperative, including contacting produce buyers, making the production/processing schedules, and making progress reports to the board of directors.

Operations Manager: York Glover (who is also on the Board of Directors) manages the processing operations of the Cooperative. He also has many contacts in the produce buying area.

Key Employees: There will be openings for key employees in the future. These openings may include a key marketing position and a key processing management position. On the processing side, there will be two key employees that have opening, closing, and cleaning responsibilities.

### **Professional and Advisory Support Team**

There are professional advisors to the board of directors. These advisors represent the following fields of expertise:

Attorney: Eugene Parrs, Harvey and Battey Law Firm. 1001 Craven Street, Beaufort, SC, 29920

Accountant/Bookkeeper: Linda Miller, Beaufort, SC

Marketing consultant: Gary Markham, VP Black Diamond Group, Savannah, Georgia.

Others: There will be others added to the list of advisors as the cooperative moves forward. These will be: members of Clemson Cooperative Extension, Insurance representatives, and bankers/funders.

## VII. Start Up Costs and Working Capital

### Sources and Uses of Capital

The table below shows what the Cooperative owns and leases and what it will spend to expand the chopped produce market. The table also shows how the Clemson University and USDA grant funds will be spent.

Use of Funds/Assets	Cost	Sources of Funds
<b>Buildings and Facilities</b>		
	<b>Value</b>	
Building and Building Site	3,600	Leased by Cooperative Cooperative Expense Clemson University/Boeing
Moving Processing Building to Penn Center	2,000	
Building Renovations	20,000	
<b>Total Buildings and Facilities</b>	<b>\$ 25,600</b>	
<b>Processing Equipment</b>		
	<b>Value</b>	
Washing, cutting, and Packaging Equipment	\$ 2,400	Leased by Cooperative
Walk in Cooler	\$ 15,000	Purchased by Cooperative
Refrigerated box truck	\$ 20,000	Purchased by Cooperative
<b>Total Equipment</b>	<b>\$ 37,400</b>	
<b>Startup and Operating Costs</b>		
	<b>Cost</b>	
Processing Staff*	\$ 142,874	USDA Grant \$120,000
Packaging Supplies	\$ 45,174	USDA Grant \$5000
Delivery Truck	\$ 24,426	USDA Grant \$10,000
Delivery/Sales Staff	\$ 59,604	USDA Grant \$35,000 for Delivery Personnel
Office Supplies	\$ 3,000	USDA Grant \$3000
Utilities: Water & Electric	\$ 16,800	Cooperative Expense
Phone (office and cellular)	\$ 2,450	Cooperative Expense
Repairs and maintainance	\$ 7,000	Cooperative Expense
Management Salaries and Travel	\$ 100,000	USDA \$5000 (Travel), Coop \$55,000, In Kind \$40,000
Building and Office Rent	\$ 2,400	Cooperative Expense
Marketing/Advertising	\$ 52,000	USDA Grant \$52,000
Depreciation	\$ -	Cooperative Expense/Non Cash Expense
Insurance	\$ 4,850	Cooperative Expense
Property Tax	\$ -	Cooperative Expense
Business Tax	\$ 2,127	Cooperative Expense
Miscellaneous	\$ 500	Cooperative Expense
<b>Total Operating and Overhead Costs</b>	<b>\$ 463,204</b>	<b>\$195,000 Grant/\$334,439 Cooperative</b>
	<b>Total</b>	
<b>Two Years Operation and Assets Contributed</b>	<b>\$ 526,204</b>	
<b>Total Cooperative Commitment</b>	<b>\$ 311,204</b>	
<b>Total Clemson Commitment</b>	<b>\$ 20,000</b>	
<b>Total USDA Commitment</b>	<b>\$ 195,000</b>	

## VIII. Financial Projections

### Five Year Profit and Loss Projections

The five year profit and loss projection shows the performance of the Cooperative with the Value Added Producer's Grant (USDA Grant shown as VAPG and highlighted in the budgets). The feasibility study accompanying this business plan has more detail with regard to efficiencies of scale, product mix (retail versus wholesale), production capacities, and sensitivity analysis. That information is available upon request.

#### Some notes about the financial statements:

1. Depreciation is the useful life of the building renovations.
2. Interest expense is not shown, as the cooperative leases its building and equipment. This may change if the building is purchased, if new equipment is added, or if more building renovations are needed.
3. Property tax expense is zero, since the building will be leased for the first five years. This may change if the building is purchased.
4. Rent will be paid to the Penn Center for use of office space. Rent will also be paid to Beaufort County for the use of the building.
5. Electricity takes a jump in year 2, due to an 80% projected increase in production.
6. Sales figures come from the sales projections and prices found previously in this report.
7. Business Tax is based on Beaufort County, South Carolina, business and license taxes, less any available business credits. All income taxes will be passed on to the cooperative members, as all profits are distributed by law.

### Projected Monthly Cash Flow

The cash flow projections are shown with the Value Added Producers' Grant included in the income. The highlighted sections are the costs that will be covered by the Value Added Producers' Grant and the income provided. To see a total of these costs, please refer back to the sources and uses of capital in the previous section. Also, the difference between the expenses shown on the profit and loss and the cash flow projections is simply the depreciation expense, since it is not a cash cost. It is also good to note that the cooperative has the option of holding payment to producers for 30 days, should cash flow be tightened due to slow sales or slow customer payments.

