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# City of Walterboro

242 Hampton Street

Walterboro, South Carolina 29488

Mailing Address:

Post Office Box 709

Walterboro, South Carolina 29488-0008

## Walterboro City Council

Regular Meeting

January 3, 2017

City Hall

6:15 P.M.

### A G E N D A

Revised

#### I. Call to Order:

1. Invocation.
2. Pledge of Allegiance.

#### II. Public Input on Agenda Items:

#### III. Public Hearings:

1. Ordinance # 2015-07, An Ordinance Authorizing the City of Walterboro to Join with the Walterboro-Colleton County Airport Commission and the County of Colleton in Approving a Commercial Ground Lease for Lowcountry Aviation Company, LLC (Project C).
2. Ordinance # 2016-11, An Ordinance Authorizing the City of Walterboro to Join with Colleton County and the Walterboro-Colleton County Airport Commission to Convey by Quit Claim Deed unto Sealcraft Corporation, as the Grantee, All of Its Rights, Titles and Interests, Including but Not Limited to Any and All Reversionary Interest, in and to the Five (5.00) Acre, More or Less, Tract of Land, Situated in Colleton County, South Carolina, and Being Located in the Industrial Area at 418 Wellston Circle, Walterboro, South Carolina 29488, and Being Designated as Colleton County TMS Number 132-00-00-019, and Now Owned by Sealcraft Corporation.

#### IV. Presentation:

1. Litter Around Walterboro - Barnwell Fishburne and Jean Harrigal.
2. Airport Concerns - Carol Black.

#### V. Approval of Minutes:

1. Minutes of the September 20, 2016 Work Session - Proposed Plans for 300 Hampton Street Building (Minutes attached).

**VI. Old Business:**

1. **Ordinance # 2015-07**, An Ordinance Authorizing the City of Walterboro to Join with the Walterboro-Colleton County Airport Commission and the County of Colleton in Approving a Commercial Ground Lease for Lowcountry Aviation Company, LLC (Project C), **Second Reading and Adoption** (Ordinance attached).
  
2. **Ordinance # 2016-11**, An Ordinance Authorizing the City of Walterboro to Join with Colleton County and the Walterboro-Colleton County Airport Commission to Convey by Quit Claim Deed unto Sealcraft Corporation, as the Grantee, All of Its Rights, Titles and Interests, Including but Not Limited to Any and All Reversionary Interest, in and to the Five (5.00) Acre, More or Less, Tract of Land, Situated in Colleton County, South Carolina, and Being Located in the Industrial Area at 418 Wellston Circle, Walterboro, South Carolina 29488, and Being Designated as Colleton County TMS Number 132-00-00-019, and Now Owned by Sealcraft Corporation, **Second Reading and Adoption** (Ordinance attached).

**VII. New Business:**

1. **Ordinance # 2017-01**, An Ordinance to Amend the FY 2016-2017 City of Walterboro, South Carolina Budget Ordinance # 2016-04 to Provide for the Establishment of a New Position, Assistant City Manager (Ordinance attached).
  
2. Consideration of Bids Received for the Walterboro Wastewater Treatment Plant Biosolids Handling Improvements (Memorandum and Summary Sheet attached).
  
3. Consideration of Task Order with AECOM to Provide Construction Observation Services for the Walterboro WWTP Biosolids Handling Upgrade for a Fee Not to Exceed \$96,000 (Memorandum and Task Order attached).
  
4. Consideration of Intergovernmental Agreement Regarding Building Inspection Services Between the City of Walterboro and Colleton County (Agreement attached).
  
5. Notice of 2017 City Council Retreat, Location and Time (Notice attached).
  
6. Consideration of Rescheduling the February 7, 2017 Regular City Council Meeting.

**VIII. Committee Reports:**

**IX. City Manager's Report:**

**X. Executive Session:**

1. Discussion of Negotiations Incident to Proposed Contractual Arrangements - I-95 Business Loop Project Phase 1B Lighting.
2. Personnel Matter- Boards and Commissions Appointments.

**XI. Open Session:**

1. Council May Take Action on Matters Discussed in Executive Session.

**XII. ADJOURNMENT.**

# AFFIDAVIT OF PUBLICATION IN

## The Press and Standard

PERSONALLY appeared before me, William B. Moore, who being duly sworn, says that he is the publisher of The Press and Standard, published on Thursday of each week in Walterboro, County of Colleton, State of South Carolina; that the notice, of which a printed copy is hereby attached, was published in The Press and Standard for One (1) issues, and publication commencing on 12/15, 2016 and ending on 12/15, 2016.



### PUBLIC HEARING NOTICE

Walterboro City Council will hold a public hearing on Tuesday, January 3, 2017 at 6:15 P.M. in Council Chambers at City Hall, 242 Hampton Street. Citizens will be given the opportunity to provide written and oral comments on the following proposed ordinances:

**Ordinance # 2016-07.** An Ordinance Authorizing the City of Walterboro to Join with the Walterboro-Colleton County Airport Commission and the County of Colleton in Approving a Commercial Ground Lease for Project "C".

**Ordinance # 2016-11.** An Ordinance Authorizing the City of Walterboro to Join with Colleton County and the Walterboro-Colleton County Airport Commission to Convey by Quit Claim Deed unto Sealcraft Corporation, as the Grantee, All of its Rights, Titles and Interests, Including But Not Limited to Any and All Reversionary Interest, in and to the 5.00 Acre, More or Less, Tract of Land, Situated in Colleton County, South Carolina, and Being Located in the Industrial Area at 418 Wellston Circle, Walterboro, SC 29488, and Being Designated as Colleton County TMS Number 132-00-00-019, and Now Owned by Sealcraft Corporation.

Copies of the proposed ordinances are available in the City Manager's Office at City Hall, 242 Hampton Street. Written comments may be mailed to the City Manager, P.O. Box 709, Walterboro, SC 29488 and must be received prior to the public hearing. Please call the City Manager's Office (843-782-1010) for additional information or for disabled persons needing auxiliary aids. Please give at least 24 hours' notice if auxiliary aids are required.

William B. Moore

**FISHBURNE & COMPANY DEVELOPMENT**

Investment Real Estate

WALTERBORO, SC 29488-0001

December 9, 2016

Land  
Timber  
Management

Post Office Box 80  
Telephone (843) 549-1581  
(843) 549-1582  
Fax (843) 549-5295

City of Walterboro  
PO Box 709  
Walterboro, SC 29488

Dear Gentlemen,

I and several citizens would like to be put on the agenda for the January meeting to discuss litter around Walterboro.

Sincerely,



John B. Fishburne

JBf:fbh

406 Church Street  
Walterboro, SC 29488  
December 29, 2016

Hand-Delivered at 11:45 a.m.

Mayor and City Manager  
City Hall  
Hampton Street  
Walterboro, SC 29488

Dear Mayor and City Manager:

Please excuse this handwritten letter; I am renovating a house and do not have access to a computer in time to meet the noon deadline to submit this request.

I understand that Lowcountry Auction Company is entering into a fee-in-lieu agreement to expand services at the Walterboro-Coleton airport, and I would like to address council during the council meeting regarding the flight paths to and from the airport. I am concerned about the noise and safety of the residents in the flight path and nearby areas.

Sincerely,  
Carol P. Black  
803-608-5060  
carolblack@hotmail.com

**Walterboro City Council**  
**Work Session**  
**Proposed Plans for 300 Hampton Street (Old First Federal Building)**  
**September 20, 2016**  
**6:00 P.M.**

**Present were:**

Mayor Bill Young, Council Members Jimmy Syfrett, Paul Siegel, Tom Lohr, Bobby Bonds, James Broderick and Judy Bridge. City Manager Jeff Molinari, City Clerk Betty Hudson and City Attorney George Cone were also present. Present from staff were: Angelo Pacilio, Bonnie Ross and Amy Risher. Guest: Scott Cook.

Mayor Young called the meeting to order and entered into the Work Session and recognized City Manager Molinari.

Mr. Molinari reminded Council that last year the City purchased the old First Federal Building at 300 Hampton Street. In this year's budget, we have put some money aside to renovate that building. We have been working with a local architect, Mr. Scott Cook, who is present at the meeting tonight. In a few minutes, he will go over the plans with you. We have sat and discussed this both with the City Finance Director, Amy Risher, and our Building Official, Angelo Pacilio, to come up with a design to renovate that structure, particularly the top floor, that will meet our needs, and also make it more customer-friendly. The whole idea here is to put the departments together that interact with the public the most. The departments are municipal court, planning and codes, water and sewer billing, business license, finance, and human resources. The goal is to get everybody under one roof. The building that we purchased is in very good condition. It is structurally sound, but definitely reflects early 1990 decor, and it's time to update that. That's all part of this process. What is it going to do for us? It will not only allow us to make it much easier for our citizens who do business with the City, but it will also address some of our storage needs. As you are aware, City Hall and the building next door are over crowded. This will allow us to take some of that pressure off and allow us in the long run to be more organized. That's my goal.

Mr. Molinari summarized that his goal tonight is to present the proposed renovation plans to Council, and if Council is comfortable with it, then staff can go ahead and bid the project out with the hopes of getting a recommendation to do the actual construction work by the end of the year. He then turned the floor over to Mr. Scott Cook to go over the conceptual plans for the building.

Mr. Scott Cook, owner of Cook Design Studios in Walterboro, then addressed Council. He invited Council members to view the proposed plans on the table in front of them. He said, what we have done is basically document the existing conditions of the building. He then briefly identified the exiting areas on the proposed plans, as well as the restrooms, storage, office spaces, lobby area, basement and conference areas. He pointed out that the areas were labeled as far as who would be in which offices, and it's very minimal construction. We will be adding some office wall spacing here for a little corridor to protect these offices. Then, of course, what we are proposing to do is add an ADA compliant restroom here and another one over here with this side entrance over here that comes into an elevator. That way, we will be ADA compliant downstairs. What that allows us to do is to have more office space, a large conference room, break room, keeping mechanical in this area here and then of course have plenty of storage. In the downstairs, we are really not changing anything, other than adding this elevator so that we can make it ADA compliant. So, it's very minimal construction and I think it will help the City as far as spacing and keeping everybody together, especially on the first floor, and give everyone an ample amount of room to work.

City Manager Molinari then added a comment about the elevator. He said, what we were envisioning was that this would be done in two phases. With the renovations that we have budgeted this year being phase one, and then phase two would be the lifter elevator. The good news is that there is USDA money out there available that we can apply for, which would defray an 80/20 split. So, for 80% of that cost we could get assistance from USDA. That's how we are looking at handling it.

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Mayor Young then addressed a question to Ms. Bonnie Ross of the Planning and Codes Department. He asked, as we start transferring files to digital storage, how would that be handled? Do we have shelves or compartments or will we buy filing cabinets? What will we do as we get all of those files together? I think that is the goal to get it all stored digitally? Bonnie Ross answered eventually, but we will still need to have paper copies available somewhere, because if the computer is down or anything is going on, they will still need to have the paper copy available. Mayor Young then asked, we did made allowance for that in shelves or is that still something that will need to be worked out? Building and Codes Director Angelo Pacilio answered, that will be dealt with when we start the room downstairs, where we will put shelves up to keep the old plans in.

City Manager Molinari then said, what we would like to do in the short term is have things arranged as you enter the building from Hampton Street, Bonnie would be over to the left and would have some more open space. As you will recall, she's got all of her files along the wall, and those don't need to be in her working space. Those can all go down to the second floor. I mean, all she needs to do if she has to pull a file is to go downstairs and do that. I am sure many of those files in there haven't been touched in years.

Building and Codes Director Angelo Pacilio then said, if you look in my office, you will see the cabinets that I work on to do my plan reviews. With two more of them, we will be able to store all the files that we have up here. So, they will probably be located downstairs where I do my planning review, and if we need it, I'll have to bring it up.

Mayor Young responded, I was thinking about all those files we have in the attic over here. Mr. Pacilio responded, those would be stored in the back of one of the rooms here. We will have to build shelving for that.

City Manager Molinari told Council that Amy and her staff have been chipping away at the old files as they have time. He said that there are a lot of boxes.

Council Member Bridge then asked how long do the files have to be secured. City Manager Molinari replied that we have to comply with the State Archives and History requirements for records retention. There are a lot of documents that you don't have to keep and they can be destroyed after three years or after five years. It's just a matter of just going through all those, and purging, eliminating, retaining and organizing files that we need.

Ms. Bridge then clarified that she meant secured files, like personnel files. Would they not be in a place where no one would have access to them? Mr. Cook responded that the personnel files would be kept in a secure locked area. So, we will have three offices that would have the capability to be secured. Mayor Young then asked if all the personnel files were kept in the HR department right now? Finance Director Amy Risher responded that all the personnel files are actually in a safe and locked up in the vault. She added that the HR person (Angela) also has health plans and other documents that are locked up in her office as well.

Council Member Broderick then asked if the staircase would be removed for the lift. Mr. Cook responded, that is correct. Mr. Broderick then asked, does that leave us enough egress in the basement? Mr. Cook responded, yes. Mr. Pacilio pointed out that there are three steps going up to a platform, then you turn and go another three or four steps and it puts you out the side door. At the first platform, the stairs are going to be removed and it's going to be a doorway there. That's dug down below the grade to fit the platform lift. The platform lift will take you up to street level. They will have to build that out to meet that lift. There are two bathrooms there, and one will need to be a handicapped restroom on the basement floor, where you need access to it. The platform lift will accomplish both of those. A new door will be installed on the side to meet handicap regulations.



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Then, you can have meetings downstairs with the general public because now you have barrier free access to it. Yes, that will be dug down, the stairs will be gone and the platform will take you up to this level here.

Council Member Bridge asked if the elevator will be in place when the building opens? City Manager Molinari responded, no. That will happen after this. From both a financial standpoint and in talking to Angelo, as far as ADA is concerned, just as long as we have plans to provide that handicapped accessibility, we are good. Certainly, since we have an opportunity to get some assistance from USDA, we much rather do that than to bear the cost all at once.

