



Finance, Administration, and Economic Development Committee

Beaufort County, SC

This meeting will be held both in person at the County Council Chambers, 100 Ribaut Road, Beaufort, and virtually through Zoom.

Monday, September 23, 2024

2:00 PM

MINUTES

COMMITTEE MEMBERS:

MARK LAWSON, CHAIRMAN
DAVID P. BARTHOLOMEW
YORK GLOVER

ANNA MARIA TABERNIK, VICE-CHAIR
GERALD DAWSON
JOSEPH F. PASSIMENT, EX-OFFICIO

1. CALL TO ORDER

Committee Chairman Lawson called the meeting to order at 2:03 pm

PRESENT

Committee Chairman Mark Lawson
Committee Vice-Anna Maria Tabernik
Council Member Gerald Dawson (2:52 pm)
Council Member Alice Howard
Council Member York Glover
Council Member Thomas Reitz (3:55 pm)
Council Member David Bartholomew (2:59 pm)
Chairman Joseph Passiment

ABSENT

Council Member Logan Cunningham
Council Member Paula Brown
Vice-Chairman Lawrence McElynn

2. PLEDGE OF ALLEGIANCE

Committee Chairman Lawson led the Pledge of Allegiance.

3. PUBLIC NOTIFICATION OF THIS MEETING HAS BEEN PUBLISHED, POSTED, AND DISTRIBUTED IN COMPLIANCE WITH THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT

Committee Chairman Lawson noted that the public notification of this meeting has been published posted, and distributed in compliance with the South Carolina Freedom of Information Act.

4. APPROVAL OF AGENDA

Motion: It was moved by Committee Vice Chair Tabernik, seconded by Council Member Glover, to approve the agenda.

The Vote: The motion was approved without objection.

5. APPROVAL OF MINUTES- August 26, 2024

Motion: It was moved by Committee Vice Chair Tabernik, seconded by Council Member Glover, to approve the minutes from August 26, 2024.

The Vote: The motion was approved without objection.

6. CITIZEN COMMENT PERIOD- 15 MINUTES TOTAL

Anyone who wishes to speak during the Citizen Comment portion of the meeting will limit their comments and speak no longer than three (3) minutes. Speakers will address Council in a respectful manner appropriate to the decorum of the meeting, refraining from the use of profane, abusive, or obscene language. In accordance with Beaufort County's Rules and Procedures, giving of a speaker's time to another is not allowed.

There were no citizen comments.

7. ASSISTANT COUNTY ADMINISTRATOR REPORT

Interim CFO, John Robinson reported that the finance department received a GFOA certificate of achievement for finance and reporting for last years budget.

Procurement code has third reading tonight and the finance department has been working on a travel, pcard, and procurement policy.

Valerie Althoff, Budget Manager, reported recent budget transfers within departments in the county.

Dave Thomas, Purchasing Director, reported that his Deputy Victoria Moyer received her CPPB Certification and introduced two new employees, a senior buyer and pcard administrator.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=154>

8. ARPA UPDATE

Hank Amundson, Special Assistant to the County Administrator gave the committee an ARPA update.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=907>

AGENDA ITEMS

- 9. RECOMMEND APPROVAL TO COUNCIL OF AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING SEVENTY MILLION DOLLARS (\$70,000,000) GENERAL OBLIGATION BONDS OF 2025 OF BEAUFORT COUNTY, SOUTH CAROLINA; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO. (FISCAL IMPACT: If approved by Council and the electorate, the County will authorize the issuance of GO Bonds not to exceed \$70 million dollars and pay for the debt from the existing Debt**

Service milage and debt service fund balance as described in the 2025 General Obligation Bond Ordinance) - David Cheatwood, & Jeremy Cook