<b>Financial Projection 5 Year Profit and Loss Both Retail and Wholesale Channels with VAPG</b>					
<b>Income</b>	<b>10/2017 - 10/2018</b>	<b>10/2018 - 10/2019</b>	<b>10/2019 - 10/2020</b>	<b>10/2020 - 10/2021</b>	<b>10/2021 - 10/2022</b>
Romaine, Chopped	\$ 105,504	\$ 189,908	\$ 213,631	\$ 257,575	\$ 297,793
Collards, Shredded	\$ 32,352	\$ 58,234	\$ 73,068	\$ 89,999	\$ 106,512
Cabbage, Chopped	\$ 18,058	\$ 32,504	\$ 37,641	\$ 45,654	\$ 53,133
Broccoli, Chopped	\$ 15,341	\$ 27,615	\$ 33,036	\$ 40,328	\$ 47,266
Kale, Shredded	\$ 18,533	\$ 33,360	\$ 41,919	\$ 51,646	\$ 61,139
Lettuce, Chopped	\$ 13,260	\$ 23,868	\$ 35,780	\$ 45,386	\$ 55,378
Cauliflower, Chopped	\$ 13,575	\$ 24,435	\$ 36,896	\$ 46,850	\$ 57,227
Other Products*	\$ 14,220	\$ 25,596	\$ 43,502	\$ 56,149	\$ 69,702
VAPG Funding	\$ 88,722	\$ 152,951	\$ -	\$ -	\$ -
<b>Gross Sales</b>	\$ 319,566	\$ 568,470	\$ 515,475	\$ 633,588	\$ 748,150
<b>Cost of Goods Sold</b>					
Produce Costs	\$ 88,722	\$ 159,700	\$ 191,751	\$ 234,236	\$ 274,747
Processing Staff	\$ 51,026	\$ 91,847	\$ 110,414	\$ 134,909	\$ 158,281
Packaging Supplies	\$ 16,134	\$ 29,041	\$ 33,467	\$ 40,551	\$ 47,143
Delivery Truck	\$ 8,723	\$ 15,702	\$ 18,693	\$ 22,797	\$ 26,691
Delivery Staff	\$ 26,170	\$ 33,434	\$ 41,038	\$ 48,838	\$ 57,588
<b>Total COGS</b>	\$ 190,776	\$ 329,724	\$ 395,363	\$ 481,331	\$ 564,450
<b>Gross Margin</b>	\$ 128,790	\$ 238,746	\$ 120,112	\$ 152,257	\$ 183,700
<b>Gross Margin %</b>	40%	42%	23%	24%	25%
<b>Overhead Expenses</b>					
Office Supplies	\$ 1,500	\$ 1,500	\$ 1,550	\$ 1,600	\$ 1,650
Utilities: Water & Electric	\$ 6,000	\$ 10,800	\$ 11,880	\$ 14,256	\$ 16,466
Phone (office and cellular)	\$ 1,200	\$ 1,250	\$ 1,300	\$ 1,350	\$ 1,400
Repairs and maintainance	\$ 2,500	\$ 4,500	\$ 4,635	\$ 4,774	\$ 4,917
Management and Travel	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Building and Office Rent	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800	\$ 4,800
Marketing/Advertising	\$ 26,000	\$ 26,000	\$ 6,000	\$ 6,180	\$ 6,365
Depreciation	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Insurance	\$ 2,400	\$ 2,450	\$ 2,500	\$ 2,500	\$ 2,500
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Business Tax	\$ 760	\$ 1,367	\$ 1,504	\$ 1,805	\$ 2,076
Miscellaneous	\$ 250	\$ 250	\$ 275	\$ 275	\$ 290
<b>Total Overhead Costs</b>	\$ 96,910	\$ 104,417	\$ 85,944	\$ 89,040	\$ 91,964
<b>Total Expenses</b>	\$ 287,686	\$ 434,141	\$ 481,307	\$ 570,371	\$ 656,414
<b>Net Income</b>	\$ 31,880	\$ 134,329	\$ 34,168	\$ 63,217	\$ 91,736
* = Tomatoes, onions, potatoes, bell peppers, sweet corn, squash, melons, eggplant, and green peas					