Mayor Young then asked if taking the stairs out would harm anything as far as emergency exits go, or do we have plenty of exits? Building Director Angelo Pacilio assured that the plans were set up pretty well to provide for the needed exits. He added, as the building stands right now, you have access in the front for handicapped personnel. But that's all we need is a front for handicapped access and the stairs, so we are good to go for now.

City Manager Molinari then stated, what we are looking at for now is that Angelo will be in one of those two offices (in the basement) and we will have the capacity for another office if needed.

Council Member Broderick then raised a concern about the basement. He said, I know when we were in the basement before, it was really damp down there. When we store records down there, have we looked at the heating and air capacity to dry that out down there? Mr. Pacilio responded, I think that once you get that unit running and use it all the time, it's going to pull that moisture out of the air. Even if it needs a little bit extra, you can put a portable unit in the back room where the storage is for paper goods.

Council Member Bridge asked about the main floor. She asked is all that open space on the main floor? Mr. Molinari responded, that's correct. He then displayed a diagram showing what the first floor spacing would look like as you walk into the front door of the building, as well as other areas of the building. In conclusion, he said, I think this spacing will provide a more open setting which will be beneficial to our employees, as well as the people who do business with the City.

Mayor Young asked the City Manager where would the walk-in people go to pay their water bills? City Manager Molinari then pointed out the area on the diagram where people would go to pay their water bills as they come into the building from Hampton Street.

Council Member Bridge asked about the location for the Clerk of Court windows. She asked if counter space would be provided for that office also. Finance Director Amy Risher pointed out that the Clerk of Court's office will be in the right as you walk in the door off Hampton Street. So, that way, they will be able to operate the drive thru, as well.

Council Member Broderick asked if there were enough parking available for the building, or will parking need to overflow into the City Parking Lot? City Manager Molinari answered, that's the good thing that now that we own all three properties that we will have good parking over there, and also have other parking. We have the parking lot across the street, so there is more than ample parking.

Mayor Young asked, do you think for the long term that the proposed plans for this building will give those offices enough room? Further discussion was held.

Council Member Syfrett then asked the City Manager, what do you need from us? What are you looking for tonight? City Manager Molinari then said, if Council is comfortable with this, then we will start putting the package together to get it out. We'll bid it out for 30 days and then

hopefully, bring it back to you at our November or December meeting. Mayor Young then asked the City Manager if he had gotten the input from all his employees on their offices as to what they think will work. Mr. Molinari responded yes.

Council Member Broderick asked the City Manager if he planned to get new furniture? Mr. Molinari responded that one of the benefits when we purchased the property was that First Federal did not have a need to keep any of their furniture. So, we essentially went through and marked every piece of furniture that we could utilize. There were only a few pieces that were not in good condition. We were able to retain most of the furniture. There is a good sized conference room downstairs. The table is in good shape, but I think we will have to get some new chairs for that. Other than that from a furniture standpoint, we are going to be in good shape.

Council Member Bridge then asked, when you go to bid, do you ask for a contractor who can handle every component of this project? Mr. Molinari responded, that's correct, it will be a general contractor. We will specifically delineate and outline every facet of this project. Mayor Young asked if the advertising for this project would be placed in our local newspapers? Mr. Molinari responded yes. He added, we will place it on our website, advertise in both local newspapers, and probably put it in the SCBO, which is a free publication.

Council Member Syfrett asked if the City is obligated to accept the lowest bid? Mr. Molinari responded, that's a good question. There is not going to be any federal money associated with this particular phase. When we get to USDA money for doing the elevator, the City's procurement code gives you the ability if there were contractors that Council did not want to work with, you will have the ability to reject the low bid and choose the next bid.

City Attorney Cone then reminded Council about the use of a performance bond. Council Member Syfrett then asked if the bid would be opened up for anyone who is a general contractor? Mayor Young also asked if local preference would also apply to the bids? Mr. Molinari responded yes, if local bidders were within 5% of the low bid, they would have the ability to match the bid.

Attorney Cone then asked, who would supervise the construction work of the contractor? Will this be the building inspector? Mayor Young suggested maybe we could get Scott Cook to make sure they are building according to the plans, if Angelo is not going to be the building inspector. Building Director Angelo Pacilio pointed out that he felt it would not be ethical for him to perform the inspections. He added, I fussed at the County for wanting to do their inspections, so the same rules would have to apply to me. I will be there when they are doing it, and if I see anything, I will point it out.

Mayor Young told Mr. Cook that the plans look good. He pointed out that we will have a really big lobby and visually it will make the building pretty. Mr. Molinari responded, we will do some things to dress up the entryways. I am sure we will put a red rocker in there. Mayor Young added, I think we were really lucky to be able to buy that building and have it right here on our campus.

Council Member Broderick then asked about the time limit for starting the project. Mr. Molinari noted that to award the contract would be toward the end of the year, and as far as construction, it should take three or four more months. Once the work is done, then the tricky part will be coordinating the move, and what Amy and I have already discussed is we will probably dedicate a Saturday to do the move. There will not be any interruption in service.

Council Member Bridge then asked, is there going to be a lot of movement back and forth from that building to City Hall? Just wondering if we would need a pedestrian crossing sign just to make sure people are cautious in driving in that area. City Manager Molinari responded, that certainly something that we can look at. Right now, we will have from this building (City Hall),

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myself, Betty, Michael Crosby and Wayne Crosby, then everybody from next door will be in the building on Hampton Street.

When asked about carpeting in the new building by the Mayor, City Manager Molinari responded that there will be carpeting in the reception areas and the entry ways will be tiled. Mayor Young added, that some places just put in relatively cheap carpet and than every couple of years, they take it out and put in more. That ends up being cheaper then hardwood or tile sometimes.

Council Member Bridge then raised a question on what was put in the budget for the renovation. Mr. Molinari noted that he and Amy already had that discussion. Amy and Angelo have already talked with a few different contractors just to get an idea. Amy and I talked about it, we are in a position where if we do have an overage, I am very comfortable that we can cover it with our revenues in the general fund. We were very conservative in budgeting those. Both our property tax and local option sales tax will be more than we budgeted. We'll cross that bridge when we come to it. Hopefully, we will get enough bids in that we will have a good competitive price for our project.

At this point, City Manager Molinari announced that Dr. Jeffrey Kramer has volunteered to take our Council/staff photo. He has agreed that the November 1 meeting will work for him. I will have Betty to send something out so you can put it on your calendars. We will meet here at 5:00 for those pictures. It has been over five years, since we had Council/staff photos taken.

No further input was received and a motion to adjourn the meeting was made by Council Member Bridge, seconded by Council Member Broderick and passed unanimously. The meeting was adjourned at 6:45 P.M. Notice of this meeting was distributed to all local media and posted on the City's website and the City Hall bulletin board at least twenty-four hours prior to meeting time.

Submitted by,

Betty J. Hudson  
City Clerk

**ORDINANCE # 2015-07**

**AN ORDINANCE AUTHORIZING THE CITY OF WALTERBORO TO JOIN WITH THE WALTERBORO-COLLETON COUNTY AIRPORT COMMISSION AND THE COUNTY OF COLLETON IN APPROVING A COMMERCIAL GROUND LEASE FOR LOWCOUNTRY AVIATION COMPANY, LLC (PROJECT C).**

**WHEREAS**, Lowcountry Aviation Company, LLC (Project C) has identified a parcel consisting of approximately 5.85 acres, more or less, located on property owned by the City of Walterboro and the County of Colleton and managed by the Walterboro-Colleton County Airport Commission; and

**WHEREAS**, Lowcountry Aviation Company, LLC (Project C) when completed will be investing \$3,270,000 more or less, in buildings, infrastructure, new machinery and equipment; and

**WHEREAS**, Lowcountry Aviation Company, LLC (Project C) is anticipated to employ approximately 127 full-time employees upon completion of the project; and

**WHEREAS**, the leased premises is to be used for the business purpose of aircraft management, aircraft maintenance/repair/overhaul including electronic/avionic components, aircraft modifications and upgrades, engineering design, aircraft paint, charter airline/services, flight training and simulation, aircraft brokerage, aircraft rentals, aircraft on ground services and aircraft storage services,

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WALTERBORO, SOUTH CAROLINA, IN COUNCIL ASSEMBLED, AS FOLLOWS:**

That the City of Walterboro join with the County of Colleton and the Walterboro-Colleton County Airport Commission in approving the commercial ground lease for Lowcountry Aviation Company, LLC (Project C). Execution of the ground lease by the City of Walterboro is subject to approval by the Federal Aviation Authority (FAA).

**ADOPTED**, this 3<sup>rd</sup> day of January, 2017.

\_\_\_\_\_  
William T. Young, Jr.  
Mayor

ATTEST:

\_\_\_\_\_  
Betty J. Hudson  
City Clerk

First Reading: June 9, 2015  
Public Hearing: January 3, 2017  
Second Reading: \_\_\_\_\_

PROPOSED COMMERCIAL GROUND LEASE ATTACHED

STATE OF SOUTH CAROLINA     )  
   )  
 COUNTY OF COLLETON            )     **COMMERCIAL GROUND LEASE  
   )     **WITH SURRENDER OF IMPROVEMENTS****

**THIS AGREEMENT AND LEASE** is made and entered into as of the \_\_\_\_ day of June, 2016, by and between the Walterboro – Colleton County Airport Commission, the County of Colleton, and the City of Walterboro, hereinafter collectively referred to as "Lessor" and Lowcountry Aviation Company Maintenance, Repair and Overhaul, LLC, a Limited Liability Company doing business in South Carolina with its office located at 1037 Chuck Dawley Boulevard, #100, Mt. Pleasant, South Carolina 29464, hereinafter referred to as "Lessee"; and the parties hereby agree as follows:

**1. DEMISE AND DESCRIPTION**

The Lessor does hereby lease to the Lessee and the Lessee does hereby lease from the Lessor, for the uses herein permitted, the following described premises:

Those parcels of real property located in the State of South Carolina, County of Colleton, consisting of approximately 5.85 acres, more or less (the "Property"), and more particularly described as Parcel "A" on a Boundary Survey of Jerry Fowler. R.L.S., dated February 27, 2015 which is attached hereto as **Exhibit "1"** and made a part hereof.

**2. LEASE TERM**

The lease term shall be Thirty (30) years and Zero (0) months, commencing upon execution of this lease and expiring Three hundred sixty (360) months thereafter unless terminated earlier as provided in this Lease. So long as Lessee is not then in default under this Lease, the parties, upon mutual agreement, may renew the term of this Lease for Two (2) additional and consecutive terms of Ten (10) years each, provided that Lessee gives written notice of request for renewal to Lessor at least 180 days prior to the expiration of the initial term of this Lease as to the first renewal or any then-current renewal term as to any subsequent renewal. All terms and conditions that govern the initial term shall govern any renewal term, except as expressly set forth herein.

**3. LEASE PAYMENTS**

Lessee shall pay annual rent in the following amounts:

Lessee shall pay to the Walterboro-Colleton County Airport Commission the annual rental of **THREE THOUSAND AND 00/100 (\$3,000.00) DOLLARS**. Said rental is to be paid in advance without billing in yearly installments on the 1st business day of each lease year and will be deemed late if not paid by the 10<sup>th</sup> day of the same month. Commencing on the third anniversary of the execution of this lease, and every three (3) years thereafter, the total annual rental shall be increased by an amount based on a percent equal to the cumulative increase in the Consumer Price Index (CPI) over the time period. All rent payable under this Lease shall be paid to the Walterboro-Colleton County Airport Commission without set-off or withholding for any reason and shall be mailed or delivered to the Walterboro-Colleton County Airport Commission at Lessor's address as set forth elsewhere in this Lease, or such other address of which Lessor shall notify Lessee so that it is received prior to the date it is due. Notwithstanding the provisions of this Section, the Lessor shall have the right to re-negotiate the annual rental rate and increases in the annual rental rate after the expiration of the initial term of thirty (30) years, provided the parties mutually agree to renewal.

The purpose and intent of this Lease is that the annual rental provided for in this section hereof shall be an absolutely net return to Lessor and shall continue unreduced and unabated throughout the entire Term and shall be absolutely net of all costs, expenses, taxes (real and personal), assessments and charges of every kind and nature whatsoever relating to the ownership, occupancy, use,

maintenance, upkeep and preservation of the leased premises and of said leasehold interest and of this Lease shall be borne and paid by Lessee so that the rental together with any such adjustments constitute the minimum income realized by Lessor from the Premises. Lessee will indemnify and hold harmless Lessor from and against such costs, expenses and charges.

#### **4. BASING OF AIRCRAFT IN COLLETON COUNTY**

During the term of this lease, Lessee shall make a good faith effort to base whatever aircraft it owns or leases at the subject Property in Colleton County on tax assessment day for such aircraft. Notwithstanding the foregoing, the Lessor specifically recognizes that the ownership will be a function of the needs of the Lessee and, accordingly, nothing in this section shall be construed to require Lessee to own any number of aircraft, having any economic value, at any time.

#### **5. DUE DILIGENCE; REGULATORY APPROVAL**

Lessee shall use reasonable due diligence to determine the suitability of the leased premises for its purposes and shall use its reasonable best efforts to obtain all necessary approvals and permits within three hundred sixty (360) days from the signature date of this lease. The lease is subject to all zoning regulations affecting the premises, buildings, use, and other restrictions and matters of record.

Lessee shall use its reasonable efforts to complete and file within three hundred sixty (360) days from the signature date of this lease every application necessary to obtain any regulatory approvals required to locate aircraft hangars, commercial structures, and improvements on the leased premises. Lessee shall notify Lessor promptly of any significant development with respect to any application it files under this section. Lessor shall provide Lessee with all reasonable assistance necessary for Lessee to perform Lessee's obligations under this subsection.

#### **6. USE OF PREMISES; LIMITATIONS ON USE**

The leased premises is to be used for the business purpose of aircraft management, aircraft maintenance/repair/overhaul, MRO, including electronic/avionic components), aircraft modifications and upgrades (including service bulletin (SB), supplemental type certificate (STC) and airworthiness directive (AD) implementation), engineering design, aircraft paint, charter airline/services, flight training and simulation, aircraft brokerage, aircraft rentals, aircraft on ground (AOG) services, aircraft storage services.

