

LOWCOUNTRY COUNCIL OF GOVERNMENTS  
BOARD OF DIRECTORS MEETING  
September 23, 2010  
6:30 p.m.

MINUTES

PRESENT:

ABSENT:

**BEAUFORT COUNTY:**

Gerald Dawson  
Bill Ferguson  
Brian Flewelling  
Herbert Glaze  
Bill McBride  
Joseph McDomick  
Jerry Stewart  
Lisa Sulka  
George Williams

Donnie Beer (Proxy to B. Flewelling)  
Mary Beth Heyward (Proxy to B. McBride)  
James Outlaw

**COLLETON COUNTY:**

Esther S. Black  
Joseph Flowers  
Larry Hutto  
Bill Young

Vic Nettles (Proxy to B. Young)  
Evon Robinson  
Gene Whetsel

**HAMPTON COUNTY:**

Frankie Bennett  
Charles Boyles  
J. L. Goodwin  
Lloyd Griffith  
Pete Hagood  
Buddy Phillips

Henry Fields, Jr. (Proxy to L. Griffith)

**JASPER COUNTY:**

Sherry Carroll  
Gary Hodges  
Henry Lawton  
Gwen Smith

George Hood (Proxy to G. Smith)

**GUESTS:**

Mayor Bronco Bostick, City Manager Ted Felder and Economic Development Director LeNolon Edge with the City of Hardeeville; Mayor Burley Lyons, Town of Edisto Beach; Andy Fulghum, Jasper County Administrator; Ed Blakeley, StratfordLand RiverPort Project Manager; Jason P. Ball and David Sanborn with Moffatt & Nichol; Kim Statler, Executive Director, Lowcountry Economic Network; Randy Carmichael, Carmichael Oil; Celia Price, guest of Esther Black; Mike Sullivan, SCDOT Area Planning Engineer; Lamar Mercer, Thomas & Hutton

**STAFF:**

Chris Bickley, Stephen Burr, Michelle Knight, Ginnie Kozak, Sherry Smith, Carol Stonebraker

Chairman Buddy Phillips called the September 23, 2010 Lowcountry Council of Governments regular board meeting to order at 6:34 p.m. and led the Pledge of Allegiance. Pete Hagood gave the invocation. Introduction of guests and staff followed. Minutes of the August 26, 2010 meeting were unanimously approved on motion by Joe Flowers with a second from Henry Lawton. Proxies presented by the Executive Director included Donnie Beer to Brian Flewelling, Mary Beth Heyward to Bill McBride, Vic Nettles to Bill Young, Henry Fields, Jr. to Lloyd Griffith and George Hood to Gwen Smith. All were general

proxies. The meeting proceeded after determining a quorum was present. Chairman Phillips presented a plaque to retiring Board Member Burley Lyons. He thanked Mayor Lyons for his service on the Board and commended him for having well served the Town of Edisto Beach during his tenure there, which would soon be 24 years. Mayor Lyons said he had enjoyed his time on the Board and admired the COG for its good work in the region.

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The Chairman called for presentations and recognized Jasper County Administrator Andy Fulghum for opening remarks on the Jasper Port, I-95 Exit 3 and the RiverPort Development. (Copies of presentations are filed with the original of these minutes.) Mr. Fulghum welcomed the opportunity to update regional leaders about the interconnected projects because they are of great importance to economic development throughout the four counties. He announced the sequence of speakers would be Ted Felder, Ed Blakeley, Jason P. Ball, and Kim Statler.

Mr. Fulghum introduced Hardeeville City Manager Ted Felder for comments about I-95 Exit 3 and RiverPort. Mr. Felder described Exit 3 as the Interchange of Hope and first chapter in what he believed would become a great economic story in South Carolina. Located 6 miles from the Savannah Garden City (ocean shipping) Terminal, Exit 3 would allow large areas of untouched acreage perfect for industrial development in Jasper County and Hardeeville to have full access to I-95, a rail line running through the area connecting to the Savannah Port, the future Jasper Port and the future Orangeburg Inland Port. Mr. Felder referenced economic studies that indicate the RiverPort and Exit 3 projects would create 1,290 construction-related jobs and generate nearly \$50M wages in the first five years. Ten-year projections for new non-construction permanent jobs created as a result of Exit 3 and RiverPort are 8,200 jobs—none of which are dependent on the proposed Jasper Ocean Terminal—and longer-term job growth for the Lowcountry and beyond would be phenomenal.

Mr. Felder introduced StratfordLand Company's RiverPort Project Manager Ed Blakely. Mr. Blakely thanked those who had helped with the project's application with the South Carolina State Infrastructure Bank. He gave brief background on StratfordLand: The Dallas-based company purchased the property about 2-1/2 years ago. The company operates primarily in the Dallas to Denver area and Southeastern states and considers the Hardeeville property one of its premier assets. StratfordLand is one of the largest entirely equity-funded land groups in the country with assets currently over \$1.4B with no debt.