<b>Gullah Farmers Cooperative Projected Cash Flow (10/2017-10/2018)</b>													
<b>Income</b>	<b>Oct-17</b>	<b>Nov-17</b>	<b>Dec-17</b>	<b>Jan-18</b>	<b>Feb-18</b>	<b>Mar-18</b>	<b>Apr-18</b>	<b>May-18</b>	<b>Jun-18</b>	<b>Jul-18</b>	<b>Aug-18</b>	<b>Sep-18</b>	<b>Totals</b>
Romaine, Chopped	5,275	7,913	2,638	5,275	10,550	10,550	10,550	10,550	5,275	5,275	15,826	15,826	105,504
Collards, Shredded	1,618	2,426	809	1,618	3,235	3,235	3,235	3,235	1,618	1,618	4,853	4,853	32,352
Cabbage, Chopped	903	1,354	451	903	1,806	1,806	1,806	1,806	903	903	2,709	2,709	18,058
Broccoli, Chopped	767	1,151	384	767	1,534	1,534	1,534	1,534	767	767	2,301	2,301	15,341
Kale, Shredded	927	1,390	463	927	1,853	1,853	1,853	1,853	927	927	2,780	2,780	18,533
Lettuce, Chopped	663	995	332	663	1,326	1,326	1,326	1,326	663	663	1,989	1,989	13,260
Cauliflower, Chopped	679	1,018	339	679	1,358	1,358	1,358	1,358	679	679	2,036	2,036	13,575
Other Products	711	1,067	356	711	1,422	1,422	1,422	1,422	711	711	2,133	2,133	14,220
<b>Value Added Producer Grant</b>	<b>4,436</b>	<b>6,654</b>	<b>2,218</b>	<b>4,436</b>	<b>8,872</b>	<b>8,872</b>	<b>8,872</b>	<b>8,872</b>	<b>4,436</b>	<b>4,436</b>	<b>13,308</b>	<b>13,308</b>	<b>88,722</b>
<b>Gross Sales</b>	<b>15,978</b>	<b>23,967</b>	<b>7,989</b>	<b>15,978</b>	<b>31,957</b>	<b>31,957</b>	<b>31,957</b>	<b>31,957</b>	<b>15,978</b>	<b>15,978</b>	<b>47,935</b>	<b>47,935</b>	<b>319,566</b>
<b>Cost of Goods Sold</b>													
Produce Costs	4,436	6,654	2,218	4,436	8,872	8,872	8,872	8,872	4,436	4,436	13,308	13,308	88,722
Processing Staff	2,551	3,827	1,276	2,551	5,103	5,103	5,103	5,103	2,551	2,551	7,654	7,654	51,026
Packaging Supplies	807	1,210	403	807	1,613	1,613	1,613	1,613	807	807	2,420	2,420	16,134
Delivery Truck	436	654	218	436	872	872	872	872	436	436	1,309	1,309	8,723
Delivery Staff/Travel	1,309	1,963	654	1,309	2,617	2,617	2,617	2,617	1,309	1,309	3,926	3,926	26,170
<b>Total COGS</b>	<b>9,539</b>	<b>14,308</b>	<b>4,769</b>	<b>9,539</b>	<b>19,078</b>	<b>19,078</b>	<b>19,078</b>	<b>19,078</b>	<b>9,539</b>	<b>9,539</b>	<b>28,616</b>	<b>28,616</b>	<b>190,776</b>
<b>Overhead Expenses</b>													
Office Supplies	125	125	125	125	125	125	125	125	125	125	125	125	1,500
Utilities: Water & Electric	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Phone (office and cellular)	100	100	100	100	100	100	100	100	100	100	100	100	1,200
Repairs and maintainance	208	208	208	208	208	208	208	208	208	208	208	208	2,500
Management Salaries	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Building and Office Rent	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Marketing/Advertising	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	26,000
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	-
Insurance	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	-
Business Tax	63	63	63	63	63	63	63	63	63	63	63	63	760
Miscellaneous	21	21	21	21	21	21	21	21	21	21	21	21	250
<b>Total Overhead Costs</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>7,951</b>	<b>95,410</b>
<b>Total Expenses</b>	<b>17,490</b>	<b>22,259</b>	<b>12,720</b>	<b>17,490</b>	<b>27,028</b>	<b>27,028</b>	<b>27,028</b>	<b>27,028</b>	<b>17,490</b>	<b>17,490</b>	<b>36,567</b>	<b>36,567</b>	<b>286,186</b>
<b>Net Cash Income (no Depreciation)</b>	<b>(1,511)</b>	<b>1,708</b>	<b>(4,731)</b>	<b>(1,511)</b>	<b>4,928</b>	<b>4,928</b>	<b>4,928</b>	<b>4,928</b>	<b>(1,511)</b>	<b>(1,511)</b>	<b>11,368</b>	<b>11,368</b>	<b>33,380</b>



<b>Gullah Farmers Cooperative Projected Cash Flow (10/2018-10/2019)</b>													
<b>Income</b>	<b>Oct-18</b>	<b>Nov-18</b>	<b>Dec-18</b>	<b>Jan-19</b>	<b>Feb-19</b>	<b>Mar-19</b>	<b>Apr-19</b>	<b>May-19</b>	<b>Jun-19</b>	<b>Jul-19</b>	<b>Aug-19</b>	<b>Sep-19</b>	<b>Totals</b>
Romaine, Chopped	16,142	16,142	9,495	15,193	18,991	18,991	18,991	18,991	9,495	9,495	18,991	18,991	189,908
Collards, Shredded	4,950	4,950	2,912	4,659	5,823	5,823	5,823	5,823	2,912	2,912	5,823	5,823	58,234
Cabbage, Chopped	2,763	2,763	1,625	2,600	3,250	3,250	3,250	3,250	1,625	1,625	3,250	3,250	32,504
Broccoli, Chopped	2,347	2,347	1,381	2,209	2,761	2,761	2,761	2,761	1,381	1,381	2,761	2,761	27,615
Kale, Shredded	2,836	2,836	1,668	2,669	3,336	3,336	3,336	3,336	1,668	1,668	3,336	3,336	33,360
Lettuce, Chopped	2,029	2,029	1,193	1,909	2,387	2,387	2,387	2,387	1,193	1,193	2,387	2,387	23,868
Cauliflower, Chopped	2,077	2,077	1,222	1,955	2,444	2,444	2,444	2,444	1,222	1,222	2,444	2,444	24,435
Other Products	2,176	2,176	1,280	2,048	2,560	2,560	2,560	2,560	1,280	1,280	2,560	2,560	25,596
<b>Value Added Producer Grant</b>	<b>13,575</b>	<b>13,575</b>	<b>7,985</b>	<b>12,776</b>	<b>15,970</b>	<b>15,970</b>	<b>15,970</b>	<b>15,970</b>	<b>7,985</b>	<b>7,985</b>	<b>15,970</b>	<b>9,221</b>	<b>152,951</b>
<b>Gross Sales</b>	<b>48,894</b>	<b>48,894</b>	<b>28,761</b>	<b>46,018</b>	<b>57,522</b>	<b>57,522</b>	<b>57,522</b>	<b>57,522</b>	<b>28,761</b>	<b>28,761</b>	<b>57,522</b>	<b>50,773</b>	<b>568,470</b>
<b>Cost of Goods Sold</b>													
Produce Costs	13,575	13,575	7,985	12,776	15,970	15,970	15,970	15,970	7,985	7,985	15,970	15,970	159,700
Processing Staff	7,807	7,807	4,592	7,348	9,185	9,185	9,185	9,185	4,592	4,592	9,185	9,185	91,847
Packaging Supplies	2,468	2,468	1,452	2,323	2,904	2,904	2,904	2,904	1,452	1,452	2,904	2,904	29,041
Delivery Truck	1,335	1,335	785	1,256	1,570	1,570	1,570	1,570	785	785	1,570	1,570	15,702
Delivery Staff/Travel	2,842	2,842	1,672	2,675	3,343	3,343	3,343	3,343	1,672	1,672	3,343	3,343	33,434
<b>Total COGS</b>	<b>28,027</b>	<b>28,027</b>	<b>16,486</b>	<b>26,378</b>	<b>32,972</b>	<b>32,972</b>	<b>32,972</b>	<b>32,972</b>	<b>16,486</b>	<b>16,486</b>	<b>32,972</b>	<b>32,972</b>	<b>329,724</b>
<b>Overhead Expenses</b>													
Office Supplies	125	125	125	125	125	125	125	125	125	125	125	125	1,500
Utilities: Water & Electric	900	900	900	900	900	900	900	900	900	900	900	900	10,800
Phone (office and cellular)	104	104	104	104	104	104	104	104	104	104	104	104	1,250
Repairs and maintainance	375	375	375	375	375	375	375	375	375	375	375	375	4,500
Management Salaries	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Building and Office Rent	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Marketing/Advertising	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	2,167	26,000
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	-
Insurance	204	204	204	204	204	204	204	204	204	204	204	204	2,450
Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	-
Business Tax	114	114	114	114	114	114	114	114	114	114	114	114	1,367
Miscellaneous	21	21	21	21	21	21	21	21	21	21	21	21	250
<b>Total Overhead Costs</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>8,576</b>	<b>102,917</b>
<b>Total Expenses</b>	<b>36,603</b>	<b>36,603</b>	<b>25,063</b>	<b>34,954</b>	<b>41,549</b>	<b>41,549</b>	<b>41,549</b>	<b>41,549</b>	<b>25,063</b>	<b>25,063</b>	<b>41,549</b>	<b>41,549</b>	<b>432,641</b>
<b>Net Cash Income (no Depreciation)</b>	<b>12,291</b>	<b>12,291</b>	<b>3,698</b>	<b>11,063</b>	<b>15,973</b>	<b>15,973</b>	<b>15,973</b>	<b>15,973</b>	<b>3,698</b>	<b>3,698</b>	<b>15,973</b>	<b>9,224</b>	<b>135,829</b>

