

# PICKENS COUNTY

SOUTH CAROLINA

## COUNCIL MEMBERS

CHRIS BOWERS, CHAIRMAN  
ROY COSTNER, VICE CHAIRMAN  
ALEX SAITTA, VICE CHAIR PRO-TEM  
C. CLAIBORNE LINVILL  
CHRIS LOLLIS  
HENRY WILSON



## COUNTY ADMINISTRATOR

KEN ROPER

## CLERK TO COUNCIL

MEAGAN NATIONS

## PICKENS COUNTY COMMITTEE OF THE WHOLE MEETING

**Monday, July 17, 2023**

**6:00 PM** (*Immediately following Special-Called Meeting*)

**Main Conference Room, County Administration Facility  
222 McDaniel Avenue, Pickens SC 29671**

All meetings of Pickens County Council are held in accordance with the South Carolina Freedom of Information Act, Section 30-4-70, *et seq.* of the Code of Laws of South Carolina, 1976, as amended, as well as the Organizational Rules for Pickens County Council.

1. WELCOME AND CALL TO ORDER: Chairman Chris Bowers  
INVOCATION AND PLEDGE OF ALLEGIANCE: Councilman Alex Saitta
2. COMMITTEE OF THE WHOLE:
  - a. **Log No. 214** – SEWER CAPACITY
  - b. **Log No. 211** – 2023 ATAX FUNDING APPLICATIONS
  - c. **Log No. 141** – UDSO
  - d. **Log No. 215** – COUNCIL RULES
3. ADJOURN

**Committee of the Whole Log**  
**Updated 07/10/2023**

Log Number	Description	Date Referred	Meeting Date(s)	Action
80	County Radio System	11/6/2017	2/22/2022	■ No action taken by Committee.
			10/17/2022	■ Chairman Chris Bowers made a motion to put out an RFP for either/or the Project 25 UHF Standalone System and the Project 25 800 MHz Standalone System. Motion was seconded by Councilman Ensley Feemster and carried unanimously (6-0).
			5/15/2023	■ Vice Chairman Roy Costner made a motion to allocate \$10,366,737 of ARPA Funding towards the County Radio System. Motion was seconded by Councilman Alex Saitta. Motion carried unanimously (6-0).
109	Fort Prince George	10/1/2018	10/15/2018	■ Committee recommends staff working with the Historical Society to explore the logistics of the location and report back to Committee. No action taken by Committee.
			8/19/2019	■ No action taken by Committee.
123	AN ORDINANCE No. 572 AMENDING ARTICLE I OF CHAPTER 34 OF THE PICKENS COUNTY CODE OF ORDINANCES SO AS TO PROVIDE REMEDIES AND PENALTIES FOR ILLEGAL LITTER AND DUMPING IN THE UNINCORPORATED AREAS OF PICKENS COUNTY, AND MATTERS RELATED THERETO.	5/13/2019	3/21/2022	.
133	Solid Waste Needs	10/7/2019	12/16/2019	■ No Action Taken by the Committee.

**Committee of the Whole Log**  
**Updated 07/10/2023**

			3/15/2021	<ul style="list-style-type: none"> <li>■ Councilman Trey Whitehurst made a motion to approve moving an allocation of \$358,400 from fund balance, for this capital project, forward into this year's budget for Solid Waste. Motion was seconded by Councilman Ensley Feemster and carried unanimously (6-0).</li> </ul>
			7/19/2021	<ul style="list-style-type: none"> <li>■ No Action Taken by the Committee.</li> </ul>
			2/21/2023	<ul style="list-style-type: none"> <li>■ Chairman Chris Bowers made a motion to move forward with expanding the piggyback at the landfill and the purchase of an excavator for \$142,000. Motion was seconded by Councilman Henry Wilson and carried (4-2), with Councilman Alex Saitta and Councilman Chris Lollis opposed.</li> </ul>
134	Mental Health	10/7/2019	1/21/2020	<ul style="list-style-type: none"> <li>■ No Action Taken by the Committee.</li> </ul>
			1/25/2021	<ul style="list-style-type: none"> <li>■ No Action Taken by the Committee.</li> </ul>
141	UDSO	2/3/2020	3/16/2020	<ul style="list-style-type: none"> <li>■ <i>Meeting cancelled due to COVID-19 Special Called Meeting.</i></li> </ul>
			2/16/2021	<ul style="list-style-type: none"> <li>■ No Action Taken by the Committee.</li> </ul>
			11/19/2022	<ul style="list-style-type: none"> <li>■ No Action Taken by the Committee.</li> </ul>
			1/17/2023	<ul style="list-style-type: none"> <li>■ Vice Chairman Roy Costner made a motion for a 6-month Moratorium, with an option to be extended out 90 days, to be moved out of Committee and for staff to provide recommendation on development size. Motion was seconded by Henry Wilson and carried unanimously (6-0).</li> </ul>

**Committee of the Whole Log**  
**Updated 07/10/2023**

				<p>■ After more discussion, Chairman Chris Bowers made a motion for First Reading in Title Only to amend the UDSO and return to Committee for further discussion. Motion was seconded by Vice Chairman Roy Costner and carried unanimously (6-0).</p>
			2/21/2023	<p>■ No Action Taken by the Committee.</p>
			4/17/2023	<p>■ No Action Taken by the Committee.</p>
<b>142</b>	<b>Discussion on Old Jail</b>	2/3/2020	2/10/2020	<p>■ No Action Taken by the Committee.</p>
			8/17/2020	<p>■ Vice Chairman Chris Bowers made a motion to implement a Memorandum of Understanding, laying out a plan on how Reverend Moss will implement the facility. Motion was seconded Councilman Whitehurst and carried unanimously (6-0).</p>
			3/21/2022	<p>■ Chairman Chris Bowers made a motion to allocate funding, totaling \$98,000 towards this project at the Old Stockade. Councilman Trey Whitehurst seconded the motion. The motion carried (5-1), with Councilman Alex Saitta opposed.</p>
<b>177</b>	<b>American Rescue Act Funding</b>	6/7/2021	8/30/2021	<p>■ No Action Taken by the Committee.</p>
			9/20/2021	<p>■ Chairman Chris Bowers made a motion to use American Rescue Act Funding towards the first bill from the Broadband Project and towards twenty (20) Solid Waste Containers for the Solid Waste Department. Motion was seconded by Councilman Alex Saitta and carried (5-0).</p>
			10/18/2021	<p>■ Chairman Chris Bowers made a motion to go into executive session to discuss one-time funding for county employees out of American Rescue Act Funding. Motion was seconded by Vice Chairman Roy Costner and carried (6-0).</p>