Lessee shall not otherwise use, or permit, the leased premises, or any part thereof, to be used for any other purposes without Lessor's prior written consent. Lessee shall, at its sole cost, comply with all requirements pertaining to the leased premises of any insurance organization or company necessary for the maintenance of insurance as herein required, covering any buildings and appurtenances at all times located on the leased premises.

Lessee shall not sell from mobile fuelers, fuel farms, tanks, or other typical fueling devices, aviation fuels of any kind upon the premises or otherwise at the Airport without the express written permission from the Walterboro-Colleton County Airport Commission, which may be withheld or conditioned in its sole discretion.

Lessee shall not produce any disturbances on any Airport property that interferes with Airport operations by the Lessor or the Federal Aviation Administration or air navigational communications or flight equipment on the Airport.

A. General Privileges, Uses, and Rights. Lessor hereby grants to Lessee the following general privileges, uses, and rights, all of which shall be subject to the terms, conditions and covenants herein set forth. Said rights shall be subject to such Federal, State, and Local ordinances, rules and regulations as now or may hereafter have application at the Airport:

1) The general use of all public Airport facilities and improvements, which are now or may hereafter be connected with or appurtenant to said Airport, except as hereinafter provided, to be used by Lessee for commercial aviation activity pursuant to regulations enacted by the Lessor. For the purpose of this Lease, public Airport facilities shall include all necessary landing area appurtenances including, but not limited to, approach areas, runways, taxiways, aprons, aircraft parking areas, roadways, sidewalks, navigational aids, lightning facilities, terminal facilities, or other public facilities appurtenant to said Airport;

2) The right of ingress to and egress from the leased premises over and across public roadways currently serving the Airport for Lessee, Lessee's agents and servants, patrons and invitees, suppliers of service, and furnishers of material.

B. Specific Privileges, Uses, and Rights. In addition to the general privileges, uses, and rights described above, Lessor hereby grants to Lessee the right to engage in commercial aviation activity on the Premises as defined in subparagraphs 1 through 4 below subject to the conditions and covenants hereafter set out:

1) The loading and unloading of aircraft in any lawful activity as incidental to the conduct of any services or operations outlined in this Paragraph;

2) The maintenance, storing, and servicing of aircraft which shall include overhauling, rebuilding, repairing, inspection, and licensing of same,;

3) The training on the Airport of personnel in the employ of Lessee in any art, science, craft, or skill pertaining directly or indirectly to aircraft;

4) The location, construction, erection, maintenance, and removal of improvements (including hangars, shops or related office space), in any lawful manner, upon or in the leased premises, for the purpose of carrying out any activities provided for herein, subject, however, to the conditions herein generally or particularly set forth.

C. Concessions and Services Excluded. Without limiting the generality of the foregoing, the following concessions and services and the establishment thereof shall be specifically excluded from this Lease such that the Lessee is prohibited from engaging thereof unless the Lessee has obtained prior written Lessor approval:

1) Food sales except the sale and/or furnishing of food and beverages through cafeteria and catering services to employees and customers of Lessee; and,

2) News and sundry sales except as incidental to provision of services to customers contemplated by this Agreement.

D. Covenant of Continued Operations. During the term of this Lease and renewals, the Lessee shall lease and occupy the Leased Premises and operate its business on the Leased Premises in accordance with the use requirements of Paragraph 6 and shall not cease business operations for more than 180 days in any 365 day period of time, subject to an event of force majeure (such as strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, acts of God or other reason of a like nature). The breach of this covenant by Lessee shall constitute an event of default.

E. Subordination to Federal; State Obligations. This lease and the rights of Lessee granted herein shall be subordinate to the Lessor's federal and state obligations and Lessee must comply with current and future federal grant assurances of Lessor and conditions of state aid and

Lessee consents to future modification of the lease to conform to same. This lease and Lessee's rights herein shall also be subordinate to local ordinances and codes.

## **7. WARRANTIES OF TITLE AND QUIET POSSESSION; EXCLUSION OF FURTHER WARRANTIES**

Lessor covenants that Lessor is seized of the leased premises in fee simple and has the full right to make this Lease subject to the requirements and regulations of the Federal Aviation Administration and that Lessee shall have quiet and peaceable possession of the leased premises during the term hereof. The Lessor retains the right to temporarily close the Airport or any of its facilities for maintenance, improvements, or for safety of the public.

Lessee acknowledges that as of the date of this Lease it has inspected, analyzed, reviewed, and evaluated the Leased Premises, that it and its representatives will have conducted such investigation of the Leased Premises as deemed necessary by Lessee and that it is thoroughly aware of the condition of the Leased Premises. The Leased Premises and any other property or rights furnished or to be furnished under or in connection with this Lease to Lessee are furnished "AS IS", "WHERE IS" AND WITH ALL FAULTS AND WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY NATURE WHATSOEVER, EXPRESS OR IMPLIED, ORAL OR WRITTEN, AND IN PARTICULAR, WITHOUT ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Without limiting the generality of the foregoing, Lessee acknowledges and agrees: (i) that Lessor neither represents nor warrants that the Leased Premises or any part thereof leased under this Lease will operate satisfactorily; (ii) that, except as specifically set forth herein, Lessor shall have no liability or responsibility for the condition and/or operation of the Leased Premises; and (iii) that Lessee is leasing the Leased Premises based solely upon its own inspection, evaluation, review and analysis, and Lessee assumes the entire risk associated with such inspection, evaluation, review and analysis being incomplete or inaccurate.

## **8. WASTE, NUISANCE AND HAZARDOUS MATERIAL PROHIBITED**

During the term of this Lease, Lessee shall comply with all applicable laws affecting the leased premises, the breach of which might result in any penalty on Lessor or forfeiture of Lessor's title to the leased premises. Lessee shall not commit, or suffer to be committed, any waste on the leased premises, or any nuisance.

Lessee will not place nor suffer to be placed on the leased premises any material or substance classified as hazardous by the South Carolina Department of Health and Environmental Control or the United State Environmental Protection Agency or the successor agency of either, other than reasonable quantities of such lubricants and other items reasonably necessary for the maintenance of aircraft and related equipment. Lessee will remove any such hazardous material or substance which is placed on the leased premises after the inception of this Lease prior to the termination of this Lease.

During the one hundred and twenty (120) day due diligence period specified above, Lessee may cancel this Lease with refund of rental paid should it discover any such hazardous material or substance which has been placed on the leased premises prior to the commencement of the initial lease term.

Lessee shall provide a complete and proper arrangement for the adequate sanitary handling and disposal of all trash, garbage and other refuse occurring as a result of Lessee's occupancy of the premises. Lessee shall provide and use Lessor approved receptacles for all garbage, trash and other refuse and shall place them on the premises in a location acceptable to the Lessor for their removal. Piling of boxes, cartons, barrels, or other similar items in an unsightly manner on or about the premises is forbidden.



## **9. APPROVALS**

As a condition precedent to the Lessor's ability to lease the property to the Lessee, the Lessor shall promptly apply for and obtain the written form of the United States of America acting through the Federal Aviation Administration verifying that the lease and the terms would not violate the Airport's federal obligations. In the event that Lessor is unable to obtain said written verification, then Lessor and Lessee will in good faith work to modify the terms of this Lease as necessary to obtain any such verification upon mutual agreement in writing. Further, as an additional condition precedent to Lessor's ability to lease the property to Lessee, Lessor shall apply for and obtain federal environmental approvals for the proposed development and construction and written approval from the FAA prior to commencement of construction. The failure of any of these conditions shall cause an immediate termination of this agreement.

## **10. ABANDONMENT OF PREMISES WITH IMPROVEMENTS AND OF PERSONALTY**

If Lessee abandons, vacates, or surrenders the leased premises and improvements, or be dispossessed by process of law, (1) the improvements constructed thereon and (2) any personal property belonging to Lessee left on the premises for a period exceeding ninety (90) days after dispossession or abandonment shall be deemed to be abandoned by Lessee as to Lessor. In that event, Lessor shall have immediate right to enter upon and re-take possession of the leased premises and this lease shall be terminated with reservation of all rights and remedies to Lessor as set forth in this lease.

## **11. LESSOR'S RIGHT OF ACCESS**

Lessee shall permit Lessor and the agents and employees of Lessor to, upon reasonable advance notice to Lessor, enter upon the leased premises at all reasonable times for the purpose of inspecting the same, or for the purpose of posting notices of non-responsibility for alterations, additions, or repairs, without any rebate of rent and without any liability to Lessee for any loss of occupation or quiet enjoyment of the premises thereby occasioned, and shall permit Lessor and its agents and employees, at any time within the last three (3) months prior to the expiration of this Lease, to place on the leased premises any usual or ordinary "To Let" or "To Lease" signs and exhibit the premises to prospective tenants at reasonable hours.

## **12. SUBLETTING AND ASSIGNMENT**

Lessee may, only upon a grant of permission and consent of Lessor, sublet the premises to any affiliate(s) and/or subsidiaries of Lessee. Lessee shall not otherwise sublet the premises in whole or in part without Lessor's written consent. The making of any sublease shall not release Lessee from, or otherwise affect in any manner, any of Lessee's obligations hereunder.

Lessee may permissibly assign this Lease to any lender(s) of Lessee, as permitted in Section 20 herein, providing financing to Lessee for construction and/or improvement purposes. Lessee may permissibly assign and transfer its rights and obligations under this lease upon sale of its business to the purchaser. Lessee shall not otherwise assign or transfer this Lease, or any interest herein, without the prior written consent of Lessor. Consent to an assignment shall not be deemed consent to any subsequent assignment. No assignment or transfer of this Lease shall release Lessee from, or otherwise affect in any manner, any of Lessee's obligations hereunder and Lessee shall remain responsible for the obligations of Lessee hereunder which were undertaken or should have been undertaken before assignment.

Neither this Lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the leased premises or any buildings or improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner

whatsoever, and any such attempted involuntary assignment, transfer, or sale shall be void and of no effect. If Lessee violates the terms of Item 12, this Lease, at the option of Lessor, shall terminate.

### 13. TAXES AND ASSESSMENTS

(a) Taxes as additional rental. As additional rental hereunder, Lessee shall for the period from and after the Commencement Date until the termination of this Lease pay and discharge as they become due, promptly and before delinquency, all taxes, assessments, rates, charges, license fees, county liens, levies, excises, or imposts, whether general or special, or ordinary or extraordinary, of every name, nature and kind whatsoever, including all governmental charges of whatsoever name, nature, or kind, which may be levied, assessed, charged, or imposed, or which may become a lien or charge on or against the land hereby leased, or any part thereof, the leasehold of Lessee herein, the premises described herein, the improvements erected on the Leased Premises, or on or against Lessee's estate hereby created which may be a subject of taxation, or on or against Lessor by reason of their ownership of the fee underlying this Lease, during the entire term hereof, excepting only those taxes hereinafter specifically excepted.

(b) Assessments Affecting Improvements. Specifically and without in any way limiting the generality of the foregoing, Lessee shall pay all special assessments and levies or charges made by any county of political subdivision for improvements, and shall pay the same in cash as they shall fall due and before any such assessments or levies or charges are made by any county or political subdivision. If the right is given to pay either in one lump sum or in installments, Lessee may elect either mode of payment and its selection shall be binding on Lessor. If, by making any such election to pay installments, any of such installments shall be payable after the termination of this Lease or any extended term thereof, such unpaid installments shall be prorated as of the date of termination, and amounts payable after such date shall be paid by Lessor. All of the taxes and charges under this section shall be prorated at the commencement and expiration of the term hereof.

(c) Taxes Excepted. Anything in this section to the contrary notwithstanding, Lessee shall not be required to pay any estate, gift, inheritance, succession, income or excess profits taxes which may be payable by Lessor or Lessor's legal representative, successors, or assigns, nor shall Lessee be required to pay any tax that might become due on account of ownership of property other than that herein leased which may become a lien on the property herein leased or collectable out of the same.

(d) Contesting Taxes. If Lessee shall in good faith desire to contest the validity or amount of any tax, assessment, levy, or other governmental charge herein agreed to be paid by Lessee, Lessee shall be permitted to do so, and to defer payment of such tax or charge, the validity or amount of which Lessee is so contesting, until final determination of the contest, on giving to Lessor written notice thereon prior to the determination of the contest, which shall be at least Thirty (30) days prior to delinquency, and on protecting Lessor on demand by a good and sufficient surety bond against any such tax, levy, assessment, rate, or governmental charge, and from any costs, liability, or damage arising out of any such contest.

(e) Disposition of Rebates. All rebates on account of any such taxes, rates, levies, charges, or assessments required to be paid and paid by Lessee under the provisions hereof shall belong to Lessee, and Lessor will, on the require of Lessee, execute any receipts, assignments, or other instruments that may be necessary in the premises in order to secure the recovery of any such rebates, and will pay over to Lessee any such rebates that may be received by Lessor.

(f) Receipt. Upon reasonable request of Lessor, Lessee shall use its reasonably best efforts obtain and deliver receipts for all taxes, assessments and other items required hereunder to be paid by Lessee.

#### **14. SITE PLAN APPROVAL**

Lessee shall be required to submit architectural plans to Lessor in advance of construction of any proposed improvements before construction may begin. Lessee shall also be required to submit the Standard Form 7460-1 (Notice of Proposed Construction or Alteration) to the FAA for approval for all site plan proposals. Lessee can submit this form via the internet at the following website: <https://oeaaa.faa.gov/oeaaa/external/portal.jsp>

Within One hundred eighty (180) days from the execution of this lease, Lessee shall prepare at its sole expense a site plan for the buildings, improvements, parking areas, drainage, rights of way, access roads and landscaping to be placed on the leased premises by Lessee and shall submit such site plan to Lessor for Lessor's written approval.

In the event of disapproval of Lessee's site plan, Lessor shall provide Lessee an itemized statement of the reasons therefore within thirty (30) days after the site plan is submitted to Lessor.