Mr. Blakely reviewed a regional map saying it showed why the RiverPort project was in the right place at the right time. Strategically located "8 miles and one traffic light" from the Georgia Ports Authority, the site is much closer to the ocean shipping facility than many industrial sites in Georgia that use the port. RiverPort's master plan includes about 1,400 acres for light industry, distribution and warehouse space. Other areas are for mixed use residential, village and commercial development. Mr. Blakely reviewed progress of a SC State Infrastructure Bank application and a Tiger II Grant application. He also reviewed status of permit applications, initial capital improvement costs, milestones showing the funding process beginning in 2010 with project completion in 2013, projected job creation, and projected tax revenues for Jasper County and the City of Hardeeville.

Mr. Blakely introduced Jason P. Ball with Moffatt & Nichol, the program manager for the Joint Project Office (JPO) of the Jasper Ocean Terminal (JOT). Mr. Ball is the project's Deputy Program Manager and David Sanborn is Program Manager.

Mr. Ball gave an update on the JOT project. He reported that multiple meetings have been held with the Corps of Engineers and the Charleston District controls the regulatory side and the Savannah District controls the operational side. Both districts are coordinating on the project. Moffatt & Nichol hired South Carolina and Georgia consultants to help with environmental support, transportation, surveying, offsite utilities, geotechnical, and other environmental support. Mr. Ball reviewed the JPO's major Program Management Tasks: 1) A Dredge Material Management Plan to review what the Corps does with dredge

spoils and identify alternate options; 2) An Economic & Analysis Market Study based on factual information and in consideration of the recent industry slump; 3) Data Collection and Review Phase including site surveys of everything—sunken vessels, types of birds and trees, wetlands, etc.—that could affect developing the land; 4) Port Planning - Moffatt & Nichol developed options for different kinds of terminals using diverse types of technology in order to determine how to build a port on the site; 4) Environmental Services - an open task waiting for more information from the Savannah District Corps; 6) A Project Budget & Schedule to include alternate views based on what the terminal will be, its cost and projected time to build.

Mr. Ball reviewed infrastructure and said there is a dormant rail line on the site that would have to be brought up to standards and that Moffatt & Nichol developed a few rail and road alternative corridors, some of which correspond with SCDOT transportation expansion plans. He reviewed one possible layout for the terminal. It included ten berths on the north side of the Savannah River across from the Southern Natural Gas facility. All options must address how to move cargo from the water through the container yard and into the back lands and get it to the gate by truck or through the gate to put it on rail. Moffatt & Nichol presented a development schedule to the JPO Board, and once decisions are made, the project must complete the permitting process, undergo an all-encompassing independent peer review in Washington, DC, as required for a project of its magnitude, and actual construction was projected to take approximately 6 years. If everything aligns, Phase 1 of the terminal could be operational by 2025. This is a best-case timetable. The Joint Project Office is working with the Charleston and Savannah District Corps of Engineers to advance the project.

Several questions were addressed: The preliminary geotechnical program indicated the site would have 5' of compressible soil, which is about 20' down. The Corps is using stimulus funds for improvements to dikes and for other work in preparation for the project. The property lies entirely in South Carolina but is owned by Georgia, and both states would receive economic benefits from the project. The Intergovernmental Agreement signed by both states in 2008 gives the JPO ability to make decisions, and the next version of that agreement will be a Bi-State Pact that will further define the project. Ports have enormous impact and draw from such a large base of workers that both states will see tremendous job growth with the Jasper Port. A question arose about an alternative proposal to Phase I made by SC Senator Tom Davis, and Mr. Ball said the JPO was aware of recent newspaper articles about the proposal and plans to look at it at an upcoming meeting. Chairman Phillips asked if there were other questions and there were none.

Kim Statler, Executive Director of the Lowcountry Economic Network spoke next. She described the Network as being charged with economic development for Beaufort and Jasper Counties and said they work as a team to attract new business and industry to the area and to help existing businesses grow. Ms. Statler spoke about how important the RiverPort project is to the region. The Network already receives calls regarding interest in locating there. She said the Savannah Port is an incredible asset for the region. RiverPort's close proximity to the shipping port and I-95 along with having a developer willing to put its money into developing the property forms an extraordinary economic development opportunity. It is the largest property in the region near such critical infrastructure. Ms. Statler urged everyone to work together and promote these large regional initiatives because everyone will benefit with jobs for people who live here.