**Committee of the Whole Log**  
**Updated 07/10/2023**

				<p>■ <i>(second motion)</i> Chairman Chris Bowers made a motion to recommend to move forward to council meeting American Rescue Act Funding compensation 5/25/2/1 plan and to exempt county council from the plan. Motion was seconded by Vice Chairman Roy Costner and carried (6-0).</p>
			11/15/2021	<p>■ Vice Chairman Roy Costner made a motion to use the lost revenue to purchase a bailer for \$750,000. Motion was seconded by Councilman Alex Saitta and carried unanimously (6-0).</p> <p>■ Councilman Alex Saitta made a motion to amend to add a refund of \$75,000 for the Clean Up Pickens Program. Motion was seconded by Roy Costner and carried unanimously (6-0).</p> <p>■ Councilman Henry Wilson made a motion for staff to create a process for Non-Profits to apply for ARPA funding based on the principles set forth. Motion was seconded by Chairman Chris Bowers. The motion carried (4-2), with Councilman Alex Saitta and Councilman Trey Whitehurst opposed.</p>
			5/15/2023	<p>■ No Action Taken by the Committee.</p>
<b>178</b>	<b>Hagood Mill MOU</b>	<b>6/14/2021</b>		
<b>182</b>	<b>Unified Dispatch Plan from Staff</b>	<b>9/13/2021</b>	<b>9/20/2021</b>	<p>■ Chairman Chris Bowers made a motion to bring in Liberty City Dispatch for the reasons Chief Gibson explained, for Emergency Services to continue to give updates to Council, and to include the updates in Administrator Roper's report each month. The motion was seconded by Councilman Henry Wilson and carried unanimously (5-0).</p>

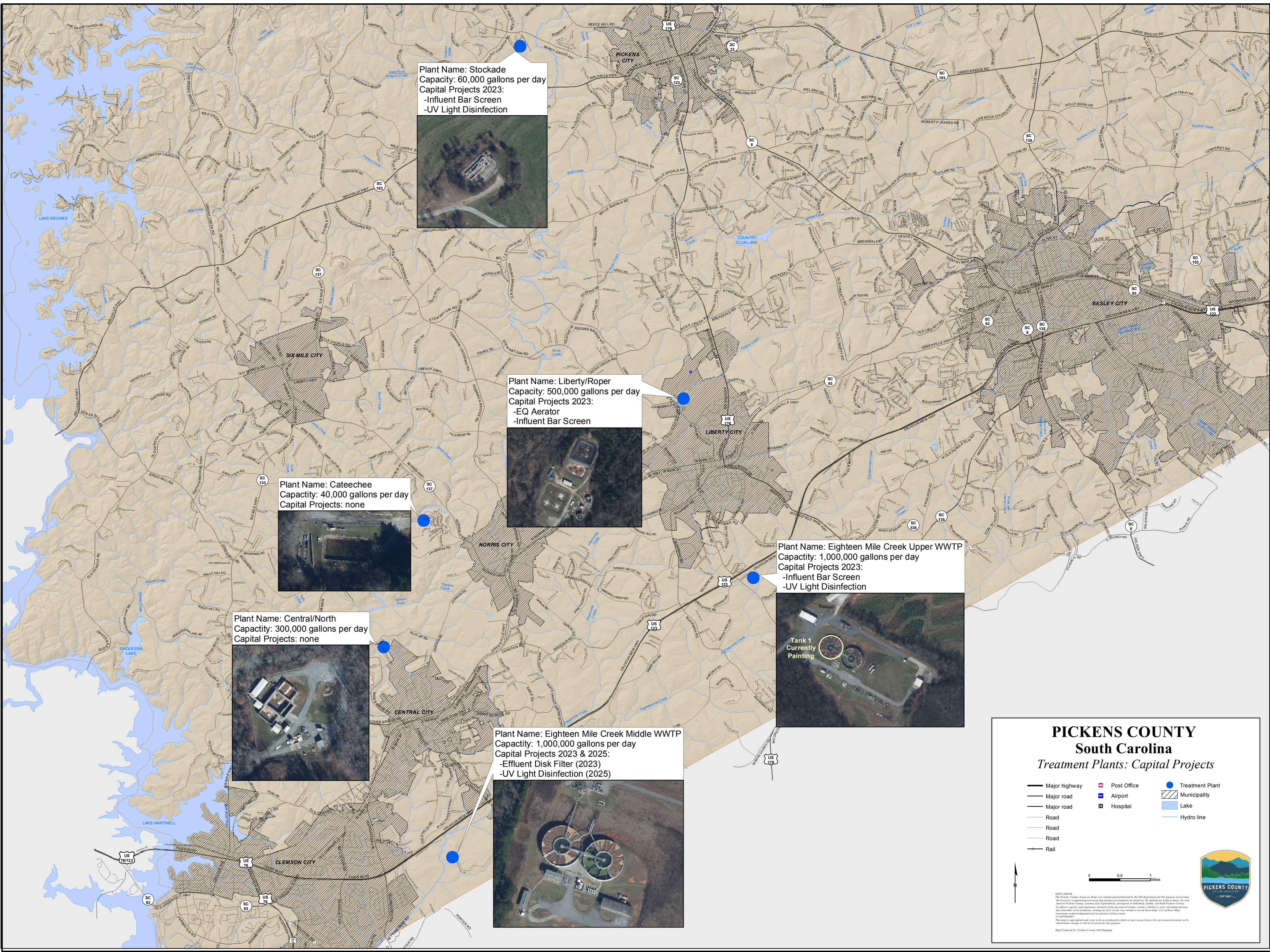
**Committee of the Whole Log**  
**Updated 07/10/2023**

			10/18/2020	▣ No Action taken by the Committee.
			2/22/2022	▣ No Action taken by the Committee.
196	Arial Mill Rehab Project	2/7/2022		
203	Updating County Tire Policy Per DHEC Requirement	5/3/2022		
208	County Employee Handbook	8/8/2022		
209	County Constables and Certification Process	10/3/2022	10/17/2022	▣ Councilman Henry Wilson made a motion to table for future consideration. Motion was seconded by Councilman Ensley Feemster and carried (5-1), with Councilman Alex Saitta opposed.
210	2023 Recreation Funding Applications	4/3/2023		
211	2023 ATAX Funding Applications	4/3/2023		
212	AMENDMENTS TO CHAPTER 6 OF THE PICKENS COUNTY CODE OF ORDINANCES SPECIFIC TO THE OPERATIONS OF THE PICKENS COUNTY AIRPORT AND MATTERS RELATED THERETO.	4/3/2023		▣ Chairman Chris Bowers made a motion to move out of Committee. Motion was seconded by Councilman Alex Saitta and carried unanimously (5-0).
213	Pickens County Water Authority	5/1/2023	5/15/2023	▣ No Action taken by the Committee.
214	Sewer Capacity	5/1/2023		

**Committee of the Whole Log**  
**Updated 07/10/2023**

<b>215</b>	<b>Council Rules</b>	5/1/2023	5/15/2023	<p>■ Councilman Henry Wilson made a motion to remove Section 7:2 (a)(8) in Council Organization Rules, which states, “Board or commission members should resign their appointment prior to announcing or filing for candidacy for an elective office.” Councilman Alex Saitta seconded the motion and the motion carried unanimously (6-0).</p>
<b>216</b>	<b>American Flood Coalition</b>	7/10/2023		
<b>217</b>	<b>Workforce/Childcare Task Force</b>	7/10/2023		
<b>218</b>	<b>Proposed Changes to the Pickens County Solid Waste Management Plan to adhoc SW Committee</b>	7/10/2023		