In the event Lessor disapproves Lessee's site plan, Lessee shall notify Lessor within ten (10) business days of Lessee's intent either to terminate the Lease or conform the site plan to Lessor's demands. In the event Lessee elects to terminate the Lease, Lessor shall promptly refund to Lessee any lease payments made to Lessor. In the event Lessee elects to conform, Lessee shall submit a site plan to Lessor that conforms to the requirements set forth by Lessor in Lessor's itemized statement of reasons for disapproval.

#### **15. CONSTRUCTION ON THE PREMISES**

(a) Plans and Specifications. Within sixty (60) days following Lessor's approval of Lessee's site plan, Lessee shall, at Lessee's sole expense, submit to Lessor, for Lessor's approval, plans and specifications for any improvements to be erected on the premises (collectively the "Plans"). Together with such Plans, Lessee shall provide for whatever information that the Walterboro-Colleton County Airport Commission engineer reasonably requires. If Lessor does not provide Lessor's approval, Lessee may terminate this Lease, whereupon Lessor shall promptly refund to Lessee any Lease payments paid from Lessee to Lessor.

In the event of disapproval by Lessor and/or FAA, Lessor shall provide Lessee an itemized statement of reasons therefore within forty-five (45) days after the plans are submitted to the FAA via Form 7460. The FAA has forty-five (45) days to make a determination after Lessee submits Form 7460. In the event Lessor fails to provide such itemized statement to Lessee within forty-five (45) days following Lessee's submission of said Plans to Lessor, Lessor shall be deemed to have approved said Plans as submitted. This time period may be reasonably longer due to delay in FAA approval.

Within one hundred eighty (180) days from the date on which Lessor approves Lessee's Plans, Lessee shall, at Lessee's sole expense, commence, and shall thereafter, diligently prosecute to completion, the construction of the improvements substantially in accordance with such Plans, subject to the deadlines set forth herein.

(b) Alterations, improvements, and changes permitted. Lessee shall have the right to make such alterations, improvements, and changes to any improvement which may from time to time be on the premises as Lessee may deem necessary, or to replace any such structure with a new one of at least equal value, provided that prior to making any structural alterations, improvements, or changes, or to replacing any such building, Lessee shall obtain Lessor's written approval of plans and specifications therefore, which shall not be diminished and the structural integrity of the building shall not be adversely affected by any such alterations, improvements, or changes, or that any proposed new building is at least equal in value to the one which it is to replace, as the case may be. In the event of disapproval, Lessor shall give to Lessee an itemized statement of reasons therefore. Lessee will in no event make any alterations, improvements, or other changes of any kind to any building on

the premises that will decrease the value of such buildings, or that will adversely affect the structural integrity of the building. Lessee shall also be required to submit the Standard Form 7460-1 (Notice of Proposed Construction or Alteration) to the FAA for approval for all site plan changes. Lessee can submit this form via the internet at the following website:

<https://oeaaa.faa.gov/oeaaa/external/portal.jsp>

(c) Disposition of new improvements. Any new building and improvements constructed by Lessee on the premises, and all alterations, changes, or improvements constructed by Lessee on the premises, and all alterations, changes, or additions made thereto shall remain the property of Lessee during the lease term subject to any financing thereon and/or relating thereto (hereinafter the "Financing"). Any liens placed on said buildings and improvements shall be subordinate to this Lease; provided, however, that Lessor will promptly execute and deliver reasonable subordination, non-disturbance and attornment instruments relating to the Financing.

(d) Construction of the improvements. Subject to any delay(s) resulting from or relating to Lessor's issuance of any requisite approvals under this Lease, construction of improvements shall commence within one hundred eighty (180) days after Lessor approves the Plans and shall be substantially completed within twenty-four (24) months after such commencement. For purposes of this provision, "commencement" shall mean the beginning of installation of the foundation for the improvement. Once commenced, Lessee shall diligently proceed with the construction of the improvements. For purposes of this provision, "completion" shall mean the earlier of (1) use and occupancy of the improvements by Lessee, or (2) issuance of a final certificate of occupancy for the improvements. Failure to commence and complete construction by the assigned dates constitutes an event of default entitling Lessor to all remedies set forth in this Lease and available at law, including termination of the Lease.

(e) Aircraft Apron. The Lessee shall construct an aircraft apron for FAA Subgroup 3B load rating. Lessor and Colleton County will work with the South Carolina Department of Commerce and other agencies to seek any available funds for these improvements, however, the Lessor shall not be obligated to expend its funds for the improvements. Both parties agree to discuss 10-year airport and Project C investment plans to seek opportunities for reduction in redundant activities/investments, efficiencies, and cost avoidance. Lessee agrees the aircraft apron shall be a permanent fixture to the real property and shall be owned at all times by the Lessor and be deemed a part of the Leased Premises.

## 16. REPAIRS TO OR DESTRUCTION OF IMPROVEMENTS

(a) Maintenance of improvements. Lessee shall, throughout the term of this Lease, at its own cost, and without any expense to Lessor, keep and maintain the premises, including all buildings and improvements of every kind which may be a part thereof, and all appurtenances thereto, including parking areas and sidewalks adjacent thereto, in good, sanitary, and neat order, condition and repair, and, except as specifically provided herein, restore and rehabilitate any improvements of any kind which may be destroyed or damaged by fire, casualty, or any other cause whatsoever. Lessor shall not be obligated to make any repairs, replacements, or renewals of any kind, nature, or description, whatsoever to the leased premises or any buildings or improvement thereon. Lessee shall also comply with and abide by all federal, state, county, and other governmental statutes, ordinances, laws, and regulations affecting the leased premises, the improvements thereon, or any activity or condition on or in such premises.

(b) Damage to and destruction of improvements. The damage, destruction, or partial destruction of any building or other improvement which is a part of the premises shall not release Lessee from any obligation hereunder, except as hereinafter expressly provided, and in case of damage to or destruction of any such building or improvement, Lessee shall at its own expense

promptly repair and restore the same to a condition as good or better than that which existed prior to such damage or destruction.

(c) Destruction. In the event that, at any time during the term of this Lease, the improvements shall be destroyed or damaged in whole or in part by fire or other cause within the definition of the insurance policies carried or required to be carried by Lessee in accordance with this Lease, then, Lessee, at its own cost and expense, shall cause the same to be repaired, replaced or rebuilt with a building substantially the same as the improvements prior to the damage and subject to Lessor's approval of the improvements, within a period of time which, under all prevailing circumstances, shall be reasonable; provided, however, that if the building on the leased premises shall be substantially damaged or destroyed by fire or such other cause during the last year of the Initial Term or during any Extended Term such that the building is no longer usable, Lessee shall have the right to terminate this Lease by written notice to the Lessor within ninety (90) days after such damage or destruction. Lessee shall continue to pay basic rent and all other rents and charges during any restoration and there shall be no rent abatement hereunder as a result of any fire or other casualty. If Lessee shall so terminate this Lease, Lessee shall promptly raze the building and any other portion of the improvements required by Lessor and promptly restore the leased premises to a safe, "raw" land, condition reasonably suitable for a new development utilizing the insurance proceeds therefore and to restore the leased premises to a safe condition.

## **17. HISTORICAL ARTIFACTS**

If at any time during construction on the Property or Lessee's occupation of the Property, the Lessee finds any historical artifacts, said artifacts shall be made available to the Lessor and shall remain a possession of the Lessor.

## **18. SIGNS**

Lessee, at its own risk and expense and in accordance with the Site Plan approved by Lessor, may erect or place in a lawful manner signs concerning its operations on the grounds of the leased premises. Lessee shall maintain such signs in a good state of repair. Lessee shall indemnify Lessor against any loss, cost, or damages resulting from the erection, maintenance, existence, or removal of such signs. At the end of the lease term or any renewal thereof, Lessee shall remove the signs at its expense.

## **19. UTILITIES**

Lessee shall fully and promptly pay for all water, gas, heat, light, power, telephone service, and other public utilities of every kind furnished to the premises throughout the term hereof, and all other costs and expenses of every kind whatsoever of or in connection with the establishment, use, operation, and maintenance of utilities on the premises and Lessor shall have no responsibility of any kind for any payment thereof.

## **20. LIENS AND MORTGAGES**

(a) Lessee's duty to keep premises free of liens. Lessee shall keep the premises and every part thereof and all buildings and other improvements at any time located thereon free and clear of any and all mechanics', materialmen's, and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee, any alteration, improvement, or repairs or additions which Lessee may make or permit or cause to be made, or any work or construction, by, for, or permitted by Lessee on or about the premises, or any obligations of any kind incurred by Lessee, and at all times promptly and fully to pay and discharge any and all claims on which any such lien may or could be based, and to indemnify Lessor and all of the premises and all buildings and improvements thereon against all such liens and claims of liens and suits or other proceedings pertaining thereto.

(b) Contesting liens. If Lessee desires to contest any such lien, it shall notify Lessor of its intention to do so within Thirty (30) days after the filing of such lien. In such case, and provided that Lessee shall on demand protect Lessor by a good and sufficient surety bond against any such lien and any cost, liability, or damage arising out of such contest, Lessee shall not be in default hereunder until Sixty (60) days after the final determination of the validity thereof, within which time Lessee shall satisfy and discharge such lien to the extent held valid; but the satisfaction and discharge of any such lien shall not, in any case, be delayed until execution is had on any judgment rendered thereon, and such delay shall be a default of Lessee hereunder. In the event of any such contest, Lessee shall protect and indemnify Lessor against all loss, expense, and damage resulting there from.

(c) Lessee's mortgages. Lessee may permissibly obtain Financing and provide leasehold mortgage(s)/security interest(s) relating thereto subject to the terms of this Lease.

## 21. INSURANCE

(a) Insurance coverage of premises. Lessee shall, at all times during the term of this Lease and at Lessee's sole expense, keep all improvements which are now or hereafter a part of or located on the premises insured against loss or damage by fire and the extended coverage hazards for the full replacement value of such improvements, with said policy to be endorsed as follows if Lessee is able to readily obtain such endorsement:

"It is hereby agreed and understood by Company and Insured that any proceeds paid from the referenced policy for any loss or occurrence shall only be used for the repair and/or replacement of the designated hangars and other improvements."

(b) Personal injury liability insurance. Lessee shall maintain in effect throughout the term of this Lease personal injury liability insurance covering the premises and its appurtenances and the sidewalks fronting thereon in the amount of One Million Dollars (\$1,000,000.00) for injury to or death of any one person, and Three Million Dollars (\$3,000,000.00) for injury to or death of any number of persons in one occurrence, and property damage liability insurance in the amount of Three Million Dollars (3,000,000.00).

(c) Lessee's duties as to insurance. All of the policies of insurance referred to in this section shall be written in form satisfactory to Lessor and by insurance companies satisfactory to Lessor. Lessor agrees that it will not unreasonably withhold its approval as to the form or to the insurance companies selected by Lessee.

Lessee shall pay all of the premiums therefor and deliver copies of such policies, or certificates thereof, to Lessor. If obtainable by Lessee, each insurer mentioned in this section shall issue an endorsement on the policy or policies issued by it, or by independent instrument furnished by Lessor, that it will give to Lessor Thirty (30) days written notice before the policy or policies in question shall be altered or canceled. Lessor agrees that it will not unreasonably withhold its approval as to the form or to the insurance companies selected by Lessee.

(d) Cost of insurance deemed additional rental. The cost of insurance required to be carried by Lessee in this section shall be deemed to be additional rental hereunder.

(e) Other Insurance. The Lessee is required to carry builder's risk insurance for the period of construction, and the following for the term of the lease: property casualty insurance for the full replacement value, comprehensive general liability insurance, workman compensation insurance, rental insurance in an amount equal to the amount of basic for one (1) year, special extended coverage, and such other insurance as the ground Lessor reasonably requires.

(f) Conditions. All insurance coverage shall name the Lessor as an additional insured, if obtainable, and provide the Lessor with at least thirty (30) days prior written notice of cancellation,

modification or amendment in coverage. The Lessor shall be provided with copies of the insurance policies together with insurance certificates to ensure that the proper coverage are maintained. The amount of deductibles shall be agreed upon by the Lessor and self-insurance is prohibited.

## **22. RE-DELIVERY OF PREMISES & SURRENDER OF IMPROVEMENTS**

On termination of this Lease for any reason, Lessee shall immediately and quietly quit and surrender to Lessor the leased property and all improvements thereto, except that Lessee shall be entitled to remove any personal property and any of Lessee's signs, to the extent such can be removed without structural damage to the improvements. Lessee shall execute immediately upon delivery, all documents reasonably requested by the Lessor to transfer and surrender Lessee's right and title in and to the leased property and all improvements thereon including, but not limited to, a deed of conveyance and Bill of Sale/Transfer. Lessee shall promptly quit and surrender the premises and improvements, and deliver to Lessor actual possession and ownership of the premises and improvements.

Lessee shall have the right to remove from the premises and improvements all movable trade fixtures, movable equipment, aircraft and articles of personal property used or procured for use in connection with the operation of its business within ninety (90) days after the Termination date, provided that Lessee shall promptly repair, or cause to be repaired, any damage resulting to the premises or improvements by reason of this removal.

Upon expiration or the earlier termination of the Term, title to all improvements, including fixtures, shall vest in and become the property of Lessor without any additional compensation or further instrument of conveyance. Lessee shall, if so requested, deliver, at no cost or expense to Lessor, a confirmatory deed or other document requested by Lessor of the foregoing. The improvements shall be surrendered and transferred to Lessor free and clear of all liens or claims to or against them by Lessee or any third persons, and Lessee shall defend and indemnify Lessor against all liability or loss arising from such liens or claims.

The parties covenant and agree for themselves and all parties claiming under them that the improvements are real property. It is the intent of the parties that the separation of title to the improvements during the term of this lease and the leased premises is not to change the character of the improvements of the real property. It is also the intention and agreement of the parties that the ownership of Lessee's leasehold estate and all of Lessee's right, title and interest in and to the improvements shall be non-separable and that any attempt to transfer such right, title and interest in the improvements shall be void and ineffective unless accompanied by a complete transfer of Lessee's leasehold estate in accordance with the terms hereof.