FY 25 General Obligation Bond issuance. Once February 6, 2024, during the Strategic Planning workshop, County Council discussed capital needs of County owned infrastructure as well as their desire to support higher education, workforce and affordable housing, as well as community health care needs. Each of these areas were discussed and the potential funding sources of a General Obligation bond. Through the budget process, staff developed the FY 2025 Capital Improvement Plan to identify the counties capital needs. County Staff worked with Beaufort Memorial Hospital ("BMH"), and the Technical College of the Lowcountry ("TCL") to determine their requests. TCL came before Finance Committee on March 18, 2024, and May 1, 2024, where Committee voted to recommend to Council to adopt a resolution supporting the request. County Council approved a resolution to commit funds from Beaufort County to the Technical College of the Lowcountry for the construction of the Arthur E Brown Regional Workforce Training Center on May 28, 2023. Finance Staff and County Legal met with the County's Financial Advisor and Bond Council to discuss bonding options. David Cheatwood, First Tyron Financial Advisor, presented to the Finance, Administration, and Economic Development Committee on May 1, 2024. The presentation included the County's financial position, bonding capacity, plan of finance for the BMH and TCL projects, as well as Beaufort County Capital Projects. The intent was for this bond to come forward simultaneously with the FY 25 budget ordinance. Bond issuance was delayed out of concern for other pending projects and planned to come back to Finance Committee in September 2024. The original bond issuance was planned for \$90.1 million dollars. Staff has worked to reduce the amount to \$70 million dollars.

Motion: It was moved by Committee Vice Chair Tabernik, Seconded by Council Member Glover to Recommend Approval to Council of an Ordinance to Provide for the Issuance and Sale of Not Exceeding Seventy Million Dollars (\$70,000,000) General Obligation Bonds of 2025 of Beaufort County, South Carolina; to Prescribe the Purposes for Which the Proceeds Shall be Expended; to Provide for the Payment Thereof; and Other Matters Relating Thereto

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=1861>

10. ANNUAL DIRECT MARKETING ORGANIZATIONS (DMOs) PRESENTATION ACCOUNTING FOR FY 2024 STATE 2% ACCOMMODATIONS TAX ALLOCATION. PER BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, DIVISION 1, SECTION 66-30 -*Brycen Campbell, Senior Accountant, Beaufort County Finance*

DMO Representatives; Rob Wells, Greater Beaufort-Port Royal CVB and Arian Pernice, Hilton Head-Bluffton Chamber of Commerce presented their FY 2024 accounting of received state 2 % accommodations tax funds and explained the effects of the expended funds and how Beaufort County tourism has benefited from the marketing efforts.

For informational purposes only.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=2742>

11. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO ADOPT AND IMPLEMENT THE LOCAL ACCOMMODATIONS TAX AND LOCAL HOSPITALITY TAX GRANT FUNDING POLICY - *John Robinson, Acting CFO*

Ordinance 2024/13 was adopted by County Council amending Chapter 66 Taxation, Article II Accommodations Tax Board, Division 1. Generally, and Division 2. Accommodations 3% tax and Ordinance 2024/15 was adopted by County Council amending Chapter 66 Taxation, Article V Hospitality Tax. On June

17, 2024, Council adopted by Ordinance, Appropriation of Funds for Fiscal Year 2024-2025 Generated by Local 2% Accommodations Tax and Hospitality Tax. The policy presented is the process by which Beaufort County will create an advisory board and award appropriate funds in accordance with Beaufort County Ordinance.

Motion: It was moved by Council Member Glover, Seconded by Council Member Howard to Amend the Make Up of the A/H Tax Advisory Committee to Include a Position for a Liasion from County Council and Increase the Public Participation From Three to Four.

The Vote: The motion was approved without objection.

Motion as Amended: It was moved by Council Member Glover, Seconded by Council Member Howard to Recommend Approval to Council of a Resolution Authorizing the County Administrator to Adopt and Implement the Local Accommodations Tax and Local Hospitality Tax Grant Funding Policy as Amended.