<b>Gullah Farmers Cooperative Projected Cash Flow (10/2019-10/2020)</b>													
<b>Income</b>	<b>Oct-19</b>	<b>Nov-19</b>	<b>Dec-19</b>	<b>Jan-20</b>	<b>Feb-20</b>	<b>Mar-20</b>	<b>Apr-20</b>	<b>May-20</b>	<b>Jun-20</b>	<b>Jul-20</b>	<b>Aug-20</b>	<b>Sep-20</b>	<b>Totals</b>
Romaine, Chopped	18,159	18,159	10,682	17,091	21,363	21,363	21,363	21,363	10,682	10,682	21,363	21,363	213,631
Collards, Shredded	6,211	6,211	3,653	5,845	7,307	7,307	7,307	7,307	3,653	3,653	7,307	7,307	73,068
Cabbage, Chopped	3,199	3,199	1,882	3,011	3,764	3,764	3,764	3,764	1,882	1,882	3,764	3,764	37,641
Broccoli, Chopped	2,808	2,808	1,652	2,643	3,304	3,304	3,304	3,304	1,652	1,652	3,304	3,304	33,036
Kale, Shredded	3,563	3,563	2,096	3,354	4,192	4,192	4,192	4,192	2,096	2,096	4,192	4,192	41,919
Lettuce, Chopped	3,041	3,041	1,789	2,862	3,578	3,578	3,578	3,578	1,789	1,789	3,578	3,578	35,780
Cauliflower, Chopped	3,136	3,136	1,845	2,952	3,690	3,690	3,690	3,690	1,845	1,845	3,690	3,690	36,896
Other Products	3,698	3,698	2,175	3,480	4,350	4,350	4,350	4,350	2,175	2,175	4,350	4,350	43,502
<b>Value Added Producer Grant</b>													-
<b>Gross Sales</b>	<b>43,815</b>	<b>43,815</b>	<b>25,774</b>	<b>41,238</b>	<b>51,547</b>	<b>51,547</b>	<b>51,547</b>	<b>51,547</b>	<b>25,774</b>	<b>25,774</b>	<b>51,547</b>	<b>51,547</b>	<b>515,475</b>
<b>Cost of Goods Sold</b>													
Produce Costs	16,299	16,299	9,588	15,340	19,175	19,175	19,175	19,175	9,588	9,588	19,175	19,175	191,751
Processing Staff	9,385	9,385	5,521	8,833	11,041	11,041	11,041	11,041	5,521	5,521	11,041	11,041	110,414
Packaging Supplies	2,845	2,845	1,673	2,677	3,347	3,347	3,347	3,347	1,673	1,673	3,347	3,347	33,467
Delivery Truck	1,589	1,589	935	1,495	1,869	1,869	1,869	1,869	935	935	1,869	1,869	18,693
Delivery Staff/Travel	3,488	3,488	2,052	3,283	4,104	4,104	4,104	4,104	2,052	2,052	4,104	4,104	41,038
<b>Total COGS</b>	<b>33,606</b>	<b>33,606</b>	<b>19,768</b>	<b>31,629</b>	<b>39,536</b>	<b>39,536</b>	<b>39,536</b>	<b>39,536</b>	<b>19,768</b>	<b>19,768</b>	<b>39,536</b>	<b>39,536</b>	<b>395,363</b>
<b>Overhead Expenses</b>													
Office Supplies	129	129	129	129	129	129	129	129	129	129	129	129	1,550
Utilities: Water & Electric	990	990	990	990	990	990	990	990	990	990	990	990	11,880
Phone (office and cellular)	108	108	108	108	108	108	108	108	108	108	108	108	1,300
Repairs and maintainance	386	386	386	386	386	386	386	386	386	386	386	386	4,635
Management Salaries	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Building and Office Rent	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Marketing/Advertising	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	-
Insurance	208	208	208	208	208	208	208	208	208	208	208	208	2,500
Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	-
Business Tax	125	125	125	125	125	125	125	125	125	125	125	125	1,504
Miscellaneous	23	23	23	23	23	23	23	23	23	23	23	23	275
<b>Total Overhead Costs</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>7,037</b>	<b>84,444</b>
<b>Total Expenses</b>	<b>40,643</b>	<b>40,643</b>	<b>26,805</b>	<b>38,666</b>	<b>46,573</b>	<b>46,573</b>	<b>46,573</b>	<b>46,573</b>	<b>26,805</b>	<b>26,805</b>	<b>46,573</b>	<b>46,573</b>	<b>479,807</b>
<b>Net Cash Income (no Depreciation)</b>	<b>3,173</b>	<b>3,173</b>	<b>(1,031)</b>	<b>2,572</b>	<b>4,974</b>	<b>4,974</b>	<b>4,974</b>	<b>4,974</b>	<b>(1,031)</b>	<b>(1,031)</b>	<b>4,974</b>	<b>4,974</b>	<b>35,668</b>