## **23. REMEDIES CUMULATIVE**

All remedies hereinbefore and hereinafter conferred on Lessor shall be deemed cumulative and no one exclusive of the other, or of any other remedy conferred by law.

## **24. NOTICE OF DEFAULT**

Lessee shall not be deemed to be in default hereunder in the payment of rent or the payment of any other monies as herein required or in the furnishing of any bond or insurance policy when required herein unless Lessor shall first give to Lessee written notice of such default and Lessee fails to cure such default within thirty (30) days following receipt of such written notice.

Except as to the provisions or events referred to in the preceding sentence of this section, Lessee shall not be deemed to be in default hereunder unless Lessor shall first give to Lessee written notice of such default, and Lessee willfully fails to cure such default within sixty (60) days following

receipt of such written notice or such default cannot be cured within sixty days and Lessee has begun to cure the default and is proceeding to the full curing of such default with all reasonable diligence.

## **25. DEFAULT**

In the event of any uncured breach of this Lease by Lessee, Lessor will have all other rights or remedies available to it under applicable law.

Should Lessor elect to re-enter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, Lessor may either terminate this Lease or it may from time to time, without terminating this Lease, re-let the leased premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Lease) and at such reasonable rental or discretion of Lessor may deem advisable with the right to make alterations and repairs to the leased premises. Upon Lessor's re-entry, the Lessee shall not be relieved of, and shall remain responsible for, all obligations under this lease, including but not limited to, payment of past due rent and payment of future rent due for the remainder of the contract term.

On each such re-letting, at the option of Lessor, rents received by Lessor from such re-letting shall be applied, first, to the payment of any indebtedness, other than rent due hereunder from Lessee to Lessor; second, to the payment of any reasonable expenses of such re-letting and of such reasonable alterations and repairs; third, to the payment of rent due and unpaid hereunder, and the residue, if any, shall be held by Lessor and applied in payment of future rent as the same may become due and payable hereunder.

If Lessee has been credited with any rent to be received by such re-letting and such rent shall not be promptly paid to Lessor by the new tenant, or if such rentals received from such re-letting during any year is less than that to be paid during that year by Lessee hereunder, Lessee shall pay any such deficiency to Lessor. Such deficiency shall be calculated and paid monthly.

No such re-entry or taking possession of the leased premises by Lessor shall be construed as an election on the part of Lessor to terminate this Lease unless a written notice of such intention is given to Lessee or unless the termination thereof is decreed by a court of competent jurisdiction. Notwithstanding any such re-letting without termination, Lessor may at any time thereafter elect to terminate this Lease for such previous breach. Notwithstanding the foregoing, Lessee shall have the option of terminating the lease at any time after twelve months following Lessor's re-letting the leased premises.

## **26. LESSOR'S RIGHT TO PERFORM**

In the event that Lessee by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default hereunder and such failure shall continue for a period of sixty (60) days after written notice from Lessor specifying the nature of the act or thing to be done or performed, then Lessor may, but shall not be required to, do or perform or cause to be done or performed such act or thing (entering on the leased premises for such purposes, if Lessor shall so elect), and Lessor shall not be liable nor be held liable or in any way responsible for any loss, inconvenience, annoyance, or damage resulting to Lessee on account thereof, and Lessee shall repay to Lessor on demand the entire expense thereof, including compensation to the agents and employees of Lessor. Any act or thing done by Lessor pursuant to the provisions of this section shall not be or be construed as a waiver of any such default by Lessee, or as a waiver of any covenant, term, or condition herein contained or the performance thereof, or of any other right or remedy of Lessor, hereunder or otherwise. All amounts payable by Lessee to Lessor under any of the provisions of this Lease, if not paid when the same become due as in this Lease provided, shall bear interest from the date they become due until paid at the rate of twelve percent (12%) per annum, compounded annually.



## **27. BANKRUPTCY AND INSOLVENCY**

(a) Prohibition and involuntary assignment. Neither this Lease nor the leasehold estate of Lessee nor any interest of Lessee hereunder in the leased premises or in the building or improvements thereon shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever (except through statutory merger or consolidation, or devise, or intestate succession) and any such attempt at involuntary assignment, transfer, or sale shall be void and of no effect.

(b) Effect of bankruptcy. Without limiting the generality of the provisions of the preceding Paragraph (a) of this section, Lessee agrees that in the event any proceedings under the Bankruptcy Code or any amendment thereto be commenced by or against Lessee, and, if against Lessee, such proceedings shall not be dismissed before either an adjudication in bankruptcy or the confirmation of a composition, arrangement, or plan or reorganization, or in the event Lessee is adjudged insolvent or makes an assignment for the benefit of its creditors, or if a receiver is appointed in any proceeding or action to which Lessee is a party, with authority to take possession or control of the leased premises or the business conducted thereon by Lessee, and such receiver is not discharged within a period of six months after his appointment, any such event or any involuntary assignment prohibited by the provisions of the preceding Paragraph (a) of this section shall be deemed to constitute a breach of this Lease by Lessee and shall, at the election of Lessor, but not otherwise, without notice or entry or other action of Lessor terminate this Lease and also all rights of Lessee under this Lease and in and to the leased premises and also all rights of any and all persons claiming under Lessee.

## **28. EFFECT OF EMINENT DOMAIN**

(a) Effect of total condemnation. In the event the entire leased premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking, and Lessee shall thereupon be released from any liability thereafter accruing hereunder.

(b) Effect of partial condemnation. In the event a portion of the leased premises shall be so appropriated or taken and the remainder of the property shall not be suitable for the use then being made of the property by Lessee, or if the remainder of the property is not one undivided parcel or property, Lessee shall have the right to terminate this Lease as of the date of such taking on giving to Lessor written notice of such termination within ninety (90) days after Lessor have notified Lessee in writing that the property has been so appropriated to taken.

(c) Condemnation award. In the event of the termination of this Lease by reason of the total or partial taking of the premises by eminent domain, then in any such condemnation proceedings Lessor and Lessee shall be free to make claim against the condemning or taking authority for the amount of any damage done to them, respectively, as a result thereof.

In the event of a partial taking of the premises and this Lease is not terminated, then Lessee shall have the right to make and to pursue any and all available claims against the condemning or taking authority .

## **29. SURRENDER OF LEASE**

The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation shall terminate all existing subleases.

## **30. WAIVER**

The waiver by Lessor of, or the failure of Lessor to take action with respect to any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term,

covenant, or condition, or subsequent breach of the same, or any other term, covenant, or condition therein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant, or condition of this Lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

### **31. EFFECT OF LESSEE'S HOLDING OVER**

Any holding over after the expiration of the term of this Lease, with consent of Lessor, shall be construed to be a tenancy from year to year, at an annual rental as required to be paid by Lessee based on the annual rental rate for the period immediately prior to the expiration of the term plus an increase and adjustment based on the percentage increase in the CPI/FMV hereof, and shall otherwise be on the terms and conditions herein specified, so far as applicable.

### **32. PARTIES BOUND**

This Lease, including all the covenants and conditions herein contained shall, subject to the provisions limiting assignment, transfer, and subletting, apply to, inure to the benefit of and bind the heirs, successors, personal representatives, executors, administrators, and assigns of all of the parties hereto.

### **33. TIME OF THE ESSENCE**

Time is of the essence of this Lease, and of each and every covenant, term, condition, and provision hereof.

### **34. SECTION CAPTIONS**

The Captions appearing under the section number designations of this Lease are for convenience only and are not a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease.

### **35. NOTICES**

All notices, demands, or other writings in this Lease provided to be given or made or sent, or which may be given or made or sent, by either party hereto to the other, shall be deemed to have been fully given or made or sent when made in writing and actually delivered to the party to which it is to be given or made or sent, or deposited in the United States mail, registered or certified with return receipt requested, postage prepaid and addressed as follows:

#### **AS TO LESSOR:**

Walterboro – Colleton County Airport Commission  
Attention: Airport Manager  
Post Office Box 8  
Walterboro, SC 29488

#### **AS TO LESSEE:**

Lowcountry Aviation Company Maintenance, Repair and Overhaul, LLC  
Attention: Nick Sottile, General Counsel  
1037 Chuck Dawley Boulevard, #100, Mt. Pleasant, SC 29464

The address to which any notice, demand or other writing may be given or made or sent to any party as above provided may be changed by written notice given by such party as above provided.

### **36. RECORDING SHORT FORM LEASE**

At the option of either party hereto, a Lease in short form (Memorandum) shall be executed by all parties which contains the term of the Lease and a legal description of the leased premises, but not the amount of Lease payments to be made hereunder. Should either party hereto elect to record the Lease in short form, the cost of all documentary stamps, or conveyancing, transfer tax and recording fees shall be paid by the party requesting the Lease in short form.

Lessee, immediately after receipt of the short form Lease in proper form delivered to Lessee by Lessor, shall have same properly executed; attested and acknowledged and shall return same to Lessor. Lessor, immediately after receipt of the short form Lease in proper form delivered to Lessor by Lessee, shall have same properly executed, attested and acknowledged and shall return same to Lessee.

### **37. SEVERABILITY**

If any term or provision of this Lease or the application hereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons whose circumstances are other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

### **38. GOVERNING LAW**

This Lease shall be governed by and interpreted under the laws of the State of South Carolina. Notwithstanding the amount in controversy, the Court of Common Pleas for Colleton County in the State of South Carolina shall have subject matter jurisdiction over all disputes arising out of this Lease and the Court of Common Pleas for Colleton County in the State of South Carolina shall have personal jurisdiction over Lessor and Lessee as to any disputes arising out of this Lease and the parties consent to same.

### **39. ATTORNEY'S FEES**

If any legal action or other proceeding (including, without limitation, appeals or bankruptcy proceedings) whether at law or in equity, which arises out of, concerns, or relates to this agreement, any and all transactions contemplated hereunder, the performance hereof, or the relationship created hereby; or is brought for the enforcement of this agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, court costs and all expenses even if not taxable as court costs, incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.

### **40. NUMBER AND GENDER**

All terms and words used in this Lease, regardless of the number and gender in which they are used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Lease or any paragraph or clause contained herein may require, the same as if such words had been fully and properly written in the number and gender.

#### **41. NONDISCRIMINATION**

Lessee, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree:

1) That no person, on the grounds of race, color, creed, political ideas, sex, age, or physical or mental disability, shall be excluded by Lessee from participation, denied by Lessee the benefits of, or be otherwise subjected by Lessee to discrimination in the use of Airport facilities, or the exercise of its rights and privileges under this Lease.

2) That in Lessee's alteration or maintenance of any improvements on behalf of Lessee and the furnishing of services, no person shall be excluded by Lessee from participation in, denied the benefits of, or otherwise be subjected by Lessee to discrimination on the grounds of race, color, creed, political ideas, sex, age or physical or mental disability.

3) That Lessee shall use the Airport facilities in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

Lessee shall furnish its services and charge for the same on a fair, equal and nondiscriminatory basis to all users thereof, and it shall charge fair, reasonable, and nondiscriminatory prices for each unit or service. However, Lessee may be allowed to make reasonable discounts or other similar type of price reductions to purchasers on a nondiscriminatory basis.

#### **42. COUNTERPARTS; ENTIRE AGREEMENT; MODIFICATION; ASSIGNABILITY**

This Lease may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts together shall constitute but one and the same instrument.

Neither the Lessor nor the Lessee nor any of their agents have made any statement, promises or agreements verbally or in writing in conflict with the terms of this Lease. Any and all representations by either of the parties or their agents made during negotiations prior to the execution of this Lease and which representations are not contained in the provisions hereof shall not be binding upon either of the parties hereto.

No modifications, alterations, or amendments of this Lease shall be binding or valid unless in writing and duly executed by both Lessor and Lessee.

Neither party to this Lease may assign its rights hereunder without the prior written consent of the other party (not to be unreasonably withheld or delayed). Notwithstanding the foregoing, a merger or consolidation of Lessee with or into any other corporation shall not constitute a violation of this section.

#### **43. RESERVATIONS, RESTRICTIONS AND AFFIRMATIVE OBLIGATIONS**

The leased premises shall be let subject to the Reservations, Restrictions, Equitable Restrictions, Covenants, Conditions, Reserved Easements and Affirmative Obligations set out in Exhibit "2" hereto.

**44. NO EMPLOYMENT OF UNAUTHORIZED ALIENS**

The Lessee shall not knowingly employ an unauthorized alien as defined in the South Carolina Illegal Aliens and Private Employment Act, S.C. Code of Laws Section 41-8-10, et seq. as amended, and further Lessee shall comply with all the provisions set forth in the said act.

**45. INDEMNIFICATION OF LESSOR**

Lessor shall not be liable for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by Lessee, its employees, agents, or by a person whosoever may at any time be using or occupying or visiting the leased premises or be in, on, or about the same, where such loss, injury, death, or damage is caused by or results from or arises out of any act, omission, or negligence of Lessee or of any occupant, sub Lessee, visitor, or user of any portion of the premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth excepting for and excluding Lessor's act(s), omission(s) or negligence, ("Covered Claims"). If and to the extent that Lessee's insurance does not cover Lessor relative to any such Covered Claims, Lessee shall indemnify Lessor against all such Covered Claims. Lessee hereby waives all claims against Lessor for damages to the building and improvement that are now on or hereafter placed or built on the premises and to the property of Lessee in, on, or about the premises, and for injuries to persons or property in or about the premises, from any cause arising at any time. In any event, the foregoing three (3) sentences and the provisions thereof shall not apply to any loss, injury, death, or damage arising by reason of the act(s), omission(s), negligence or misconduct of Lessor, its agents, or employees.

**46. AIRPORT FEE SCHEDULES; AIRPORT RULES AND MINIMUM STANDARDS**

Lessee agrees to pay all applicable service fees, fuel charges, fuel flowage fees, ramp fees, and all other fees and surcharges set forth by the airport in its aeronautical service provider policies and standard fee schedules, as may be amended from time to time.

