International Drive Status Update (as of 10/21/2014)

Project Scope: Pave and widen approximately 5 ½ miles of roadway between SC Hwy 90 and

River Oaks Drive (near SC 31 / Carolina Bays Parkway) in the fast-growing Carolina Forest area to provide an alternate evacuation route for area residents and to reduce congestion on US Hwy 501 between Conway and Carolina Forest

/ SC 31 / Carolina Bays Parkway.

Original estimated cost: \$6.5M (for two-lane roadway)

Updated estimated cost: \$16.5M (for four-lane roadway*; cost includes design, permitting, r/w,

construction, CE&I, and wetland mitigation).

*Note: project will be advertised for bids as both a two-lane and a four-lane roadway (alternate bid) for the northern/western section between the power

transmission lines and Hwy 90.

Original schedule: Begin construction 2012 / Completion 2013

Updated schedule: Permits expected by the end of 2014 or early 2015. Begin construction in early

2015; completion expected one year after the start of construction

Project History:

November 2009 Design, right-of-way and permitting initiated

July 2010 Original "Contract for Sale" between SCDNR and Horry County was executed

for the necessary right-of-way to construct the improvements along the north

side of the proposed alignment.

County committed to implement several "mitigation items" including the construction of three animal crossings required by SCDNR as grantor of a right-of-way (R/W) easement for International Drive. A 2013 modification to the agreement that allowed for a market-value purchase of the R/W easement from SCDNR, and it also removed the animal crossings from the project scope along with the revision of other mitigation items (details described below).

2010 - 2014 Ongoing development of engineering plans, right-of-way acquisition, and

preliminary environmental studies. Project schedule is pushed back due to the continued delays of higher priority projects within the sales tax program (SC 707 Widening and Glenn's Bay Widening and Interchange) and because of

changes to the agreement with SCDNR in 2013.

Current Status (as of October 2014):

- Design is substantially complete, right-of-way acquisition is well underway (over 60% complete), and the original environmental permit application was submitted in late November 2013 (public notice period expired on February 10, 2014).
- Comments on permit application received on May 7, 2014, and issues have been worked through directly with
 the agencies. Some comments required the installation of additional monitoring wells for the proposed offsite / permittee responsible mitigation; these monitoring wells did not perform as expected during the
 summer of 2014 and our formal response to comments have been delayed as a result. Final responses to
 comments are currently being completed and will be sent back to the ACOE by the end of October 2014.
- This timeframe will require construction to begin no earlier than early 2015. It is expected that the newly completed roadway will be open to traffic approximately one year after the start of construction.

- The current local option sales tax program revenues and project budget validation projections indicate that all projects in the program will be completed as planned (including International Drive).
- A revised intergovernmental agreement (IGA) between Horry County and SCDNR was approved by the SC Budget and Control Board on October 31, 2013. The revised IGA has allowed SCDNR to accept payment from Horry County at the appraised value of the right-of-way easement and it has reduced some of the requirements in the original contract agreement such that animal crossing structures are no longer required and standard SCDOT right-of-way fence can be used in lieu of the previously mandated 8' tall barbed wire fence.

Next steps:

- Submit response to environmental permit comments by the end of October. Response will include combination of off-site permittee responsible mitigation (approx 200), wetland credit purchase (10), and escrow for next release of credits during the fall / winter 2014 (approx 73). Approval of permit may be delayed if the ACOE requires all wetland credits to be available for purchase and use of escrow isn't allowed for the next planned release in a few months. Permits are being sought for a four-lane roadway.
- Timeframe for response will change if ACOE approves escrow payment as "permittee responsible mitigation" for all 283 credits
- Conclude remaining design, permitting, and r/w acquisition activities prior to construction