### Gullah Farmers Cooperative Projected Cash Flow (10/2020-10/2021)

<b>Income</b>	<b>Oct-20</b>	<b>Nov-20</b>	<b>Dec-20</b>	<b>Jan-21</b>	<b>Feb-21</b>	<b>Mar-21</b>	<b>Apr-21</b>	<b>May-21</b>	<b>Jun-21</b>	<b>Jul-21</b>	<b>Aug-21</b>	<b>Sep-21</b>	<b>Totals</b>
Romaine, Chopped	21,894	21,894	12,879	20,606	25,757	25,757	25,757	25,757	12,879	12,879	25,757	25,757	257,575
Collards, Shredded	7,650	7,650	4,500	7,200	9,000	9,000	9,000	9,000	4,500	4,500	9,000	9,000	89,999
Cabbage, Chopped	3,881	3,881	2,283	3,652	4,565	4,565	4,565	4,565	2,283	2,283	4,565	4,565	45,654
Broccoli, Chopped	3,428	3,428	2,016	3,226	4,033	4,033	4,033	4,033	2,016	2,016	4,033	4,033	40,328
Kale, Shredded	4,390	4,390	2,582	4,132	5,165	5,165	5,165	5,165	2,582	2,582	5,165	5,165	51,646
Lettuce, Chopped	3,858	3,858	2,269	3,631	4,539	4,539	4,539	4,539	2,269	2,269	4,539	4,539	45,386
Cauliflower, Chopped	3,982	3,982	2,343	3,748	4,685	4,685	4,685	4,685	2,343	2,343	4,685	4,685	46,850
Other Products	4,773	4,773	2,807	4,492	5,615	5,615	5,615	5,615	2,807	2,807	5,615	5,615	56,149
<b>Value Added Producer Grant</b>													-
<b>Gross Sales</b>	<b>53,855</b>	<b>53,855</b>	<b>31,679</b>	<b>50,687</b>	<b>63,359</b>	<b>63,359</b>	<b>63,359</b>	<b>63,359</b>	<b>31,679</b>	<b>31,679</b>	<b>63,359</b>	<b>63,359</b>	<b>633,588</b>
<b>Cost of Goods Sold</b>													
Produce Costs	19,910	19,910	11,712	18,739	23,424	23,424	23,424	23,424	11,712	11,712	23,424	23,424	234,236
Processing Staff	11,467	11,467	6,745	10,793	13,491	13,491	13,491	13,491	6,745	6,745	13,491	13,491	134,909
Packaging Supplies	3,447	3,447	2,028	3,244	4,055	4,055	4,055	4,055	2,028	2,028	4,055	4,055	40,551
Delivery Truck	1,938	1,938	1,140	1,824	2,280	2,280	2,280	2,280	1,140	1,140	2,280	2,280	22,797
Delivery Staff/Travel	4,151	4,151	2,442	3,907	4,884	4,884	4,884	4,884	2,442	2,442	4,884	4,884	48,838
<b>Total COGS</b>	<b>40,913</b>	<b>40,913</b>	<b>24,067</b>	<b>38,506</b>	<b>48,133</b>	<b>48,133</b>	<b>48,133</b>	<b>48,133</b>	<b>24,067</b>	<b>24,067</b>	<b>48,133</b>	<b>48,133</b>	<b>481,331</b>
<b>Overhead Expenses</b>													
Office Supplies	133	133	133	133	133	133	133	133	133	133	133	133	1,600
Utilities: Water & Electric	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188	1,188	14,256
Phone (office and cellular)	113	113	113	113	113	113	113	113	113	113	113	113	1,350
Repairs and maintainance	398	398	398	398	398	398	398	398	398	398	398	398	4,774
Management Salaries	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Building and Office Rent	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Marketing/Advertising	515	515	515	515	515	515	515	515	515	515	515	515	6,180
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	-
Insurance	208	208	208	208	208	208	208	208	208	208	208	208	2,500
Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	-
Business Tax	150	150	150	150	150	150	150	150	150	150	150	150	1,805
Miscellaneous	23	23	23	23	23	23	23	23	23	23	23	23	275
<b>Total Overhead Costs</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>7,295</b>	<b>87,540</b>
<b>Total Expenses</b>	<b>48,208</b>	<b>48,208</b>	<b>31,362</b>	<b>45,801</b>	<b>55,428</b>	<b>55,428</b>	<b>55,428</b>	<b>55,428</b>	<b>31,362</b>	<b>31,362</b>	<b>55,428</b>	<b>55,428</b>	<b>568,871</b>
<b>Net Cash Income (no Depreciation)</b>	<b>5,647</b>	<b>5,647</b>	<b>318</b>	<b>4,886</b>	<b>7,931</b>	<b>7,931</b>	<b>7,931</b>	<b>7,931</b>	<b>318</b>	<b>318</b>	<b>7,931</b>	<b>7,931</b>	<b>64,717</b>