The Vote: The motion was approved without objection

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=4762>

12. DISCUSSION AND APPROVAL FOR THE BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PURCHASE 500 ACRES FROM CHILTON TIMBER & LAND COMPANY. FISCAL IMPACT: \$13,070.00 / acre; \$6,535,000 total - John O'Toole, Executive Director, Beaufort County Economic Development Corporation

Beaufort County Economic Development Corporation (BCEDC) has negotiated to purchase a 500-acre tract of land for future economic development. Additionally, the BCEDC has coordinated with multiple entities in this process.

This 500- acre tract is a significant and strategic addition, offering great potential for economic development. The property is ideally suited for site selectors looking for opportunities to support large-scale projects with its access to I-95 and rail. After acquisition of the land, BCEDC will continue to secure grants and make improvements to the site regarding water/sewer and other infrastructure improvements. The State of South Carolina's Department of Commerce has committed funds towards due diligence (\$85,000) and funds towards purchase of this tract (\$300,000+). A grant for an additional \$400,000 was applied for in August.

In conjunction with the Open Land Trust and State Land Bank, BCEDC will coordinate its purchase agreement with the OLT and State Land Bank to preserve an additional 2400 +/- acres. BCEDC will enter a memorandum of understanding with the property owner recognizing that a public approval process is necessary and has initiated due diligence.

The BCEDC is working with the County's Legal Department on covenants that memorialize and document the projected uses for this acquisition and the ability for the County to retain the opportunity to own the property if the BCEDC ceases to exist. In order to preserve the County's position, the BCEDC's lender will require a statement support and request a direct payment on the resulting debt.

Motion: It was moved by Council Member Dawson, Seconded by Committee Vice Chair Tabernik, to Recommend Approval for the Beaufort County Economic Development Corporation to Purchase 500 Acres from Chilton Timber and Land Company.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=5393>

13. DISCUSSION AND APPROVAL FOR THE BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PURCHASE 18.2 ACRES OF FULLY SERVED INDUSTRIAL LAND -134 PARKER DRIVE. (FISCAL IMPACT: \$460,000.00 - \$25,000 per acre) - John O'Toole, Executive Director, Beaufort County Economic Development Corporation

Beaufort County Economic Development would like to purchase 18.2 acres at 134 Parker Drive to hold for future economic development. The current parcel of land will be subdivided. This purchase will provide additional property, ready for development with infrastructure in place. This property is close to Beaufort Commerce Park and is being purchased at \$15,000 less than land nearby in the Beaufort Commerce Park.

Motion: It was moved by Council Member Glover, Seconded by Council Member Dawson to Recommend Approval for the Beaufort County Economic Development Corporation to Purchase 18.2 Acres of Fully Served Industrial Lane - 134 Parker Drive.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=6182>

14. RECOMMEND APPROVAL TO COUNCIL TO PLACE LAND PURCHASED BY PROJECT MICRO INTO AN EXISTING MULTI-COUNTY INDUSTRIAL PARK (FISCAL IMPACT: Allocation of revenue would be 99% to Beaufort County and 1% to Jasper County in the Beaufort County portion of the park and 99% to Jasper County and 1% to Beaufort County in the Jasper County portion of the park. This project would fall within the Beaufort County portion of the park) - John O'Toole, Executive Director, Beaufort County Economic Development Corporation

Placing properties into the Multi County Industrial Park will allow the company to take advantage of an additional \$1,000 job tax credit per net new job. These credits can be used towards the company's corporate income tax over a five-year period as long as their jobs are maintained.

Project Micro is locating their operations to Beaufort County into an existing facility at Garden's Corner. The company is expected to invest \$7.1 million to create 42 new jobs over the next 5 years.

Motion: It was moved by Council Member Dawson, Seconded by Committee Vice Chair Tabernik, to Recommend Approval to Council to Place Land Purchased by Project Micro into an Existing Multi-County Industrial Park.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=6431>

15. RECOMMEND APPROVAL TO COUNCIL TO ENTER IN TO A SPECIAL SOURCE REVENUE CREDIT AGREEMENT WITH PROJECT MICRO (FISCAL IMPACT: Company will be offered equivalent to base FILOT – 6% over 20-year period) - John O'Toole, Executive Director, Beaufort County Economic Development Corporation

Providing a Special Source Revenue Credit (SSRC) to Project Micro. This SSRC will act as a base FILOT equivalent - allowing the company to pay the equivalent of a 6% tax rate over a 20-year period.