Plant Name: Stockade  
Capacity: 60,000 gallons per day  
Capital Projects 2023:  
-Influent Bar Screen  
-UV Light Disinfection



Plant Name: Liberty/Roper  
Capacity: 500,000 gallons per day  
Capital Projects 2023:  
-EQ Aerator  
-Influent Bar Screen



Plant Name: Cateechee  
Capacity: 40,000 gallons per day  
Capital Projects: none



Plant Name: Central/North  
Capacity: 300,000 gallons per day  
Capital Projects: none



Plant Name: Eighteen Mile Creek Middle WWTP  
Capacity: 1,000,000 gallons per day  
Capital Projects 2023 & 2025:  
-Effluent Disk Filter (2023)  
-UV Light Disinfection (2025)



Plant Name: Eighteen Mile Creek Upper WWTP  
Capacity: 1,000,000 gallons per day  
Capital Projects 2023:  
-Influent Bar Screen  
-UV Light Disinfection



# PICKENS COUNTY

## South Carolina

### Treatment Plants: Capital Projects

- Major highway
- Major road
- Major road
- Road
- Road
- Road
- Rail
- Post Office
- Airport
- Hospital
- Treatment Plant
- Municipality
- Lake
- Hydro line



DISCLAIMER:  
The Pickens County Assessor's Map is created and maintained by the GIS department for the purpose of assessing the Assessor in preparing and disseminating property tax information. By making use of these maps, the user and the Pickens County Assessor assume full responsibility and agree to indemnify, defend and hold Pickens County, its officers, agents, and employees, harmless from any and all claims, suits, liability or costs, including attorney fees and other costs of defense, arising out of or in any way related to use of these maps. Use of these maps constitutes acknowledgment and acceptance of these terms.  
© COPYRIGHT:  
This map is copyrighted and is not to be reproduced in whole or part in any form or by any means electronic or by information storage or retrieval system, for any purpose.  
Map Produced by: Pickens County GIS Mapping

**WASTEWATER TREATMENT SALE AND PURCHASE AGREEMENT**

among

PICKENS COUNTY

and

THE MUNICIPALITIES OF CENTRAL AND LIBERTY

---

Dated as of August 15, 2005

---

---

## TABLE OF CONTENTS

---

### ARTICLE I DEFINITIONS

SECTION 1.01.	DEFINITIONS.....	2
---------------	------------------	---

### ARTICLE II GENERAL REPRESENTATIONS AND COVENANTS; TERM

SECTION 2.01.	REPRESENTATIONS OF SELLER.....	7
SECTION 2.02.	SELLER'S DISCHARGE RIGHTS .....	7
SECTION 2.03.	COOPERATION OF SELLER IN ISSUANCE OF OBLIGATIONS .....	7
SECTION 2.04.	REPRESENTATIONS OF EACH PURCHASER.....	8
SECTION 2.05.	MAINTENANCE OF EACH PURCHASER'S SYSTEM.....	8
SECTION 2.06.	COOPERATION OF PURCHASER IN ISSUANCE OF OBLIGATIONS.....	8
SECTION 2.07.	PURCHASERS' COMPLIANCE WITH SELLER'S SEWER USE AND PRETREATMENT REGULATIONS .....	9
SECTION 2.08.	TERM OF AGREEMENT .....	9

### ARTICLE III PROVISION OF WASTEWATER TREATMENT SERVICE; DEVELOPMENT OF CAPITAL IMPROVEMENTS PLAN; PAYMENT AND ADDITIONAL CAPITAL COSTS

SECTION 3.01.	PROVISION OF WASTEWATER TREATMENT SERVICE.....	10
SECTION 3.02.	PAYMENT FOR WASTEWATER TREATMENT SERVICE .....	10
SECTION 3.03.	BUDGET .....	11
SECTION 3.04.	METHOD OF ESTABLISHING SEWER RATES FOR PURCHASERS.....	12
SECTION 3.05.	ESTABLISHMENT OF THE DEPRECIATION AND CONTINGENT ACCOUNT; RENEWAL AND REPLACEMENT CAPITAL COSTS NOT RELATED TO INCREASES OF THE RESERVED CAPACITIES .....	13
SECTION 3.06.	PURCHASE OF AVAILABLE CAPACITY FROM THE SELLER .....	14
SECTION 3.07.	PARTICIPANT'S REQUEST FOR INCREASED RESERVED CAPACITY .....	15
SECTION 3.08.	MANDATORY CAPACITY PURCHASE FOR EXCESSIVE USE .....	16
SECTION 3.09.	PARTIES' RIGHTS TO SELL OR OTHERWISE DISPOSE OF WASTEWATER TREATMENT AND RESERVED CAPACITY .....	16

### ARTICLE IV SYSTEM OPERATION AND WASTEWATER MANAGEMENT

SECTION 4.01.	MAINTENANCE OF THE SYSTEM .....	18
SECTION 4.02.	GENERAL OPERATIONS .....	18
SECTION 4.03.	OPERATION AND MAINTENANCE MANUALS .....	18
SECTION 4.04.	OPERATIONS, MAINTENANCE AND REPAIRS.....	18
SECTION 4.05.	ACCESS AND INSPECTION .....	18
SECTION 4.06.	NOISE AND ODORS .....	18
SECTION 4.07.	INSURANCE .....	18

**ARTICLE V  
RECORDKEEPING**

<b>SECTION 5.01.</b>	<b>RECORDKEEPING AND INSPECTION RIGHTS .....</b>	<b>20</b>
----------------------	--	-----------

**ARTICLE VI  
ADVISORY COMMITTEE**

<b>SECTION 6.01.</b>	<b>PURPOSE AND FUNCTION; MEETINGS .....</b>	<b>21</b>
----------------------	---	-----------

**ARTICLE VII  
SERVICE TO CUSTOMERS**

<b>SECTION 7.01.</b>	<b>PROVISION OF SERVICE .....</b>	<b>22</b>
----------------------	-----------------------------------	-----------

**ARTICLE VIII  
EVENTS OF DEFAULT; REMEDIES**

<b>SECTION 8.01.</b>	<b>EVENTS OF DEFAULT; REMEDIES .....</b>	<b>23</b>
----------------------	--	-----------

**ARTICLE IX  
FORCE MAJEURE**

<b>SECTION 9.01.</b>	<b>EFFECTS OF FORCE MAJEURE .....</b>	<b>24</b>
----------------------	---------------------------------------	-----------