Lessee agrees to be bound by and comply with all rules, regulations, minimum standards, and policies of the Airport and the Walterboro-Colleton County Airport Commission in existence now as well as those adopted in the future, including, but not limited to, the "Lowcountry Regional Airport Rules and Regulations and Minimum Standards," the requirements of which are fully incorporated into this Lease by reference and Lessor agrees to amend the Lease as necessary to conform therewith.

{SIGNATURE PAGES TO FOLLOW}

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

WALTERBORO-COLLETON COUNTY  
AIRPORT COMMISSION

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Its: Chairperson

STATE OF SOUTH CAROLINA    )  
  )  
COUNTY OF COLLETON         )

PROBATE

PERSONALLY appeared before me \_\_\_\_\_ (Witness No.1) who being first duly sworn, deposes and states that s/he saw the within Walterboro-Colleton County Airport Commission, by Becky Hill, its Chairperson, sign, executed, and as its act and deed deliver the within written, COMMERCIAL GROUND LEASE WITH SURRENDER OF IMPROVEMENTS and that she/he with \_\_\_\_\_ (Witness No.2) witnessed the execution thereof.

\_\_\_\_\_  
(Signature, Witness No. 1)

SWORN to before me, this  
\_\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_  
Notary Public for South Carolina  
My Commission Expires: \_\_\_\_\_

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

LOWCOUNTRY AVIATION COMPANY  
MAINTENANCE, REPAIR AND OVERHAUL,  
LLC

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Its: President

STATE OF SOUTH CAROLINA    )  
  )  
COUNTY OF COLLETON        )

PROBATE

PERSONALLY appeared before me \_\_\_\_\_ (Witness No. 1) who being first duly sworn, deposes and states that s/he saw the within Lowcountry Aviation Company Maintenance, Repair and Overhaul, LLC, by \_\_\_\_\_, its President, sign, executed, and as its act and deed deliver the within written COMMERCIAL GROUND LEASE WITH SURRENDER OF IMPROVEMENTS, and that s/he with \_\_\_\_\_ (Witness No. 2) witnessed the execution thereof.

\_\_\_\_\_  
(Signature, Witness No. 1)

SWORN to before me, this  
\_\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_  
Notary Public for South Carolina  
My Commission Expires: \_\_\_\_\_

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

COUNTY OF COLLETON

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Its: Chairman \_\_\_\_\_

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF COLLETON )

PROBATE

PERSONALLY appeared before me \_\_\_\_\_ (Witness No.1) who being first duly sworn, deposes and states that s/he saw the within County of Colleton, by \_\_\_\_\_ its Chairman, sign, executed, and as its act and deed deliver the within written, COMMERCIAL GROUND LEASE WITH SURRENDER OF IMPROVEMENTS and that she/he with \_\_\_\_\_ (Witness No.2) witnessed the execution thereof.

\_\_\_\_\_  
(Signature, Witness No. 1)

SWORN to before me, this  
\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_  
Notary Public for South Carolina  
My Commission Expires: \_\_\_\_\_



SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

CITY OF WALTERBORO

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Its: Mayor

STATE OF SOUTH CAROLINA    )  
  )  
COUNTY OF COLLETON         )

PROBATE

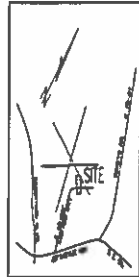
PERSONALLY appeared before me \_\_\_\_\_ (Witness No.1) who  
being first duly sworn, deposes and states that s/he saw the within City of Walterboro, by  
\_\_\_\_\_, its Mayor, sign, executed, and as its act and deed deliver the  
within written, COMMERCIAL GROUND LEASE WITH SURRENDER OF IMPROVEMENTS and that  
she/he with \_\_\_\_\_ (Witness No.2) witnessed the execution thereof.

\_\_\_\_\_  
(Signature, Witness No. 1)

SWORN to before me, this  
\_\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_  
Notary Public for South Carolina  
My Commission Expires: \_\_\_\_\_

EXHIBIT "1"



VICINITY MAP

**PROPERTY DESCRIPTION**

1. THE PROPERTY LIES IN A PLANNED ZONE "P" AS SHOWN ON THE ZONING MAP OF THE CITY OF WALTERSBORO, MAINE, AND IS SUBJECT TO THE ZONING REGULATIONS THEREOF.

2. THE PROPERTY IS LOCATED IN AN UNINCORPORATED AREA OF THE STATE OF MAINE, AND IS SUBJECT TO THE ZONING REGULATIONS OF THE STATE OF MAINE.

3. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL LAWS, REGULATIONS AND ORDINANCES.

4. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL TAXES.

5. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL DEBTS AND LIABILITIES.

6. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

7. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

8. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

9. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

10. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

**P. C. OGDEN SURVEY**  
 18-00-00-00  
 18-00-00-00

**GENERAL INFORMATION**

1. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL LAWS, REGULATIONS AND ORDINANCES.

2. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL TAXES.

3. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL DEBTS AND LIABILITIES.

4. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

5. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

6. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

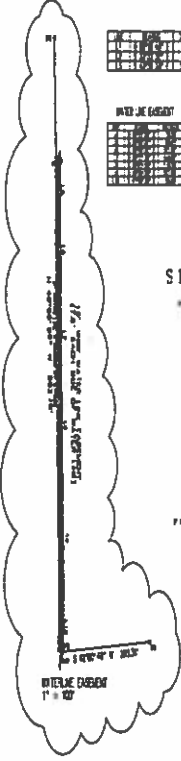
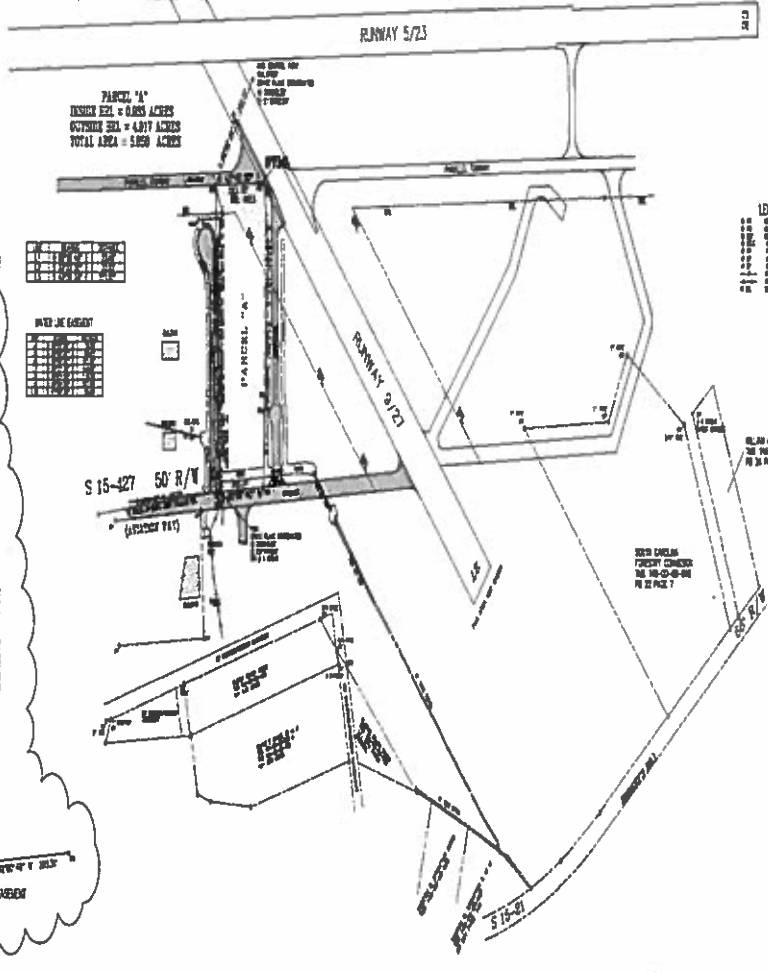
7. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

8. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

9. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

10. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

READING INCHES



1. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL LAWS, REGULATIONS AND ORDINANCES.

2. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL TAXES.

3. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL DEBTS AND LIABILITIES.

4. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

5. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

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9. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

10. THE PROPERTY IS SUBJECT TO ALL APPLICABLE STATE AND FEDERAL EASEMENTS AND RIGHTS.

**BOUNDARY SURVEY OF PROJECT "A"**  
**A PORTION SURVEYED FOR 00-00-00-00H**  
**WALTERSBORO - CONSUMERS PROPERTY HOLDINGS COMMISSION**  
**WALTERSBORO, MAINE**

**F.L.S. FOWLER LAND SURVEYING**  
**7088 BURNING TREE BLVD.**  
**WALTERSBORO, MAINE 04557**

**DATE: 10/15/2018**

**BY: [Signature]**

**EXHIBIT "2"**

RESERVATIONS, RESTRICTIONS, EQUITABLE RESTRICTIONS, COVENANTS, CONDITIONS, RESERVED EASEMENTS AND AFFIRMATIVE OBLIGATIONS IMPOSED IN CONNECTION WITH THE LEASE OF CERTAIN REAL ESTATE LOCATED AT LOWCOUNTRY REGIONAL AIRPORT BY THE WALTERBORO – COLLETON COUNTY AIRPORT COMMISSION, COUNTY OF COLLETON, AND CITY OF WALTERBORO TO LOWCOUNTRY AVIATION COMPANY MAINTENANCE, REPAIR AND OVERHAUL, LLC DATED JUNE \_\_\_\_\_, 2016.

The Lessor make the following reservations and impose the following restrictions, equitable restrictions, covenants, conditions, reserved easements, and affirmative obligations on the leased premises, and these reservations, easements, restrictions, equitable restrictions, covenants and affirmative obligations shall be enforceable by the Lessor herein for the term of the Lease.

1. Lessor reserves unto itself, its successors and assigns, for its benefit and the benefit of the public a right-of-flight for the passage of aircraft in the airspace above the surface of the real estate leased by this lease, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for the navigation of, or flight in said airspace, and further reserve use of said airspace for landing on, taking off from, and operation of the Lowcountry Regional Airport.

2. No structure or object, whether natural or manmade, may be placed upon or allowed to remain upon the leased premises of a height exceeding one hundred thirty-eight (138) feet above mean sea level (Note: Lowcountry Regional Airport is ninety-six (96) feet above mean sea level). Your buildings shall not exceed forty-two (42) feet in height above ground level.

3. All structures, objects of natural growth and other obstructions now or in the future located on the leased premises shall comply with the height restrictions in Federal Aviation Regulations, Part 77, as the same may be amended from time to time.

4. No use may be made of or permitted on the leased premises that would interfere with landing or taking off of aircraft at the Lowcountry Regional Airport, or otherwise constitute an airport hazard to aviation taking place in the airspace above the leased premises.

5. The access to or use of taxiways joining or part of the Lowcountry Regional Airport from the leased premises will be governed by the "grant of access" policy of Walterboro-Colleton County Airport Commission, dated July 2, 1981, as the same may be amended from time to time and Lessee agrees for itself and its successors and assigns to be bound by the "grant of access" policy of the Walterboro-Colleton County Airport Commission, dated July 2, 1981, as the same may be amended from time to time, which "grant of access" policy is incorporated herein by reference.

These reservations, restrictions, equitable restrictions, covenants, conditions, reserved easements and affirmative obligations shall be binding upon Lessee and Lessee's successors in interest in the leased premises. Lessee expressly agrees on behalf of Lessee and Lessee's heirs, successors and assigns to prevent any use of the leased premises that would violate or fail fully to comply with any of the uses of the restrictions, equitable restrictions, covenants, conditions, reserved easements and affirmative obligations set out herein.

LESSOR INITIALS: \_\_\_\_\_

DATE: \_\_\_\_\_

LESSEE INITIALS: \_\_\_\_\_

DATE: \_\_\_\_\_

Ordinance # 2016-11

AN ORDINANCE AUTHORIZING THE CITY OF WALTERBORO TO JOIN WITH COLLETON COUNTY AND THE WALTERBORO-COLLETON COUNTY AIRPORT COMMISSION TO CONVEY BY QUIT CLAIM DEED UNTO SEALCRAFT CORPORATION, AS THE GRANTEE, ALL OF ITS RIGHTS, TITLES AND INTERESTS, INCLUDING BUT NOT LIMITED TO ANY AND ALL REVERSIONARY INTEREST, IN AND TO THE FIVE (5.00) ACRE, MORE OR LESS, TRACT OF LAND, SITUATED IN COLLETON COUNTY, SOUTH CAROLINA, AND BEING LOCATED IN THE INDUSTRIAL AREA AT 418 WELLSTON CIRCLE, WALTERBORO, SOUTH CAROLINA 29488, AND BEING DESIGNATED AS COLLETON COUNTY TMS NUMBER 132-00-00-019, AND NOW OWNED BY SEALCRAFT CORPORATION

WHEREAS, the below described property was conveyed by the Walterboro-Colleton County Airport Commission, the Town of Walterboro and the County of Colleton to Southern Realty and Construction Company, Inc. by deed dated September 27, 1972 and recorded September 29, 1972 in Book 167 at page 158 in the Office of the Clerk of Court for Colleton County, South Carolina; and

WHEREAS, that deed contained certain conditions, restrictions and a reversionary clause that stated in part if the grantee, its successors and assigns, should fail to use the property conveyed herein for industrial purposes on a regular basis, the land would revert back to the grantors, their successors or assigns, provided the grantors met certain conditions; and

WHEREAS, SealCraft Corporation, A South Carolina Corporation has requested that the Walterboro-Colleton County Airport Commission, the City of Walterboro and the County of Colleton convey to SealCraft Corporation, A South Carolina Corporation by Quit Claim Deed for a consideration of Five and 00/100 (\$5.00) Dollars all of its right, title and interest, including but not limited to any and all reversionary interests, in and to the below described Five (5.00) acre, more or less tract, now owned by SealCraft Corporation, A South Carolina Corporation; and

WHEREAS, the Walterboro-Colleton County Airport Commission is in agreement with the execution and recording a Quit Claim Deed with respect to the below described property unto and in favor of SealCraft Corporation, A South Carolina Corporation under the terms as stated above and has requested that the City of Walterboro and the County of Colleton join in and transfer and convey for a consideration of Five and 00/100 (\$5.00) Dollars to SealCraft Corporation, A South Carolina Corporation all by its resolution adopted at a meeting duly held,

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WALTERBORO, IN COUNCIL ASSEMBLED, AS FOLLOWS:

Section 1

That the City of Walterboro join with the County of Colleton and the Walterboro-Colleton County Airport Commission in executing a Quit Claim Deed to SealCraft Corporation, A South Carolina Corporation for a consideration of Five and no/100 Dollars (\$5.00) the following described property:

All that certain piece, parcel or tract of land, with the buildings and improvements thereon, situate, lying and being in the Industrial Area, a portion of the Old Walterboro Air Field, in the County of Colleton, State of South Carolina, containing five (5.00) acres, more or less, and which is more particularly described on a plat by W. Gene Whetsell, R.L.S. 3131, dated July 20, 1972, and recorded in the Office of the Clerk of Court for Colleton County in Plat Book

14, at Page 54, said plat being incorporated herein as part of this description, and said tract of land being a semicircle in shape and being bounded now and formerly as follows: On the Northeast by lands of Walterboro Colleton Airport Commission and on all other sides by a road as shown on said plat referred to above as Wellston Circle which separates this tract from other lands of Walterboro Colleton Airport Commission.