### Gullah Farmers Cooperative Projected Cash Flow (10/2021-10/2022)

<b>Income</b>	<b>Oct-21</b>	<b>Nov-21</b>	<b>Dec-21</b>	<b>Jan-22</b>	<b>Feb-22</b>	<b>Mar-22</b>	<b>Apr-22</b>	<b>May-22</b>	<b>Jun-22</b>	<b>Jul-22</b>	<b>Aug-22</b>	<b>Sep-22</b>	<b>Totals</b>
Romaine, Chopped	25,312	25,312	14,890	23,823	29,779	29,779	29,779	29,779	14,890	14,890	29,779	29,779	297,793
Collards, Shredded	9,053	9,053	5,326	8,521	10,651	10,651	10,651	10,651	5,326	5,326	10,651	10,651	106,512
Cabbage, Chopped	4,516	4,516	2,657	4,251	5,313	5,313	5,313	5,313	2,657	2,657	5,313	5,313	53,133
Broccoli, Chopped	4,018	4,018	2,363	3,781	4,727	4,727	4,727	4,727	2,363	2,363	4,727	4,727	47,266
Kale, Shredded	5,197	5,197	3,057	4,891	6,114	6,114	6,114	6,114	3,057	3,057	6,114	6,114	61,139
Lettuce, Chopped	4,707	4,707	2,769	4,430	5,538	5,538	5,538	5,538	2,769	2,769	5,538	5,538	55,378
Cauliflower, Chopped	4,864	4,864	2,861	4,578	5,723	5,723	5,723	5,723	2,861	2,861	5,723	5,723	57,227
Other Products	5,925	5,925	3,485	5,576	6,970	6,970	6,970	6,970	3,485	3,485	6,970	6,970	69,702
<b>Value Added Producer Grant</b>													-
<b>Gross Sales</b>	<b>63,593</b>	<b>63,593</b>	<b>37,407</b>	<b>59,852</b>	<b>74,815</b>	<b>74,815</b>	<b>74,815</b>	<b>74,815</b>	<b>37,407</b>	<b>37,407</b>	<b>74,815</b>	<b>74,815</b>	<b>748,150</b>
<b>Cost of Goods Sold</b>													
Produce Costs	23,353	23,353	13,737	21,980	27,475	27,475	27,475	27,475	13,737	13,737	27,475	27,475	274,747
Processing Staff	13,454	13,454	7,914	12,662	15,828	15,828	15,828	15,828	7,914	7,914	15,828	15,828	158,281
Packaging Supplies	4,007	4,007	2,357	3,771	4,714	4,714	4,714	4,714	2,357	2,357	4,714	4,714	47,143
Delivery Truck	2,269	2,269	1,335	2,135	2,669	2,669	2,669	2,669	1,335	1,335	2,669	2,669	26,691
Delivery Staff/Travel	4,895	4,895	2,879	4,607	5,759	5,759	5,759	5,759	2,879	2,879	5,759	5,759	57,588
<b>Total COGS</b>	<b>47,978</b>	<b>47,978</b>	<b>28,223</b>	<b>45,156</b>	<b>56,445</b>	<b>56,445</b>	<b>56,445</b>	<b>56,445</b>	<b>28,223</b>	<b>28,223</b>	<b>56,445</b>	<b>56,445</b>	<b>564,450</b>
<b>Overhead Expenses</b>													
Office Supplies	138	138	138	138	138	138	138	138	138	138	138	138	1,650
Utilities: Water & Electric	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	16,466
Phone (office and cellular)	117	117	117	117	117	117	117	117	117	117	117	117	1,400
Repairs and maintainance	410	410	410	410	410	410	410	410	410	410	410	410	4,917
Management Salaries	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	50,000
Building and Office Rent	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Marketing/Advertising	530	530	530	530	530	530	530	530	530	530	530	530	6,365
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	-
Insurance	208	208	208	208	208	208	208	208	208	208	208	208	2,500
Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	-
Business Tax	173	173	173	173	173	173	173	173	173	173	173	173	2,076
Miscellaneous	24	24	24	24	24	24	24	24	24	24	24	24	290
<b>Total Overhead Costs</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>7,539</b>	<b>90,464</b>
<b>Total Expenses</b>	<b>55,517</b>	<b>55,517</b>	<b>35,761</b>	<b>52,695</b>	<b>63,984</b>	<b>63,984</b>	<b>63,984</b>	<b>63,984</b>	<b>35,761</b>	<b>35,761</b>	<b>63,984</b>	<b>63,984</b>	<b>654,914</b>
<b>Net Cash Income (no Depreciation)</b>	<b>8,076</b>	<b>8,076</b>	<b>1,646</b>	<b>7,157</b>	<b>10,831</b>	<b>10,831</b>	<b>10,831</b>	<b>10,831</b>	<b>1,646</b>	<b>1,646</b>	<b>10,831</b>	<b>10,831</b>	<b>93,236</b>

## **VIV. Additional Information**

The following items are available upon request.