**ARTICLE X  
MISCELLANEOUS**

<b>SECTION 10.01.</b>	<b>OWNERSHIP OF THE SYSTEM AND RESERVED CAPACITIES OF THE SYSTEM .....</b>	<b>25</b>
<b>SECTION 10.02.</b>	<b>AVAILABILITY FEES.....</b>	<b>25</b>
<b>SECTION 10.03.</b>	<b>NOTICES.....</b>	<b>25</b>
<b>SECTION 10.04.</b>	<b>BENEFICIARIES.....</b>	<b>26</b>
<b>SECTION 10.05.</b>	<b>SEVERABILITY .....</b>	<b>26</b>
<b>SECTION 10.06.</b>	<b>COUNTERPARTS .....</b>	<b>26</b>
<b>SECTION 10.07.</b>	<b>GOVERNING LAW.....</b>	<b>26</b>
<b>SECTION 10.08.</b>	<b>AMENDMENTS .....</b>	<b>26</b>

<b>EXHIBIT A</b>	<b>CAPACITY IN THE SYSTEM; RESERVED CAPACITIES AND ALLOCATED PERCENTAGES</b>	
<b>EXHIBIT B</b>	<b>SUMMARY OF O&amp;M CHARGE AND CAPITAL CHARGE</b>	
<b>EXHIBIT C</b>	<b>CAPITAL REVENUE REQUIREMENT</b>	
<b>EXHIBIT D</b>	<b>MAP OF EIGHTEEN-MILE CREEK SERVICE AREA</b>	
<b>EXHIBIT E</b>	<b>O&amp;M REVENUE REQUIREMENT</b>	



This **WASTEWATER TREATMENT SALE AND PURCHASE AGREEMENT** made as of this 15<sup>th</sup> day of August, 2005, by and among PICKENS COUNTY, a duly organized county and political subdivision of the State of South Carolina (hereinafter referred to as “Seller”), and Central and Liberty, duly organized municipalities and political subdivisions of the State of South Carolina (hereinafter together referred to as the “Purchasers”).

### **BACKGROUND AND FINDINGS**

Pursuant to the favorable results of a referendum duly held on February 28, 1989, Seller is authorized to construct, purchase and operate a sewer system. The provision of such sewer services is made through the Pickens County Public Service Commission (hereinafter the “PSC”), which was established by the Pickens County Council, the governing body of Seller, in November of 1989.

At the time the PSC began developing a comprehensive wastewater treatment plan for Seller, the Purchasers were addressing capital improvements required to upgrade their own wastewater treatment facilities. After extensive study and deliberation, Seller and Purchasers adopted a plan to provide wastewater treatment services on a regional basis and in a comprehensive manner in the Eighteen-Mile Creek Service Area, which includes the Eighteen-Mile Creek and Twelve-Mile Creek drainage basins in Pickens County.

In order to implement the plan, on June 8, 1993, the Seller and the Purchasers entered into an Intermunicipal Agreement with a Memorandum of Understanding of even date (hereinafter the “Former Agreement”) that provided for the transfer of the wastewater treatment facilities owned by the Purchasers to Seller and endeavored to provide the basis for joint operation of the regional wastewater system (the “System”) for the benefit of the Seller and Purchasers. After execution of the Former Agreement, the Purchasers transferred ownership and operation of all of their wastewater treatment facilities and some of their wastewater transmission facilities to the Seller. The Seller then took the responsibility of closing facilities that could not be feasibly brought into compliance and constructing new facilities to serve sewer customers in the Eighteen-Mile Creek Service Area. Two new wastewater treatment plants were constructed by Seller which are known as the Upper Regional Plant and the Middle Regional Plant, both completed in 2000. As such, total capacity of the System has changed from the date the System first began operations and will continue to change over time with each closure or opening of new facilities.

Although the closure of the 0.150 million gallons per day Cramer Wastewater Treatment Plant in Liberty is underway, it is presently anticipated that such closure will not occur until 2008. With the Cramer Wastewater Treatment Plant remaining operational, the capacity of the System is presently established at 2.807 million gallons per day.

While the Former Agreement provided a general framework within which the regional system was created and has been operated, Seller and Purchasers have determined that it is in the best interests of their respective customers and constituents that a new contract clarifying

certain issues in the Former Agreement and providing certain benefits not attained under the Former Agreement be entered into by each of the three parties.

Hence, this Agreement among these parties 1) has been found to be in the best interest of the public, the parties and the consumers to be served; and 2) has been duly authorized by the respective governing boards of these parties who have authorized the undersigned officers to sign on behalf of each.

**NOW, THEREFORE**, in consideration of the premises hereinabove set forth and the agreements of the parties hereunder, Seller and Purchasers agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

#### **Section 1.01. Definitions**

In addition to any words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement shall have the following meanings unless some other meaning is plainly intended:

**“Advisory Committee”** means the committee created under the Former Agreement and which is comprised of representatives of the Participants. The purpose of the Advisory Committee is to consult with and advise the Seller and Purchasers with respect to the System as provided in this Agreement, particularly as related to operating budgets, rates, and capital improvement planning.

**“Agreement”** means this Wastewater Sale and Purchase Agreement between Seller and the Purchasers, as the same may from time to time be modified or amended.

**“Allocated Percentage”** means, with respect to a Participant, the percentage derived by dividing such Participant’s Reserved Capacity by the total Capacity in the System. Allocated Percentages are used to divide the total Capital Revenue Requirement among Participants. Allocated Percentages are set forth on Exhibit “A” attached hereto and will change from time to time if (1) the total Capacity of the System changes, or (2) with respect to a particular Participant, that Participant’s Reserved Capacity changes.

**“Availability Fees”** mean one-time charges levied upon new customers to recover the capital cost of developing wastewater treatment and transmission facilities.

**“Available Capacity”** means, with respect to the entire System, the quantity of the Seller’s Reserved Capacity, expressed in MGD, that the Seller is willing to sell to the Purchasers. Available Capacity may be revised at any time by the Council.

**“Billable Flow”** means, with respect to a Purchaser, the metered water consumption as measured in the utility billing records of such Purchaser plus an estimate of the flows for customers on wells that are only provided sewer service by such Purchaser, and with respect to

the Seller, the total metered or estimated water consumption of its retail customers plus the measured wastewater discharged into the System from the Stockade Wastewater Treatment Plant or other users not having billable flow records. For the Purchasers and the Seller, estimated water consumption for unmetered customers shall be a minimum of 7,000 gallons per account per month. The Purchasers and the Seller shall have the right to audit each other's Billable Flow annually. Estimated Billable Flows for FY 2004 and FY 2006 are shown as part of Exhibit "B" attached hereto. Estimated Billable Flows for each Fiscal Year will be updated during the budgeting process.

**"Bonds Outstanding"** means (A) the \$3,605,700 Sewer System Revenue Bond of 1999A of Pickens County, South Carolina, dated as of September 29, 1999; (B) the \$1,988,200 Sewer System Revenue Bond of 1999B of Pickens County, South Carolina, dated as of September 29, 1999; (C) the \$400,000 Sewer System Improvement Revenue Bond of 1998 (Junior Lien) of Pickens County, South Carolina dated as of November 24, 1998 and (D) the \$3,256,865 State Water Pollution Control Revolving Fund Loan, of Pickens County, South Carolina, dated as of January 27, 1999.