Andy Fulgham gave summary remarks and said that everyone involved was working for the people to bring economic prosperity to not only Beaufort, Colleton, Hampton and Jasper counties but all South Carolina and Georgia. The I-95 Exit 3 and RiverPort projects are job creators now and not dependent on when the Jasper Ocean Terminal would be completed. Mr. Fulgham said the Jasper Ocean Terminal Joint Policy would be agreeable to the region while also valuing Georgia. He urged everyone to support the projects and to not stop fighting for the Jasper Ocean Terminal until it is a reality.

Major points made during discussion included: All three projects could be expected to greatly benefit job seekers on both sides of the Savannah River; the JOT site is in South Carolina, but the land is owned by Georgia, and the port can not be built without the two states working together; Savannah has been a good

friend by providing jobs to Lowcountry citizens; economic benefits do not recognize state lines as evidenced by other metropolitan areas near state borders.

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Chairman Phillips opened a Public Hearing on the Lowcountry Regional HOME Consortium (LRHC) Consolidated Annual Performance Evaluation Report (CAPER) at 7:34 p.m. and recognized Michelle Knight to conduct the hearing. Affordable Housing Manager Barbara Johnson was unable to attend the meeting. The Affordable Housing Advisory Committee met earlier and approved the report. An executive summary was mailed to board members prior to the meeting and copies were in meeting packets. The public hearing had been properly advertised in regional newspapers. Michelle Knight reported that the program completed 20 rehab units and 6 new construction units, provided down-payment assistance for 8 units and served 8 families with tenant-based rental assistance during program year July 1, 2009-June 29, 2010, the Consortium's fourth year of operation. LRHC leveraged \$1.6M in other funds for new construction of single-family homeownership, rehabilitation units and down payment assistance. LRHC was awarded \$3.6M in grant funds of which \$2.8M has been allocated with \$811K remaining for program use. Program performance meets all requirements.

The hearing opened for comments. Gerald Dawson said he thought housing rehab was the best program activity, and he would like to see Colleton County participate in that area. Michelle responded that the City of Walterboro was working on an initiative to identify and work on projects. Joe Flowers commented that lack of match dollars had been an issue in the county. Chris Bickley said it had been difficult to identify Colleton County non-profits to partner with the Consortium, and Michelle agreed noting that Colleton County non-profits are relatively new compared to those long established in the other counties. She said Barbara Johnson had met with Veterans Affairs officers to promote the program, and Chris added that he had contacted the Coastal Community Foundation about providing technical and financial support to the program in Colleton County.

Chairman Phillips called for public comments and there were none. He declared the public hearing closed at 7:43 p.m.

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Chairman Phillips addressed Old Business and requested that Michelle Knight continue discussion of the Title IX Revolving Loan Fund (RLF). Information about proposed options regarding the future of the RLF were presented at the previous meeting. A summary was in meeting packets. Michelle reported that EDA recently presented a fourth option that would require requesting an exception to amend the program plan. Option 4 would allow new loans to be made to local governments and public agencies to be used exclusively for infrastructure to support economic development projects. Michelle gave examples of how such loans, although small, could be an important part of funding public infrastructure. She requested the Board's direction on which option to pursue noting that its final decision would come later. Staff recommended Option 4. Discussion followed regarding how to retain and revitalize the program. Brian Flewelling made a motion to support Option 4, and following a second from Joe Flowers, the motion carried with all in favor. Staff will further develop the option with EDA staff in Atlanta and report back to the Board.

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The Chairman addressed New Business and called for action on the Lowcountry Regional HOME Consortium (LRHC) Consolidated Annual Performance and Evaluation Report (CAPER) reviewed at the public hearing earlier that evening. Staff recommended approval of the CAPER for submittal to HUD. Joe Flowers moved to approve the report. Gwen Smith seconded the motion and it unanimously carried.

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Chairman Phillips requested that Michelle Knight present LRHC Project Recommendations. A summary was in meeting packets. Michelle reported that the Affordable Housing Committee had reviewed the funding requests and recommended approval of new HOME grants including:

- \$150,000 to Jasper County Neighbors United, Crescent Village Development Project, to construct 6 new homeownership units in the City of Hardeeville in Jasper County.
- \$150,000 to Jasper County Neighbors United to rehabilitate 6 owner-occupied homes in the Hardeeville area of Jasper County.
- \$150,000 to the Town of Estill in Hampton County to rehabilitate 6 owner-occupied homes with LCOG to administer the project on behalf of the Town.
- \$150,000 to the Town of Bluffton in Beaufort County to construct 6 new homeownership cottages in one of the Old Town Neighborhoods. The Town is partnering with Hilton Head Habitat for Humanity and using NSP1 funds.
- \$61,200 to the United Methodist Relief Center in Beaufort County to construct 3 new elderly transportable units that can be moved to any location in the region based on need.