TMS No.: 132-00-00-019

Property Address: 418 Wellston Circle, Walterboro, SC 29488

**Section 2**

That the Quit Claim Deed conveying said property to SealCraft Corporation, A South Carolina Corporation be made subject to all conditions and restrictions contained in the deed from the Walterboro-Colleton County Airport Commission, the Town of Walterboro and the County of Colleton to Southern Realty and Construction Company, Inc. dated September 27, 1972 and recorded September 29, 1972 in Deed Book 167 at page 158 in the Office of the Clerk of Court for Colleton County, South Carolina, but not subject to reversionary interest retained by the Grantors in said deed and subject to all other Easements, Restrictions and Rights of Way of record.

**Section 3**

That the Mayor and City Clerk of the City of Walterboro be, and they are, hereby authorized, empowered and directed on behalf of the City of Walterboro to execute and deliver said Deed, and to execute such other documents as may be necessary or desirable in connection with the execution and delivery of said Quit Claim Deed.

**Section 3**

That the proceeds from the sale of the property be retained by the Walterboro-Colleton County Airport Commission.

ADOPTED, THIS 3<sup>rd</sup> DAY OF JANUARY, 2017.

\_\_\_\_\_  
William T. Young, Jr.  
Mayor

ATTEST:

\_\_\_\_\_  
Betty J. Hudson  
City Clerk

First Reading By Title Only: November 1, 2016  
Public Hearing: January 3, 2017  
Second Reading: \_\_\_\_\_

**STATE OF SOUTH CAROLINA            )**  
**)**                   **QUIT CLAIM DEED**  
**COUNTY OF COLLETON                )**

WHEREAS, the below described property was conveyed by the Walterboro-Colleton County Airport Commission, The Town of Walterboro and the County of Colleton to Southern Realty and Construction Company, Inc. by deed dated September 27, 1972 and recorded September 29, 1972 in Book 167 at page 158 in the Office of the Clerk of Court for Colleton County, South Carolina; and

WHEREAS, that deed contained certain conditions, restrictions and a reversionary clause that stated in part if the grantee, it successors and assigns, should fail to use the property conveyed herein for industrial purposes on a regular basis the land would revert back to the grantors, their successors or assigns, provided the grantors met certain conditions; and

WHEREAS, SealCraft Corporation, A South Carolina Corporation has requested that the Walterboro-Colleton County Airport Commission, The City of Walterboro and the County of Colleton convey to SealCraft Corporation, A South Carolina Corporation by quit claim deed for a consideration of Five and 00/100 (\$5.00) Dollars all of its right, title and interest, including but not limited to any and all reversionary interests, in and to the below described Five (5.00) acre, more or less, tract now owned by SealCraft Corporation, A South Carolina Corporation; and

WHEREAS, the Walterboro-Colleton County Airport Commission is in agreement with the execution and recording of the within Quit Claim Deed with respect to the below described property unto and in favor of SealCraft Corporation, A South Carolina Corporation under the terms as stated above and has requested that the City of Walterboro and the County of Colleton join in and transfer and convey for a consideration of Five and 00/100 (\$5.00) Dollars to SealCraft Corporation, a South Carolina corporation all by its resolution adopted at a meeting held on \_\_\_\_\_; and

WHEREAS, City Council of the City of Walterboro acting on said request approved the execution of this deed on behalf of the City by Ordinance adopted \_\_\_\_\_; and

WHEREAS, the County Council of the County of Colleton acting on said request approved the execution of this deed on behalf of the County by Ordinance adopted \_\_\_\_\_;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that **Walterboro-Colleton County Airport Commission, the City of Walterboro and the County of Colleton (Grantors)** in the State aforesaid, for and in consideration of the sum of **Five and 00/100 (\$5.00) DOLLARS**, to us in hand paid by **SealCraft Corporation, A South Carolina Corporation (Grantee)**, the receipt whereof is hereby acknowledged, have granted, bargained, sold, quit-claimed, and released, and by these presents do grant, bargain, sell, quit-claim and release unto the said **SealCraft Corporation, A South Carolina Corporation**, its successors and assigns, forever, all of our right, title and interest including but not limited to any and all reversionary interests in and to the below described property:

**SUBJECT TO EASEMENTS, RESTRICTIONS AND RIGHTS OF WAY OF RECORD, SUBJECT TO ALL OTHER CONDITIONS AND RESTRICTIONS CONTAINED**

IN DEED BOOK 167 AT PAGE 158 RECORDED IN THE OFFICE OF THE CLERK OF COURT FOR COLLETON COUNTY, SOUTH CAROLINA, BUT NOT SUBJECT TO THE REVERSIONARY INTEREST RETAINED BY THE GRANTORS IN THAT DEED.

**SEE EXHIBIT "A" ATTACHED HERETO FOR LEGAL DESCRIPTION**

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the said premises belonging or in any wise incident or appertaining.

TO HAVE AND TO HOLD unto the said **SealCraft Corporation, A South Carolina Corporation**, its successors and assigns forever all our right, title and interest including but not limited to any and all reversionary interests, so that neither us, the said Grantors, nor our Successors or Assigns, nor any other person or persons, claiming under us, shall at any time hereafter, by any way or means, have any claim or demand any right or title to the aforesaid premises or appurtenances, or any part or parcel thereof.

SIGNATURE PAGES FOLLOW





Signature Page  
for  
Quit Claim Deed  
From  
Walterboro-Colleton County Airport Commission,  
the City of Walterboro and the County of Colleton  
to  
SealCraft Corporation

WITNESS the Hand and Seal of the undersigned Grantor this the \_\_\_\_ day of \_\_\_\_\_, in the year of our Lord Two Thousand Sixteen (2016).

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

City of Walterboro (Grantor)

\_\_\_\_\_

By: William T. Young, Jr.  
Its: Mayor

\_\_\_\_\_

By: Betty J. Hudson  
Its: Clerk

**STATE OF SOUTH CAROLINA )**  
**)**  
**COUNTY OF COLLETON )**

**ACKNOWLEDGMENT**

I, the undersigned Notary Public, do hereby certify that **City of Walterboro by and through William T. Young, Jr., Its Mayor and by and through Betty J. Hudson, Its Clerk,** personally appeared before me this day and acknowledged the due execution of the foregoing instrument, and who is personally known to me, or who has proved to me on the basis of Satisfactory evidence to be the person who executed the foregoing instrument.

Witness my hand and official seal this the \_\_\_\_ day of \_\_\_\_\_, 2016.

Sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_(Seal)  
Signature of Notary Public  
Printed Name: \_\_\_\_\_  
Notary Public for the State of South Carolina  
My Commission Expires: \_\_\_\_\_

Signature Page  
for  
Quit Claim Deed  
From  
Walterboro-Colleton County Airport Commission,  
the City of Walterboro and the County of Colleton  
to  
SealCraft Corporation

WITNESS the Hand and Seal of the undersigned Grantor this the \_\_\_\_ day of \_\_\_\_\_, in the year of our Lord Two Thousand Sixteen (2016).

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

County of Colleton (Grantor)

\_\_\_\_\_

By:  
Its: Chairman County Council

\_\_\_\_\_

By: Ruth Mayer  
Its: Clerk to Council

STATE OF SOUTH CAROLINA )  
  )  
COUNTY OF COLLETON )

ACKNOWLEDGMENT

I, the undersigned Notary Public, do hereby certify that **County of Colleton** by and through \_\_\_\_\_, **Chairman of County Council** and by and through **Ruth Mayer, Its Clerk to Council** personally appeared before me this day and acknowledged the due execution of the foregoing instrument, and who is personally known to me, or who has proved to me on the basis of Satisfactory evidence to be the person who executed the foregoing instrument.

Witness my hand and official seal this the \_\_\_\_ day of \_\_\_\_\_, 2016.

Sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_, 2016

\_\_\_\_\_(Seal)  
Signature of Notary Public  
Printed Name: \_\_\_\_\_  
Notary Public for the State of South Carolina  
My Commission Expires: \_\_\_\_\_

**GRANTEE'S ADDRESSES:**

**SealCraft Corporation**

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**Return Original Deed to:**

**Thomas I. Howard  
Attorney at Law  
P.O. Box 693  
Walterboro, SC 29488  
File No. 16-6479.abs**

**Exhibit "A"**  
**Legal Description**

All that certain piece, parcel or tract of land, with the buildings and improvements thereon, situate, lying and being in the Industrial Area, a portion of the Old Walterboro Air Field, in the County of Colleton, State of South Carolina, containing five (5) acres, more or less, and which is more particularly described on a plat by W. Gene Whetsell, R.L.S. 3131, dated July 20, 1972, and recorded in the Office of the Clerk of Court for Colleton County in Plat Book 14, at Page 54, said plat being incorporated herein as part of this description, and said tract of land being a semicircle in shape and being bounded now and formerly as follows: On the Northeast by lands of Walterboro Colleton Airport Commission and on all other sides by a road as shown on said plat referred to above as Wellston Circle which separates this tract from other lands of Walterboro Colleton Airport Commission.

TMS No.: 132-00-00-019

Property Address: 418 Wellston Circle, Walterboro, SC 29488

**ORDINANCE # 2017-01**

**AN ORDINANCE TO AMEND THE FY 2016-2017 CITY OF WALTERBORO, SOUTH CAROLINA BUDGET ORDINANCE # 2016-04 TO PROVIDE FOR THE ESTABLISHMENT OF A NEW POSITION, ASSISTANT CITY MANAGER.**

**WHEREAS**, the fiscal year 2016-2017 budget was adopted with the passage of Ordinance # 2016-04 on June 7, 2016; and

**WHEREAS**, the Mayor and City Council has determined that a need exists to amend said budget.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Council of the City of Walterboro, South Carolina, that the fiscal year 2016-2017 Budget shall be amended as follows:

1. Establishment of an Assistant City Manager position under the City Manager budget increasing General Fund expenditures by \$31,658 shall be authorized in the departmental line items specified on the attached table.
2. Elimination of the position of Director of Planning and Codes under the Planning Department, decreasing General Fund expenditures by \$31,658 shall be authorized in the departmental line items specified on the attached table.

With no amendment to the General Fund budget expenditures established for Fiscal Year 2016-2017.

**ADOPTED**, this \_\_\_\_\_ day of February, 2017.

\_\_\_\_\_  
William T. Young, Jr.  
Mayor

ATTEST:

\_\_\_\_\_  
Betty J. Hudson  
Municipal Clerk

**CITY OF WALTERBORO  
FY 2016-2017 BUDGET  
SUMMARY SHEET BY CATEGORY**

Attachment to Ordinance # 2017-01

LINE ITEM	APPROVED FY 2016-2017 BUDGET	RECOMMENDED FY 2016-2017 BUDGET AMENDMENT	VARIANCE ORIGINAL VS AMENDED BUDGET
<b><u>REVENUE</u></b>			
<b>GENERAL FUND</b>	<b>\$ 6,747,362</b>	<b>\$ 6,747,362</b>	<b>\$ -</b>
<b><u>EXPENDITURES</u></b>			
<b>CITY COUNCIL</b>			
PERSONNEL	\$ 132,640	\$ 132,640	\$ -
OPERATING	\$ 41,300	\$ 41,300	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 173,940</b>	<b>\$ 173,940</b>	<b>\$ -</b>
<b>CITY MANAGER</b>			
PERSONNEL	\$ 206,092	\$ 237,750	\$ 31,658
OPERATING	\$ 10,500	\$ 10,500	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 216,592</b>	<b>\$ 248,250</b>	<b>\$ 31,658</b>
<b>FINANCE</b>			
PERSONNEL	\$ 181,603	\$ 181,603	\$ -
OPERATING	\$ 137,498	\$ 137,498	\$ -
CAPITAL	\$ 53,000	\$ 53,000	\$ -
<b>SUBTOTAL</b>	<b>\$ 372,101</b>	<b>\$ 372,101</b>	<b>\$ -</b>
<b>PUBLIC WORKS</b>			
PERSONNEL	\$ 498,187	\$ 498,187	\$ -
OPERATING	\$ 393,230	\$ 393,230	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 891,417</b>	<b>\$ 891,417</b>	<b>\$ -</b>
<b>PLANNING &amp; CODES</b>			
PERSONNEL	\$ 235,528	\$ 203,870	\$ (31,658)
OPERATING	\$ 25,050	\$ 25,050	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 260,578</b>	<b>\$ 228,920</b>	<b>\$ (31,658)</b>
<b>POLICE</b>			
PERSONNEL	\$ 2,091,476	\$ 2,091,476	\$ -
OPERATING	\$ 335,016	\$ 335,016	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 2,426,492</b>	<b>\$ 2,426,492</b>	<b>\$ -</b>
<b>JUDICIAL</b>			
PERSONNEL	\$ 157,069	\$ 157,069	\$ -
OPERATING	\$ 37,914	\$ 37,914	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 194,983</b>	<b>\$ 194,983</b>	<b>\$ -</b>