**"Buy-In Charge"** means the charge described in Section 3.06 hereof.

**"Capacity"** means the maximum amount of Wastewater Treatment Service that may be furnished by Seller in any 24 hour period. With respect to any wastewater treatment facility of the System, Capacity is expressed in terms of the discharge capacity permitted by DHEC at such facility, expressed in MGD. When the term "Capacity of the System" is used, such term means the total of the Capacities of the wastewater treatment facilities that comprise the System. At the time of the execution of this Agreement, the Capacity of each of the wastewater treatment facilities of the System and the Capacity of the System are set forth on Exhibit "A" attached hereto.

**"Capital Charge"** of a Purchaser means one twelfth (1/12) of the Capital Revenue Requirement multiplied by the Purchaser's Allocated Percentage.

**"Capital Revenue Requirement"** means the total cash capital requirement of the Seller for wastewater treatment facilities and appurtenances for the System for a Fiscal Year. The Capital Revenue Requirement shall include: (1) 1.10 times the principal installment (including mandatory sinking fund payments) and interest paid on Bonds Outstanding, Improvement Bonds, and any other debt incurred by Seller to pay for improvements to the System during such Fiscal Year, (2) payments Seller is required to make to any Debt Service Reserve Fund during such Fiscal Year, and (3) any total or amortized capital outlay for the System that has been approved by the Council for such Fiscal Year and as described in (C) of Section 3.03 hereof. The Capital Revenue Requirement shall not include any capital outlay related to the Stockade Wastewater Treatment Plant. Capital expenditures as set forth on Exhibit "C" attached hereto show the Capital Revenue Requirement for FY 2006.

**"CIP"** means the Capital Improvements Plan for the System as described and required under the provisions of Section 3.01.

**“Council”** means the County Council of Pickens County, South Carolina, the governing body of Seller.

**“County Administrator”** means the County Administrator of Pickens County, South Carolina.

**“Debt Service Fund”** means a special fund designated on the books of the Seller as a sub-fund of the Enterprise Fund designed to accumulate a portion of the revenues from Capital Charges as defined in this Agreement to be applied toward the payment of principal and interest of the Seller’s debt related to the System.

**“Debt Service Reserve Fund”** means a special fund so designated in the proceedings authorizing the issuance of any Bonds Outstanding and Improvement Bonds and designed (1) to secure the timely payment of the principal of and interest on such issue of Bonds Outstanding and Improvement Bonds, and (2) to provide for the redemption of such Bonds Outstanding and Improvement Bonds prior to their stated maturities.

**“Depreciation and Contingent Account”** means the restricted sub-fund of the Enterprise Fund which shall be used to account for and accumulate any revenues of the System that are collected by Seller in excess of the O&M Revenue Requirement and Capital Revenue Requirement.

**“DHEC”** means the South Carolina Department of Health and Environmental Control.

**“Director”** means that employee of County who is responsible for the management and operation of the System. Presently, such duties are the responsibility of the Environmental Service Director.

**“Eighteen-Mile Creek Service Area”** means the geographical area shown on the map attached hereto as Exhibit “D” which includes the topographical areas of Pickens County that drain into Eighteen-Mile Creek and Twelve Mile Creek, which ultimately drain into the Savannah River System.

**“Enterprise Fund”** means a fund designated on the books of Pickens County to account for the revenue and expenses of the System.

**“EPA”** means the United States Environmental Protection Agency.

**“Fiscal Year”** or **“FY”** means July 1 through June 30 of each year.

**“Improvement Bonds”** means all debt the principal and interest payments on which are paid based on the Allocated Percentages of all Participants and which are issued by Seller to defray the cost of capital improvements contemplated by Section 3.05 and Section 3.07 hereof. Improvement Bonds include any bonds issued to refund any Bonds Outstanding or other Improvement Bonds. Improvement Bonds include those issued for which the revenues of the

System are pledged, and as general obligation debt for the payment of which the full faith credit and taxing power of the Seller is pledged.

**“MGD”** means million gallons per day.

**“O&M Charge”** means, for any month, an amount equal to the O&M Rate times the Billable Flow of the Purchaser during the previous month expressed in thousands of gallons.

**“O&M Rate”** means the volumetric rate established from time to time by the Council to recover the O&M Revenue Requirement. The O&M Rate shall be calculated as the budgeted O&M Revenue Requirement divided by the budgeted projection of total Billable Flow, expressed in thousands of gallons, provided, however, that the Council may set such O&M Rate in such fashion as to maintain level rates over periods greater than one (1) Fiscal Year. Exhibit “B” shows the development of the O&M Rate for FY 2006 based on the adopted budget of the Seller, as well as the rate developed under the Former Agreement by the arbitrator using estimated FY 2003 information.

**“O&M Revenue Requirement”** means the Seller’s operation and maintenance costs that are reasonably required (1) to operate the System for a Fiscal Year, and (2) to operate the Stockade Wastewater Treatment Plant owned by Seller. The O&M Revenue Requirement shall be annually determined by the PSC, reviewed by the Advisory Committee, and adopted by the Council as part of the Seller’s annual budget.

The O&M Revenue Requirement includes (1) all expenses of the PSC applicable to wastewater service of the System, including but not limited to chemicals, energy, laboratory technicians, repairs, supplies, office space and labor; and (2) capital leases of equipment or capital purchases of equipment approved by the Council (by original or amended annual budget), provided that the equipment subject to such capital leases or capital purchases shall not include items with a useful life in excess of ten (10) years and shall not cost, in the aggregate, in excess of fifteen per cent (15%) of the budgeted O&M Revenue Requirement (excluding all capital leases or purchases); (3) the Seller’s overhead costs for employee benefits for personnel included in (1) above; (4) the Seller’s overhead costs for insurance premiums for fire, casualty, public liability insurance on the System and the Stockade Wastewater Treatment Plant; (5) the Seller’s legal and consulting expense related to matters of the System and the Stockade Wastewater Treatment Plant; and (6) a share of the Seller’s overhead costs of accounting and auditing related to the System.

The O&M Revenue Requirement does not include (1) the salaries and benefits for the Director or his successor and the Administrative Assistant of the PSC or her successor, (2) depreciation on the System; (3) the share of the PSC’s budget expenses and capital outlay related to services and activities other than the System; (4) any share of the Seller’s general fund costs of the Council or Seller’s employees in any departments other than the PSC, accounting, and auditing; (5) Seller’s reasonable costs, as estimated by the Director, of serving contract customers, industrial pretreatment customers, retail accounts or wholesale customers other than the Purchasers; (6) the Seller’s legal or consulting fees incurred to defend a position of Seller that is adverse to a Purchaser; and (7) any fees incurred by any Participant to provide

the volume of metered water consumption for purposes of determining the Billable Flow of such Participant. Exhibit “E” shows the development of the O&M Revenue Requirement for FY 2006 based on the adopted budget of the Seller.

**“Participants”** means the Seller and the Purchasers.

**“PSC”** means the Pickens County Public Service Commission as described in the Background and Findings section of this Agreement.