Additionally, two previously approved projects were requesting additional funds. The Committee recommended:

- \$17,105 to the Town of Gifford in Hampton County to rehabilitate 4 owner-occupied units, a reduction of 1 unit from the original project of 5. Unanticipated costs associated with lead-based paint removal in two units had driven costs higher than expected.
- \$17,380 to the Town of Estill in Hampton County—originally a 5-unit housing rehabilitation project that has been completed. A sixth unit would be added by utilizing remaining funds from the original project grant and additional HOME funds.

Afterwards, Joe McDomick made a motion to approve all of the funding requests as presented, and following a second by Henry Lawton, the motion carried unanimously.

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Chairman Phillips recognized Ginnie Kozak for a Lowcountry STIP Review. Copies of STIP/Guideshare Funding Project Allocations Process were in meeting packets and Ginnie reviewed the information. She spoke about the COG's responsibility for transportation planning in the region. The COG prepares and implements the LCOG Long-Range Transportation Plan (LRTP) for the region; administers and monitors the regional Statewide Transportation Improvement Program (STIP) grants/guideshare funds; and works with LRTA/Palmetto Breeze and other partners to improve and expand regional public transportation. The Transportation Advisory Committee, based on the COG's SCDOT approved decision-making matrix, makes STIP project recommendations for Board consideration. Ginnie said the COG could expect to receive \$3.7M more each year due to changes in the funding formula that added vehicle miles traveled (VMT) to the formula, but with average cost for one mile of a four-lane highway around \$10-15M, everyone is focusing on how to get the most from available funds. Ginnie asked George Williams to comment on the Transportation Committee meeting held earlier that day.

Mr. Williams reported on intersection projects approved last year and said the Committee would meet next month to develop new project recommendations for consideration by the Board at its February or March meeting. The Committee recommended using \$50K of STIP funding for preliminary engineering on improvements at US 17 and SC 331 in Jasper County. Gary Hodges moved to approve the request, and Brian Flewelling seconded the motion. During discussion Pete Hagood asked about additional improvements to Hwy 68 in Hampton County, and Mr. Williams said the Committee hoped to leverage funds for as many regional projects as possible.

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Chairman Phillips asked Ginnie Kozak to review SCDOT Application Authorizations to apply for Federal Transit Administration Funding. Draft resolutions to apply for public transportation funding under Sections 5304, 5316 and 5317 were in meeting packets. Ginnie said the authorizations were required each year. Joe Flowers moved to adopt the resolutions, and following a second from Pete Hagood, the motion carried with all in favor.

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Sherry Smith was recognized for the Finance Report. Copies were in meeting packets. Sherry reported Operations were near break even due to heavy grant-match payouts required early each fiscal year. Efforts to lower Accounts Receivable continue. The report was unanimously accepted as information on motion by Pete Hagood with a second from Joe McDomick.

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Michelle Knight was recognized for the Community and Economic Development Report. Copies were in meeting packets, and Michelle submitted it as written noting that 5 new CDBG grant applications were submitted during the fall funding round. Joe Flowers moved to accept the report as information, and after being duly seconded, the motion carried with all in favor.

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Chris Bickley was recognized for the Director's Report. Copies were in meeting packets, and he reviewed selected items. The State Aging Office has allowed contractors to transfer unspent group dining and transportation funds to home-delivered meals. Although welcome as a way to cover the \$118K cut in home-delivered meals, it is a temporary fix and could jeopardize future funds to the contractors for those services. Staff is working with contractors on improvement and actively looking for other potential service providers. Information about the SC Association of Regional Councils (SCARC) annual conference in November was mailed to Board members and also in meeting packets. Colleton County board member packets included information about Ms. Iddy Andrews from Edisto Beach, who was interested in the Colleton Senior Representative slot on the Aging Advisory Committee. Joe Flowers moved to appoint Ms. Andrews to the Committee, and following a second from Esther Black, the motion carried with all in favor. Unemployment and wage-rate charts along with a revised Board roster and a board member occupation chart were in meeting packets. Chris thanked Hardeeville and Jasper County members for recommending that the Board hear an update on the Jasper Port and urged others to bring matters of regional importance to the Council.

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Chairman Phillips opened Council Time and recognized Gary Hodges, who had asked that the Board discuss a proposed USCB name change. Mayor Hodges requested that discussion be delayed until the next meeting because of the late hour. Everyone was in agreement and the Chairman said it would be on next month's Agenda.

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With no additional business to address, and on motion duly made, seconded and approved, the Chairman adjourned the meeting at 8:23 p.m. Copies of the agenda were distributed prior to the meeting. A notice of the meeting was posted on the LCOG bulletin board at least twenty-four hours prior to the meeting.

Respectfully submitted,

L. Chriswell Bickley, Jr.  
Executive Director

Attachments