- Letters of support from future customers
- Articles of Incorporation
- Non-profit status of S Corporation
- Gullah Farmers' Cooperative Feasibility Study 6.25.16

# County Council Retreat Priorities

## Public Facilities

<u>Council Total:</u>	<u>Policy (P)</u>	<u>Management (M)</u>
Top Priority	6 (TP)	7 (TM)
High Priority	7 (HP)	6 (HM)
Priority	<u>14 (P)</u>	<u>10 (M)</u>
	27	23

### 278 Corridor & Gateway:

1. HM - 278 Corridor Advocacy
2. M - 278 Corridor Advisory

### Near Term Investments:

- TM - '17 Capital Projects
- HP - '18 Capital Referendum:
  1. TP - USCB & TCL New Buildings
  2. TP - Economic Development
  3. HM - County Roads
  4. HM - Facilities Assessment

### Long Term Investments:

- P - Priority Investments:
  1. HM - Solid Waste / Recycling
  2. HM - Residential Housing
  3. M - Arthur Horne
  4. M - Dusfuskie Island Improvements
  5. P - Detention Center
  6. P - Special Needs Buildings
  7. P - Long Term County Offices
  8. P - PALS Transfer to HHI

2017/

A JOINT RESOLUTION OF THE  
TOWN OF BLUFFTON, THE TOWN OF HILTON HEAD ISLAND, AND BEAUFORT  
COUNTY, HIGHLIGHTING THE URGENCY OF ADDRESSING CONGESTION ON THE  
US 278 GATEWAY CORRIDOR, INCLUDING THE HILTON HEAD BRIDGES

WHEREAS, the oldest of the four exiting bridges, being at the end of its useful life, is being scheduled and funded to be replaced, which triggers an Environmental Assessment that will evaluate the long-term replacement of all the Bridges, including projecting future traffic volumes, evaluating configuration alternatives, developing schedules, and identifying funding alternatives; and

WHEREAS, workforce availability and cost have become major concerns in the Community, due in major part to long commuting times resulting from heavy traffic congestion on the Corridor; and

WHEREAS, current congestion demonstrates that the traffic volume on the Bridges exceeds capacity now, and that anticipated traffic increase will exacerbate this congestion; and

WHEREAS, SCDOT welcomes local participation through an advisory steering group providing local input as the Corridor is the Gateway to Hilton Head Island, a major South Carolina tourism destination; and

WHEREAS, establishing a local advocacy group will be prudent because engaging the community and obtaining their support will be critical to the long-term viability and success of the Corridor; and

WHEREAS, the President has announced an initiative to provide federal funds for high priority infrastructure projects; and

WHEREAS, time is of the essence and it is recognized that maintaining a vibrant Island economy is crucial because it is a major revenue contributor to the County and the State; and

WHEREAS, the Legislative Delegation will be pursuing state and federal funding and it is recognized that Beaufort County may participate financially by seeking voter approval potentially on the November, 2018 General Election ballot.

NOW, THEREFORE, BE IT RESOLVED, that Councils of Beaufort County, the Towns of Bluffton and Hilton Head Island do hereby declare that the current traffic congestion and the projected increases in traffic exceed the capacities of the Bridges, that piecemeal replacement of the Bridges is not practical or effective, that the solution has to be a comprehensive corridor approach including the connecting roads, and further resolve that:

1. A local Steering Group be established to work with SCDOT.
2. A local Advocacy Group be established to engage the Community.
3. The planned Environmental Assessment, anticipated to take three years, be accelerated with the Preliminary Engineering to be completed by year end.



Adopted this \_\_\_ day of \_\_\_\_\_, 2017.

COUNTY COUNCIL OF BEAUFORT COUNTY

By: \_\_\_\_\_  
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

\_\_\_\_\_  
Thomas J. Keaveny, II County Attorney

ATTEST:

\_\_\_\_\_  
Ashley M. Bennett, Clerk to Council

# 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: Steel Track Brush Cutter / Photos  
Date Submitted: March 6, 2017  
Submitted By: Chad Stanley  
Venue: Public Facilities Committee



Topic: Steel Track Brush Cutter / Photos  
Date Submitted: March 6, 2017  
Submitted By: Chad Stanley  
Venue: Public Facilities Committee







S-3

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P-3

S-1

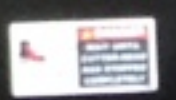
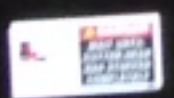
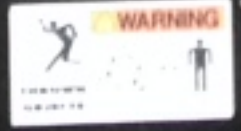
P-1



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Topic: Boardwalk Visual Comparison  
Date Submitted: March 6, 2017  
Submitted By: Josh Gruber  
Venue: Public Facilities Committee

# Boundary Street & Spanish Moss Trail Boardwalk Visual Comparison



**Boundary Street Boardwalk – Entrance View**



**Spanish Moss Trail Boardwalk – Entrance View**

Topic: Boardwalk Visual Comparison  
Date Submitted: March 6, 2017  
Submitted By: Josh Gruber  
Venue: Public Facilities Committee

# Boundary Street & Spanish Moss Trail Boardwalk Visual Comparison



**Boundary Street Boardwalk – Side View**



**Spanish Moss Trail Boardwalk – Side View**



# Boundary Street & Spanish Moss Trail Boardwalk Visual Comparison



**Boundary Street Boardwalk – Side View**



**Spanish Moss Trail Boardwalk – Side View**

Topic: Boardwalk Change Order  
Date Submitted: March 6, 2017  
Submitted By: Josh Gruber  
Venue: Public Facilities