**“Purchaser”** or **“Purchasers”** means the municipalities of Central and Liberty and their successors and assigns.

**“Purchaser’s System”** means the water and sewer utility owned and operated by a Purchaser including all customers, accounts, revenues, and capital facilities. Purchaser’s System includes all existing and potential sewer customers in the incorporated limits of each Purchaser, and certain existing and potential sewer customers in unincorporated areas adjacent to the municipal boundaries.

**“Reserved Capacity”** means that portion of the Capacity of the System that is owned by each Purchaser or reserved to Seller as set forth in Exhibit “A” hereto as the same may be periodically amended. Reserved Capacity is expressed in MGD and is the maximum Capacity of the System a Participant is allowed to use in any twenty-four (24) hour period. Ownership of Reserved Capacity implies a right to use the System; it does not imply any ownership of the physical facilities or revenues of the System.

**“Seller”** means Pickens County, South Carolina, and its successors and assigns.

**“Seller’s Retail System”** means the sewer utility owned and operated by the Seller to provide direct service to industrial, commercial, and residential customers in the unincorporated portions of the Eighteen-Mile Creek Service Area.

**“System”** means the wastewater transmission and treatment facilities of Seller in the Eighteen-Mile Creek Service Area and the service provided by these facilities. The System includes the force mains, collectors, trunk lines, wastewater treatment facilities, related appurtenances, and any capital improvements or expansions made to the System from time to time. At this time, the existing wastewater treatment plants of the System include: Roper, Cramer, Central North, Middle Regional and Upper Regional. The term “System” specifically does not mean or include and will not mean or include any retail collection facilities of the Participants.

**“Wastewater Treatment Service”** shall mean (1) the collection and transmission of wastewater from each Purchaser’s System to the System, (2) processing of said wastewater, (3) discharge of treated wastewater, and (4) disposal of processed waste.

[End of Article I]

## **ARTICLE II**

### **GENERAL REPRESENTATIONS AND COVENANTS; TERM**

#### **Section 2.01. Representations of Seller**

Seller hereby represents that it is a duly organized county and political subdivision of the State of South Carolina and that it owns and operates the System; that Seller has all necessary power and authority to own and operate the System and to perform its obligations under this Agreement; and that Seller has taken all necessary action to authorize the execution and delivery of this Agreement.

#### **Section 2.02. Seller's Discharge Rights**

Seller covenants that it has obtained all necessary permits to discharge treated wastewater from the System in order to meet its obligations under this Agreement.

#### **Section 2.03. Cooperation of Seller in Issuance of Obligations**

Seller covenants and agrees that it will cooperate with the Purchasers in the issuance of any bonds or other obligations proposed to be issued by either Purchaser and secured by revenues of a Purchaser's System. In connection therewith, Seller shall comply with all reasonable requests of a Purchaser and will, upon request:

- (A) Make available general financial information about itself;
- (B) Consent to publication and distribution of its financial information;
- (C) Certify that general and financial information provided by it is accurate, does not contain an untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements in that information, in light of the circumstances under which they were made, not misleading;
- (D) Make available certified copies of official proceedings and records, if applicable;
- (E) Provide reasonable certifications to be used in a transcript of closing documents;
- (F) Provide reasonably requested opinions of counsel as to the validity of its actions taken with respect to and the binding effect of this Agreement, its title to the System, pending or threatened litigation which could materially affect its performance hereunder, and any other reasonably requested opinions; and
- (G) Provide such other information, documents, and certifications as a Purchaser may reasonably request.

Provided, however, that Seller's obligation to cooperate as set forth herein is conditioned upon its receipt from a Purchaser of reimbursement of any costs, including costs

for copying and printing needed information, thereby incurred by Seller. Such costs shall not exceed the sum of \$500 unless the Purchaser agrees to the amount of such reimbursement.

**Section 2.04. Representations of Each Purchaser**

Each Purchaser hereby represents that it is a duly organized municipality and political subdivision of the State of South Carolina owning and operating such Purchaser's System; that it has all necessary powers and authority to undertake and perform its obligations under this Agreement; and that it has taken all necessary action to authorize the execution and delivery of this Agreement. Each Purchaser agrees, throughout the term of this Agreement, to continuously operate and maintain Purchaser's System, and to fix and collect such rates and charges to adequately operate and maintain Purchaser's System.

**Section 2.05. Maintenance of Each Purchaser's System**

During the term of this Agreement, each Purchaser shall keep and maintain all portions of its respective Purchaser's System in good and safe condition and repair, and in compliance with all applicable federal, state, and local laws, ordinances, rules, regulations and permits, including the rules promulgated by DHEC in connection with requiring sewer providers to control excessive flows from infiltration and inflow.

**Section 2.06. Cooperation of Purchaser in Issuance of Obligations**

Each Purchaser covenants and agrees that it will cooperate with Seller in the issuance of any Bonds Outstanding or other obligations proposed to be issued by Seller for the benefit of the System. In connection therewith, each Purchaser shall comply with all reasonable requests of Seller and will, upon request:

- (A) Make available general financial information about itself;
- (B) Consent to publication and distribution of its financial information;
- (C) Certify that general and financial information provided by it is accurate, does not contain an untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements in that information, in light of the circumstances under which they were made, not misleading;
- (D) Make available certified copies of official proceedings and records, if applicable;
- (E) Provide reasonable certifications to be used in a transcript of closing documents;
- (F) Provide reasonably requested opinions of counsel as to the validity of its actions taken with respect to and the binding effect of this Agreement, its title to Purchaser's System, pending or threatened litigation which could materially affect its performance hereunder, and any other reasonably requested opinions; and

(G) Provide such other information, documents, and certifications as Seller may reasonably request.

Provided, however, that each Purchaser's obligation to cooperate as set forth herein is conditioned upon its receipt from Seller of reimbursement of any costs, including costs for copying and printing needed information, thereby incurred by such Purchaser. Such costs shall not exceed the sum of \$500 unless the Seller agrees to the amount of such reimbursement.

**Section 2.07. Purchasers' Compliance With Seller's Sewer Use and Pretreatment Regulations**

The Participants are responsible for the quality characteristics of the flows contributed by their retail, commercial and industrial customers. Flows delivered by the Participants to the System shall meet the requirements of the PSC's Sewer Use and Pretreatment Regulation as adopted by Council under the provisions of Ordinance 230 and as the same may be amended from time to time.

**Section 2.08. Term of Agreement**

This Agreement effective on the dated date of this Agreement and shall extend for so long as the System is capable of providing to the Participants their Reserved Capacities. The Participants agree that as of the date of this Agreement, the Former Agreement as the same is defined in the Background and Findings section of this Agreement is null and void.