**CITY OF WALTERBORO  
FY 2016-2017 BUDGET  
SUMMARY SHEET BY CATEGORY**

LINE ITEM	APPROVED FY 2016-2017 BUDGET	RECOMMENDED FY 2016-2017 BUDGET AMENDMENT	VARIANCE ORIGINAL VS AMENDED BUDGET
<b>FIRE</b>			
PERSONNEL	\$ 924,619	\$ 924,619	\$ -
OPERATING	\$ 222,351	\$ 222,351	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 1,146,970</b>	<b>\$ 1,146,970</b>	<b>\$ -</b>
<b>SANITATION</b>			
PERSONNEL	\$ -	\$ -	\$ -
OPERATING	\$ -	\$ -	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PARKS</b>			
PERSONNEL	\$ 308,666	\$ 308,666	\$ -
OPERATING	\$ 127,695	\$ 127,695	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 436,361</b>	<b>\$ 436,361</b>	<b>\$ -</b>
<b>TOURISM</b>			
PERSONNEL	\$ 102,866	\$ 102,866	\$ -
OPERATING	\$ 36,500	\$ 36,500	\$ -
<b>SUBTOTAL</b>	<b>\$ 139,366</b>	<b>\$ 139,366</b>	<b>\$ -</b>
<b>NON DEPARTMENTAL</b>	<b>\$ 211,657</b>	<b>\$ 211,657</b>	<b>\$ -</b>
<b>RESERVE ACCOUNTS</b>	<b>\$ 276,905</b>	<b>\$ 276,905</b>	<b>\$ -</b>
<b>TOTAL ALL EXPENDITURES</b>	<b>\$ 6,747,362</b>	<b>\$ 6,747,362</b>	<b>\$ -</b>
<b>GENERAL FUND - FUND BALANCE</b>			\$ -
<b>BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>





**MEMORANDUM**

**TO:** Mayor and City Council  
**FROM:** City Manager  
**DATE:** December 28, 2016  
**SUBJECT:** Walterboro WWTP Biosolids Handling Improvements

The Utilities Department recently accepted bids to upgrade the Wastewater Treatment Plant. The project will greatly enhance the City's ability to more efficiently manage disposal of sludge that is generated at the WWTP. The City received four (4) bids for the project:

<u>Contractor</u>	<u>Bid</u>
Wharton-Smith, Inc. (Charlotte, NC)	\$3,644,000.00
BRW Construction Group, LLC (Savannah, GA)	\$3,857,000.00
M B Kahn Construction Co., Inc. (Columbia, SC)	\$3,898,898.00
State Utility Contractors, Inc. (Monroe, NC)	\$4,054,000.00

The City's engineer, AECOM has evaluated the construction experience of the bidders and recommends the lowest bidder, Wharton-Smith, Inc. (Charlotte, NC) in the amount of \$3,644,000.00. The project will be funded from the following sources:

EDA Grant - \$2,040,000  
South Carolina Rural Infrastructure Authority Grant - \$500,000  
South Carolina Clean Water State Revolving Fund Loan (1.8%) - \$1,104,000

City staff asks for Council's favorable consideration of this request. If you have any questions, comments or concerns, please do not hesitate to contact me or come by City Hall at your convenience.

Sincerely,

Jeffrey P. Molinari  
City Manager

Attachments



**CERTIFIED AS A TRUE AND CORRECT  
TABULATION OF BIDS RECEIVED**

---

Eric W. King  
Senior Project Manager, Water

**CERTIFIED BIDS RECEIVED**

**PROJECT:** Walterboro WWTP Biosolids Handling Improvements  
for the City of Walterboro

**URS PROJECT NO.:** 60430544

**PLACE:** City of Walterboro  
Council Chambers  
242 Hampton Street  
Walterboro, SC 29488

**DATE:** December 14, 2016

**TIME:** 10:00 AM

CONTRACTOR		AMOUNT OF BID	ORDER OF BIDS
Wharton-Smith, Inc.	Charlotte, NC	\$3,644,000.00	1
BRW Construction Group, LLC	Savannah, GA	*\$3,857,000.00	2
M B Kahn Construction Co., Inc.	Columbia, SC	\$3,898,898.00	3
State Utility Contractors, Inc.	Monroe, NC	\$4,054,000.00	4

\*\*\*The bid amount was corrected from the total read at the bid opening based upon checking the prices submitted in accordance with the Bid Document requirements. "



AECOM  
101 Research Drive  
Columbia, SC 29203

803.254.4400 tel  
803.771.6676 fax

20 December 2016

Mr. Wayne Crosby  
Director of Utilities  
City of Walterboro  
242 Hampton Street  
PO Box 709  
Walterboro, SC 29488

RE: Walterboro WWTP Biosolids Handling Improvements  
for the City of Walterboro  
URS / AECOM Project No. 60430544

Dear Wayne,

This letter represents the recommendations of this office concerning the award of a contract by the City of Walterboro for the referenced project at the City's WWTP. Four (4) bids were received on December 14, 2016 at 10:00 AM in the City of Walterboro, Council Chambers, 242 Hampton Street, Walterboro, SC 29488. Each bid was publicly opened and read aloud. The bids are as follows:

Contractor		Amount of Bid	Order of Bid
Wharton-Smith, Inc.	Charlotte, NC	\$3,644,000.00	1
BRW Construction Group, LLC	Savannah, GA	\$3,857,000.00	2
M B Kahn Construction Co., Inc.	Columbia, SC	\$3,898,898.00	3
State Utility Contractors, Inc.	Monroe, NC	\$4,054,000.00	4

It is the opinion of this office that the low bidder meets the requirements set forth in the Information for Bidders in the bid documents. Thus, in accordance with Section 00100, Paragraph 16 - Method of Award - Lowest Qualified Bidder, we recommend the contract for the Walterboro WWTP Biosolids Handling Improvements for the City of Walterboro be awarded to Wharton-Smith, Inc. in the amount of \$3,644,000.00. We have enclosed for you a copy of the certified tabulation of bids and the Notice of Intent to Award. Please sign the Notice of Intent to Award and post in the City's Council Chambers. Should you have any questions, please do not hesitate to contact us.

Very truly yours,

J. Clint Riley, IV, PE  
Wastewater Project Engineer, Water Resources  
AECOM Technical Services, Inc.

Cc: Eric W. King, AECOM

Enclosures

SECTION 00400.4

NOTICE OF INTENT TO AWARD

OWNER: City of Walterboro  
242 Hampton Street  
Walterboro, SC 29488

SRF PROJECT NO.: 441-08

EDA PROJECT NO.: 04-01-07114

PROJECT DESCRIPTION: Wastewater System Improvements for the City of Walterboro  
Walterboro WWTP Biosolids Handling Improvements

TO ALL BIDDERS:

This is to notify all bidders that it is the intent of the Owner to award a contract as follows:

NAME OF BIDDER: Wharton-Smith, Inc.  
DATE BIDS WERE RECEIVED: December 14, 2016  
AMOUNT OF BASE BID: \$3,644,000.00  
ALTERNATE(S) ACCEPTED: # \$  
TOTAL AMOUNT OF BASE BID WITH ALTERNATE(S): \$3,644,000.00

The Owner has determined that the above named Bidder is responsible and has submitted the lowest responsive bid. The Owner may enter into a contract with this Bidder subject to the contract review by the US Department of Commerce, Economic Development Administration and the SC Department of Health and Environmental Control, State Revolving Fund Section.

\_\_\_\_\_  
(Print or Type Name)

\_\_\_\_\_  
(Award Authority Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date Posted)

-----  
**POST A COPY OF THIS FORM AT THE LOCATION ANNOUNCED AT THE BID OPENING**



## MEMORANDUM

---

**TO:** Mayor and City Council

**FROM:** City Manager

**DATE:** December 29, 2016

**SUBJECT:** Construction Observation Services for Walterboro WWTP Biosolids Handling Upgrade

I have attached a proposal from the City's engineer, AECOM, for construction observation services for the wastewater treatment plant upgrade project in the amount of \$96,000. There is sufficient capacity in the Water Consumer Deposit account to fully fund construction observation services. City staff asks for Council's favorable consideration of this request. If you have any questions, comments or concerns, please do not hesitate to contact me or come by City Hall at your convenience.

Sincerely,

Jeffrey P. Molinari  
City Manager

Attachment

## **AMENDMENT TO INDIVIDUAL TASK ORDER No. 36**

### **A. Description of Project**

#### **1. The Project consist of the following:**

- Construction Observation Services for Task Order No. 36 related to the Walterboro WWTP Biosolids Handling Upgrade.

### **B. Scope of Services**

#### **1. Construction Observation**

The ENGINEER shall act as the OWNER's representative during the construction period of the various projects. The ENGINEER and the OWNER shall jointly decide questions that may arise as to quality and acceptability of materials furnished and work performed by the contractor. The ENGINEER shall make visits to the site at intervals appropriate to the various stages of construction, as the ENGINEER deems necessary in order to observe the progress and quality of the various aspects of the contractor's work. In addition, the ENGINEER shall provide the services of a Project Representative at the site to provide more continuous observation of such work. Based on information obtained during such visits and on such observations, the ENGINEER shall endeavor to determine, in general, if such work is proceeding in accordance with the Project plans and specifications.

- a. The Project Representative will be the ENGINEER's agent or employee and under the ENGINEER's supervision. The duties and responsibilities of the Project Representative are set forth in Attachment "B" of the *General Agreement for Professional Engineering Services* of which this Exhibit is a part.
- b. The purpose of the ENGINEER's visits and representation by the Project Representative at the site will be to enable the ENGINEER to meet the requirements of the South Carolina Department of Health and Environmental Control's "Permit to Construct" and to provide the OWNER a greater degree of confidence that the completed work of the contractor will conform generally to the Project plans and specifications

and that the integrity of the design concept as reflected in the Project plans and specifications has been implemented and preserved by the contractor. On the other hand, the ENGINEER shall not, during such visits or as a result of such observations of the contractor's work, supervise, direct or have control over the contractor's work nor shall the ENGINEER have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by the contractor, for safety precautions and programs incident to the work of the contractor or for any failure of the contractor to comply with laws, rules, regulations, ordinances, codes or orders applicable to the contractor furnishing or performing its work. Accordingly, the ENGINEER can neither guarantee the performance of the construction contracts by the contractor nor assume responsibility for the contractor's failure to furnish and perform its work in accordance with the contract documents.

**C. Compensation**

Compensation to the ENGINEER for the services outlined above shall be in accordance with the following:

1. For services rendered under Item B.1 – Construction Observation, compensation to the ENGINEER shall be on an hourly basis in accordance with the Hourly Rate Schedule of Attachment “A” of the *General Agreement for Professional Engineering Services* of which this Exhibit is a part for a Not to Exceed Fee of \$96,000. This fee is based on a 52-week construction period and an average of 20 hours of construction observation per week. Should construction exceed 52-weeks, compensation for the additional service would be due the ENGINEER based on the Hourly Rate Schedule of Attachment "A" of the *General Agreement for Professional Engineering Services* of which this Exhibit is a part.

This Agreement formally entered into and agreed upon this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

URS

  
R. Thomas Haselden, Jr., P.E.  
Vice President

ATTEST:



**City of Walterboro**

\_\_\_\_\_  
Jeffrey P. Molinari  
City Manager

ATTEST:

\_\_\_\_\_



SOUTH CAROLINA )  
 )  
COLLETON COUNTY ) **MEMORANDUM OF UNDERSTANDING AND  
AGREEMENT BETWEEN THE CITY OF  
WALTERBORO AND COLLETON COUNTY**

THIS MEMORANDUM OF UNDERSTANDING AND AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between the City of Walterboro and Colleton County, South Carolina.

WHEREAS, it is the desire of the jurisdictions to partner in the provision of required building code inspection and plan review of residential and commercial buildings for the City of Walterboro for the purpose of providing code compliance for construction; and

WHEREAS, the City of Walterboro and Colleton County Councils recognize the positive influence this agreement will have on the quality of life for residents of the City of Walterboro, and desire to provide essential services through inspections and plan review; and

WHEREAS, City of Walterboro agrees to reimburse Colleton County for the cost of inspections and plan review as indicated below;

NOW, THEREFORE, in consideration of the services and agreement described herein, the parties hereto agree as follows:

1. City of Walterboro agrees to compensate Colleton County for provision of services in the amount of \$40.00 per hour.
2. City of Walterboro shall call-in all inspection requests to the Colleton County Department of Planning and Zoning.
3. City of Walterboro and Colleton County agree that services for inspections and plan review will be handled by state licensed inspectors and plans examiners, as required by South Carolina LLR.
4. The intergovernmental agreement will continue in force until June 30, 2017, unless terminated sooner, in writing, by either party. This agreement may be terminated without prior notice or extended by written request of the Walterboro City Manager or Colleton County designee upon Walterboro's employment of its own Building Official or upon Colleton County's inability to provide said inspection services.

IN WITNESS WHEREOF WE THE UNDERSIGNED have this \_\_\_\_\_ day of \_\_\_\_\_, 2017, set our hand and seal hereon.

City of Walterboro

WITNESSES:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
\_\_\_\_\_

Colleton County

WITNESSES:

\_\_\_\_\_  
Chairman

\_\_\_\_\_  
\_\_\_\_\_

# **NOTICE OF ANNUAL RETREAT**

## **Walterboro City Council**

Walterboro City Council will conduct its 2017 City Council Planning Retreat beginning Friday, January 27, 2017 and running through Saturday, January 28, 2017 to be held at: Wampee Conference Center, 1190 Chicora Drive, Pinopolis, SC 29469. No formal action will be taken on any item at this retreat. Any action items will be brought back to a regular Council meeting for Council's consideration.