Change Order Report

Contract ID: LPA07.036939A

Change Order Nbr: 011 Force Acct ID: 0

Change Order Type: Standard Change Order

CO Description: Boardwalk Rail Change

Zero Dollar Change Order: No

Project Nbr	Itm Nbr	Catg	Item Code	Unit	Unit Price	Bid Qty	Prev Apprvd Qty	Curr CO Qty	Curr Apprvd Qty	Amount of Change	
0036939RD01	3641	3	9800300	LF	\$154.00	0	0	533	0	This Chng: \$82,082.00	
<b>Item Description</b> CHANGE ORDER ITEM				<b>CO Item Description</b> (both sides included)				Prev Revised: \$0.00			
<b>Supplemental Description1</b> Steel Cable Railing								New Revised: \$82,082.00			
<b>Supplemental Description2</b>								Bid Contract: \$0.00			
								Net Change: \$82,082.00			
								Pct Change:			
0036939RD01	3642	3	9800300	LF	\$220.00	0	0	280	0	This Chng: \$61,600.00	
<b>Item Description</b> CHANGE ORDER ITEM				<b>CO Item Description</b> (both sides included)				Prev Revised: \$0.00			
<b>Supplemental Description1</b> Retrofit Boardwalk with Steel Cable Railing								New Revised: \$61,600.00			
<b>Supplemental Description2</b>								Bid Contract: \$0.00			
								Net Change: \$61,600.00			
								Pct Change:			
Total Value for Change Order 011						= \$143,682.00					

Topic: Boardwalk Change Order  
Date Submitted: March 6, 2017  
Submitted By: Josh Gruber  
Venue: Public Facilities

**General or Standard Change Order Explanation**

To better complement the redevelopment theme of the project and preserve the natural vista of the marsh areas, a substitution of the railing material of the boardwalks along Boundary Street is being made from wood panels to steel cables. Currently, only 1 of the 3 boardwalks has been constructed at this time. This boardwalk will be have to be retrofitted to accommodate this change. The other two boardwalks have not yet been completed and this substitution will be incorporated into their design. This change order is necessary to facilitate the railing material substitution.

Prices have been verified by the City of Beaufort staff and CEI consultants.

This brings the contract total to date to \$19,055,516.70 which overruns the original contract by a cumulative percentage of 1.55%

Pursuant to Section 104.05 of the Standard Specifications on the above referred to project, I/we (Prime Contractor), do hereby agree to the unit price stipulated above, for performing the work items listed, as part of my/our contract on this project. The work shall be performed under and in accordance with the specifications and contract requirements of our contract. The compensation and time extension, (if any), provided in this supplemental agreement constitute complete satisfaction for all direct, indirect, impact, and delay costs relating to this work.

JUSTIFICATION OF COST:

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

\_\_\_ Based upon quantities involved, field conditions and type of construction, these prices are reasonable.

Recommended by: \_\_\_\_\_ Date: \_\_\_\_\_

Reviewed by: \_\_\_\_\_ Date: \_\_\_\_\_

Accepted by (City): \_\_\_\_\_ Date: \_\_\_\_\_

Accepted by (County): \_\_\_\_\_ Date: \_\_\_\_\_

Memorandum to Project File

February 15, 2017

Project: Boundary Street Redevelopment Project  
LPA 07.036939A

Subject: Change Order 11 – Engineer’s Estimate

In an effort to preserve the marsh views, the City is substituting the rail material for the boardwalks from a wood panel to cable rails. One boardwalk is already constructed and will require retrofitting. Below is breakdown of the expected costs:

<u>Pay Item</u>	<u>Quantity</u>	<u>Unit</u>	<u>Price</u>	<u>Total</u>
Cable Rail Cost (8 cables per side x 2 sides @\$8 per cable)	825	LF	\$128.00	\$105,600.00
Remove/Replace Rail Supports	275	LF	\$75.00	<u>\$20,625.00</u> \$126,225.00

Calculated by:  
Jared Fralix, PE – Project Manager

February 28, 2017

Correspondence #1015 C-022

Mr. Jared Fralix, PE  
CE&I Project Manager  
ICE  
26 John Galt Road  
Beaufort, SC 29906

RE: **Boardwalk Railing Change**  
**IFB # 062315E US 21 Business (Boundary Street) and First Street Improvements**

Dear Mr. Fralix,

As requested, Preferred Materials, Inc.(PMI) would like to offer the following prices to change the designed wood boardwalk railing to a cable railing as shown in the detail provided to PMI.:

42" Cable Railing (both sides included) - 533LF at \$154/LF  
Remove and Replace with 42" Cable Railing – 280LF at \$220/LF

Boardwalk Construction has ceased for 14 calendar days pending resolution on this railing change. PMI is seeking a contract time extension for the number of days it takes for a decision to be made and PMI can continue with construction. It should be known that this change also impacts associated curb and gutter, sidewalk, and subsequently the completion of the right side of Boundary Street. While this work is not critical path work, it does postpone progress and prevent completion of the boardwalk and associated tie in work. Currently the associated tie in work is shown as complete in the project CPM schedule. Please consider the above request and respond with any questions or concerns. Feel free to contact me at [micah.shultzman@preferredmaterials.com](mailto:micah.shultzman@preferredmaterials.com) or by phone at 864-444-0149. Thank you for your time and consideration.

Respectfully,



Micah Shultzman  
Project Manager

CC: Job File 761015  
Jeffrey Andrews, OM APAC  
Robert Royal, AM APAC