[End of Article II]

## **ARTICLE III**

### **PROVISION OF WASTEWATER TREATMENT SERVICE; DEVELOPMENT OF CAPITAL IMPROVEMENTS PLAN; PAYMENT AND ADDITIONAL CAPITAL COSTS**

#### **Section 3.01. Provision of Wastewater Treatment Service**

Seller shall make available and, as required, provide to each Purchaser for the term of this Agreement, Wastewater Treatment Service at least equal to each Purchaser's Reserved Capacity as set forth in Exhibit "A." The amounts set forth on Exhibit "A" as the Reserved Capacity and the Allocated Percentage for each Participant shall be periodically modified in accordance with the provisions of this Agreement. In lieu of a minimum flow requirement, Purchasers agree that all of their wastewater treatment and transportation services originating in the Eighteen-Mile Creek Service Area shall be provided by the Seller, and that in no instance shall they procure such service from another service provider.

Any decision of the Seller to close a wastewater treatment facility of the System shall result in the Seller's Reserved Capacity being diminished by the amount of the Capacity of the wastewater treatment facility so closed, and the Allocated Percentages of each Participant shall be recalculated to reflect such event, unless otherwise agreed upon by the Participants.

In the event of a reduction of available Capacity in the System due to circumstances beyond the control of Seller, Seller shall exert its best efforts to restore normal service and to make available to each Purchaser its Allocated Percentage of the Capacity in the System as is available until normal service is restored.

The PSC will develop a CIP for the System to address (1) prudent ongoing renewal and replacement improvements of the System which include those described in paragraph (B) of Section 3.05 as well as (2) extension and expansion improvements which include improvements that increase the Capacity of the System to serve the demand for Wastewater Treatment Service in the Eighteen-Mile Creek Service Area. The CIP will be updated at least annually and will include a financial plan to implement planned projects.

The PSC will provide the CIP to the Purchasers and the Advisory Committee at least once per year; and will seek comments on any substantial modification of the plan. Comments made during the Advisory Committee meetings will be recorded in the appropriate minutes. If the Purchasers or members of the Advisory Committee have any substantial disagreement with the CIP, this matter must be made known by such party in writing to the County Administrator, who will be responsible for advising the Council. All final decisions related to the planning, design, construction, operation and maintenance of the System shall be the sole purview of the Seller.

#### **Section 3.02. Payment for Wastewater Treatment Service**

(A) Beginning on the twenty-sixth (26th) day of the month following the effective date of this Agreement and continuing on the twenty-sixth (26th) day of each succeeding month during the term of this Agreement, each Purchaser shall pay to the Seller the following payments which amounts defray the cost of the Wastewater Treatment Service provided to the Purchasers by the Seller for the prior monthly period:

- (i) its respective O&M Charge, plus
- (ii) its respective Capital Charge.

Seller shall credit (1) that portion of the Capital Charge calculated to pay the principal and interest on the Bonds Outstanding, Improvement Bonds and any other debt incurred by Seller to pay for improvements to the System to the appropriate Debt Service Fund; and (2) that portion of the Capital Charge attributed to payments required for any Debt Service Reserve Fund to the appropriate Debt Service Reserve Fund.

In the event the payment is not received on the twenty-sixth (26th) day of each month, interest, computed at the then prevailing prime rate, shall be paid on the amount due. The Council will set the O&M Rate and the Capital Charge for each Purchaser from time to time to recover no more than a fair and reasonable share of the costs of the System. The O&M Rate and the Capital Charge will be calculated on the basis of a budget developed by the PSC as a part of the Seller's annual budgeting process and may be amended, as necessary. Each Purchaser covenants and agrees to charge sufficient rates for the services provided by such Purchaser's System in order to enable it to pay the O&M Charge and the Capital Charge owed to Seller under the provisions of this Agreement.

(B) The obligation of each Purchaser to make the payments of the Capital Charge required by this Section 3.02 shall be absolute and unconditional and shall not be suspended or discontinued for any cause whatsoever, including without limiting the generality of the foregoing, the failure of Seller to complete the acquisition, construction, improvement or upgrading of any component of the System, any acts or circumstances which may constitute failure of consideration, destruction of or damage to any component of the System, and any failure on the part of Seller to perform and observe any agreement, whether expressed or implied, under this Agreement. Each Purchaser obligates and binds itself to punctually make the payments of the Capital Charge required hereunder, free of any deduction, and without abatement, diminution or set-off of any sort. All obligations of each Purchaser to the Seller under this Agreement shall be limited to the revenues derived by each Purchaser from the operation of each Purchaser's System.

### **Section 3.03. Budget**

(A) Prior to March 1 of each year, the PSC will provide the Advisory Committee and Council with a first draft of a proposed annual budget for the next Fiscal Year for review and comment. The Advisory Committee will provide comments on the first draft to the PSC and to Council no later than April 1. The Advisory Committee's comments shall include a recommended O&M Rate and Capital Charge. The PSC may revise the budget at its discretion and provide the Advisory Committee with a revised second draft no later than May 1. Any

Advisory Committee comments on the second draft of the proposed budget must be directed to the County Administrator. Subsequent to receiving comments from the Advisory Committee, Council will adopt the annual budget, including the O&M Rate and the Capital Charge for each Purchaser, and shall provide a copy of such final budget to the Advisory Committee and to each Purchaser.

(B) In the event of any substantial change in the O&M Revenue Requirement or the Capital Revenue Requirement during a Fiscal Year, the Council may adopt a revised budget. Any revised budget shall immediately be delivered to the Advisory Committee and each Purchaser.

(C) The budget developed by the PSC will include the Allocated Percentage of each Participant, the projected Billable Flow for each Participant, the O&M Revenue Requirement, and the Capital Revenue Requirement which portion of the budget will provide a description and cost of those capital items included in the CIP as capital outlay that are to be paid as a part of the Capital Charge. As discussed in Section 3.01, all capital items in the CIP are either related to renewal and replacement improvements and are governed by the provisions of Section 3.05 hereof or related to extension and expansion improvements and governed by the provisions of Section 3.07 hereof. The budget will address the specific method of raising the necessary moneys included within the Capital Revenue Requirement which will pay for the capital improvements which are included in the CIP.

(D) In the event a grant is received by a Participant for any capital item, then the Capital Revenue Requirement shall be decreased by such amount and the grant proceeds shall be used by the Seller to defray the cost of such capital item.

(E) The budget will display audited actual costs for the preceding Fiscal Year, as well as estimated actual costs for the current Fiscal Year, and the budgeted costs for the upcoming Fiscal Year. The budget will show allocations of PSC employees' time to activities outside the System and revenues of the System from sources other than the Purchasers. The budget will calculate the O&M Rate per 1,000 gallons of Billable Flow and the Capital Charge per month applicable to each Purchaser, and the percentage change per 1,000 gallons of Billable Flow.

#### **Section 3.04. Method of Establishing Sewer Rates for Purchasers**

At the time during each Fiscal Year that the Advisory Committee forwards its comments on the first draft of the proposed budget to the Council in accordance with the provisions of Section 3.03 hereof, the Advisory Committee shall also forward a recommended O&M Rate and a recommended Capital Charge for each Purchaser for the next Fiscal Year. In accordance with the provisions of Section 3.03, the Council shall adopt a final budget and establish the O&M Rate and the Capital Charge for each Purchaser for the next Fiscal Year and shall notify the Purchasers of the amount of each in writing. Unless either of the Purchasers notifies the Council within thirty (30) days of the date of said notice, the O&M Rate and the Capital Charge shall become effective as of July 1 of each year; provided, however, the parties acknowledge that this Agreement is being executed on August 15, 2005 and that the initial

O&M Rate and the initial Capital Charge as set out on Exhibit B shall become effective as of January 1, 2006.