Project Micro is locating their operations to Beaufort County into an existing facility at Garden's Corner. The company is expected to invest \$7.1 million to create 42 new jobs over the next 5 years.

Due to the facility being existing versus new construction, they are not eligible for a FILOT agreement. In order to offer benefits on par with a base FILOT, the BCEDC would like to pursue a special source revenue credit that is the tax equivalent to a base FILOT - 6% tax rate over a 20- year period. This will be added to an existing MCIP with Jasper County.

Motion: It was moved by Council Member Dawson, Seconded by Council Member Glover to Recommend Approval to Council to Enter into a Special Source Revenue Credit Agreement with Project Micro.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=6706>

16. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION TO ACCEPT AN SC AERONAUTICS COMMISSION OFFICE GRANT FOR \$750,000 FOR HXD TERMINAL IMPROVEMENT PROJECT - *Jon Rembold; Airports Director*

Resolution 2022/25 directed staff to proceed with the terminal project.

June 2022: SC Senator Davis announced to County Council that this item was approved as a line item in the South Carolina Budget for FY2023.

Beaufort County Airports Board approved the proposed resolution to accept the funding during its regular meeting held on July 18, 2024.

This is a \$750,000 line item in the state's budget for the initial phase of terminal construction. It does not require a match, so there is no local fiscal impact. The grant documentation details the funding associated with this project. These funds, since they are a budget line item, can be drawn at one time and used in support of project invoices.

Motion: It was moved by Committee Vice Chair Tabernik, Seconded by Council Member Bartholomew to Recommend Approval to Council of a Resolution to Accept an SC Aeronautics Commission Office Grant for \$750,000 for HXD Terminal Improvement Project.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=6956>

17. RECOMMEND APPROVAL OF A CONTRACT CHANGE ORDER FOR AN ADDITIONAL \$10,958.49 IN FUNDING FOR THE COMPLETION AND CLOSEOUT OF THE FIRE STATION 34 PROJECT (*FISCAL IMPACT: \$10,958.49 to be paid from Account # 4000-80-1330-54420 CIP Contingency Fund*) - *Hank Amundson, Special Assistant to the County Administrator*

Station 34 in Okatie was brought to Public Facilities & Safety Committee for approval of an extension and budget approval in September 2023. Council approved a change order of \$195,191.75, and added \$101,793.00, bringing the total contract total to \$1,449,184.75.

The project team worked with the contractor to reach a substantial completion to achieve occupancy and satisfaction with the project.

The project did not officially close-out until later in the year due to generator deliver/install and a request by the County to receive final as-built plans from the contractor for future maintenance.

Upon receipt of final billing in late July, two final change orders, totaling \$10,958.49, were presented for unforeseen floor repair discovered in the final renovation process. After investigating, staff at the time authorized the action. These actions have been deemed legitimate by current staff and a 3rd party contractor. The Change order total is \$10,958.49.

Since the previous contingency was exceeded and the contract amount increased by Council in December, this final expense requires approval.

Motion: It was moved by Committee Vice Chair Tabernik, Seconded by Council Member Bartholomew to Recommend Approval of a Contract Change Order for an Additional \$10,958.49 in Funding for the Completion and Closeout of the Fire Station 34 Project.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=6956>

18. RECOMMEND APPROVAL TO COUNCIL THE DEMOLITION OF THE AGNES MAJOR COMMUNITY CENTER TO BE PERFORMED BY PUBLIC WORKS - *Hank Amundson, Special Assistant to the Administrator*

Beaufort County has issued an RFQ for Design-Build Services for a new Agnes Major Community Center and are currently interviewing firms for this work. In anticipation of this new construction, the old building must be demolished. The County plans to self-perform this demolition through public works and require committee and council approval to move forward as this is a Beaufort County facility.

Demolition at the existing Agnes Major Community Center will be the first phase of development for the design & construction of a new community center. Staff is currently interviewing the top two candidates for the design-build phase of the long-awaited project.

Motion: It was moved by Council Member Dawson, Seconded by Council Member Bartholomew to Recommend Approval to Council the Demolition of the Agnes Major Community Center to be Performed by Public Works.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=7257>

19. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO ENTER INTO A FACILITY USE AGREEMENT WITH THE BEAUFORT COUNTY SCHOOL DISTRICT - *Eric Brown, Parks and Recreation Director*

Beaufort County has an established Beaufort County Parks and Recreation Program with a goal to develop programs that enrich the lives of County citizens by providing exceptional, recreational and cultural programs and services. The Beaufort County School District promotes a well-administered and comprehensive athletic program that is believed to be essential to young people's overall development, and where its well-designed athletic program meets the needs of a diverse student population. The parties desire to enter into a Facility Use Agreement in order to allow for the use of athletic fields owned by both parties. This will provide a greater number of athletic fields resulting in the scheduling of practices and games at times which are beneficial to students and more accommodating to all citizens.

Motion: It was moved by Council Member Bartholomew, Seconded by Committee Vice Chair Tabernik to Recommend Approval to Council of a Resolution Authorizing the County Administrator to Enter into a Facility Use Agreement with the Beaufort County School District.

The Vote: Motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=7369>

20. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION ADOPTING THE BEAUFORT COUNTY SOCIAL MEDIA GUIDELINES - *Hannah Nichols, PIO*

There are approximately 25 social media pages across 10 departments currently being utilized by Beaufort County departments for public outreach and communication. While a policy is in place through the

Beaufort County Employee Handbook to guide social media use on personal pages, no such guiding document is in use for County-run social media platforms. By implementing a Policy establishing best-practices and guiding principles our social media channels can strengthen our brand authenticity and improve communication with the public.

Motion: It was moved by Chairman Passiment, Seconded by Council Member Dawson to Amend the Title from Beaufort County Social Media Guidelines to Beaufort County Social Media Policy.

The Vote: The motion was approved without objection.

Motion: It was moved by Chairman Passiment, Seconded by Council Member Howard to Recommend Approval to Council of a Resolution Adopting the Beaufort County Social Media Guidelines as amended.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=7720>

21. **BOARDS AND COMMISSIONS APPOINTMENTS & REAPPOINTMENTS**

(Taken Together)

Motion: It was moved by Committee Vice Chair Tabernik, Seconded by Council Member Howard to Recommend Approval of the Appointment of Elizabeth Camputaro to the Parks and Recreation Board for a Four-Year Term with the Expiration Date of September 2028.

Motion: It was moved by Committee Vice Chair Tabernik, Seconded by Council Member Howard to Recommend Approval of the Appointment of John Holak to the Lowcountry Regional Transportation Authority for a Partial Term with the Expiration Date of February 2025.

Motion: It was moved by Committee Vice Chair Tabernik, Seconded by Council Member Howard to Recommend Approval Recommend Approval of the Appointment of Constance Hope Cunningham to the Keep Beaufort County Beautiful Board for a Partial Term with the Expiration Date of February 2026.

Motion: It was moved by Committee Vice Chair Tabernik, Seconded by Council Member Howard to Recommend Approval to Recommend Approval to the Governors Office for the Appointment of Faye Patrick Alston to the Disabilities and Special Need Board for a Four-Year Term with the Expiration Date of September 2028.

The Vote: The motion was approved without objection.

For more information, please see the video stream on the County's website.

<https://beaufortcountysc.new.swagit.com/videos/315776?ts=7905>

22. **ADJOURNMENT**

4:16 pm

Ratified: October 28, 2024

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<https://beaufortcountysc.gov/council/council-committee-meetings/index.html>