In the event Seller determines that the O&M Rate or the Capital Charge must be modified subsequent to the establishing of each as a part of the budget process, Seller shall notify each Purchaser of such change in the O&M Rate and the Capital Charge not later than five (5) business days after such change has been adopted by Council and in any event before the next monthly payment is due.

Set forth in Exhibit "B" attached hereto are calculations illustrative of the methodology to be employed in establishing the O&M Rate and the Capital Charge.

**Section 3.05. Establishment of the Depreciation and Contingent Account; Renewal and Replacement Capital Costs Not Related to Increases of the Reserved Capacities**

(A) The Depreciation and Contingent Account previously established by Seller as a sub-fund of its Enterprise Fund shall be continued. Transfers into the Depreciation and Contingent Account shall be budgeted to equal ten percent (10%) of the annual debt service on Bonds Outstanding, Improvement Bonds and any other debt incurred by Seller to pay for improvements to the System. Amounts deposited into this Account may be used from time to time to pay for renewal and replacement capital improvements of the System. However, at the discretion of the Council, balances in this Account also may be used to make up shortfalls of revenue for debt service payments on Bonds Outstanding, Improvement Bonds and any other debt incurred by Seller to pay for improvements to the System or for operational and maintenance expenses of the System. Appropriate records of expenditures from this Account shall also be maintained.

All amounts paid by the Purchasers to Seller as the Capital Charge that are in excess of the amounts necessary (1) to pay the principal and interest requirement on all Bonds Outstanding and Improvement Bonds and any other debt incurred by Seller to pay for improvements to the System; and (2) any required deposits to a Debt Service Reserve Fund shall be paid by the Seller into the Depreciation and Contingent Account at least once per year. The Seller shall allocate interest earnings to the Depreciation and Contingent Account each year. Such interest shall be added to the balance of the Depreciation and Contingent Account and shall be retained therein. On each date that the Seller makes a deposit to the Depreciation and Contingent Account from moneys received from the Purchasers as provided in this paragraph, Seller shall likewise deposit a comparable sum into the Depreciation and Contingent Account equal to ten percent (10%) of the annual principal and interest requirement on all Bonds Outstanding and Improvement Bonds and any other debt incurred by Seller to pay for improvements to the System multiplied by Seller's Allocated Percentage.

At such time as the balance in the Depreciation and Contingent Account equals or exceeds a sum equal to fifteen percent (15%) of the replacement value of the System, no further deposits shall be made to this Account and, accordingly, during such period, the Capital Charge paid by either Purchaser shall not include the ten percent (10%) factor.

(B) Renewal and replacement capital improvements include those incurred: (1) to satisfy regulatory agency requirements relating to such things as wastewater treatment quality or sludge handling or enhancing reliability; (2) to extend the useful life of the System; (3) to improve treatment or reliability or maintain the Capacity of the System, without increasing the actual Capacity of the System; and (4) to close a wastewater treatment facility of the System.

(C) In order to defray the cost of the improvements described in paragraph (B) above, Seller may utilize the moneys which have accumulated in the Depreciation and Contingent Account. If sufficient funds are not on deposit in the Depreciation and Contingent Account, then the required sum shall be included in the Capital Revenue Requirement, either as a lump sum for capital outlay payable in one Fiscal Year or as annually occurring new debt service (hereafter, "***New Debt Service***"). New Debt Service may include either (1) principal and interest payments on an issue of Improvement Bonds, or (2) a schedule of level amortized annual payments payable to the Seller's general fund. In the event the inclusion of the cost of a renewal and replacement project causes an annual increase in a Purchaser's Capital Charge of ten percent (10%) or more, the Seller agrees to pay for the cost of the project by either (1) issuing Improvement Bonds, or (2) cash funding the project with the Seller's available cash from any source other than the Enterprise Fund and providing the Purchasers with a schedule of level amortized annual payments, or (3) employing a combination of (1) and (2).

(D) Capital Revenue Requirements will continue to be allocated to the Participants according to Allocated Percentages. A Purchaser's share of any schedule of level amortized annual payments shall be included in such Purchaser's Capital Charge and, upon receipt by the Seller, transferred from the Enterprise Fund to the Seller's general fund at least once each year. The Seller's share of the schedule of level amortized annual payment shall also be accounted for by fund transfer notation.

(E) In the event the Seller cash funds the project, the schedule of level amortized annual payments shall be based on (1) the total cost of the project, including capitalized interest, but excluding any costs related to the Seller's personnel, and (2) the prime interest rate in effect at the time the project commences.

(F) Seller agrees to structure any New Debt Service with the minimum term of years that does not cause a Purchaser's Capital Charge to increase by more than ten percent (10%) from the previous Fiscal Year; provided, however, each Purchaser agrees that the term of any New Debt Service shall not exceed twenty years regardless of the percentage increase in the Capital Charge.

### **Section 3.06. Purchase of Available Capacity from the Seller**

If there is Available Capacity, the Seller will offer it to each Purchaser at all times at the Buy-In Charge, or another negotiated value, whichever is less. While Seller has agreed that the initial Available Capacity shall be:

0.400 MGD in the Upper Regional Plant and;

0.400 MGD in the Middle Regional Plant

at the time of the execution of this Agreement, the amount of Available Capacity may be revised from time to time at the discretion of the Council upon 30 days notice to the Purchasers and is likely to decrease over time until the next major expansion of the wastewater treatment plants in the Eighteen-Mile Creek Service Area. At all times, unless revised by the Council, the Seller will hold in reserve at least .400 MGD of Capacity for industrial development purposes that is not available for sale to the Purchasers.

For purposes of this Section 3.06, the Buy-In Charge shall be calculated as the number of gallons by which such Purchaser's Reserved Capacity is being increased, times the total Capital Revenue Requirements per gallon of Capacity paid by the Seller since execution of this Agreement times 1.05. Revenue from the Buy-In Charge will be transferred to the Seller's general fund for reimbursement of the Seller's costs of holding excess Capacity for use by the Purchasers.

### **Section 3.07. Participant's Request for Increased Reserved Capacity**

The Participants recognize that their respective future requirements for wastewater service cannot be presently determined and that a Participant may at some future time need more Capacity than the Available Capacity.

In the event a Participant requires additional Reserved Capacity and no Available Capacity then exists, it shall so notify the other parties to this Agreement in writing setting forth its required additional Reserved Capacity and the time at which it estimates such additional Reserved Capacity will be required.

Seller agrees, subject to the availability of Seller's discharge rights and the Seller's ability to obtain all necessary permits, to undertake the design and construction of expansions to the System necessary to provide the additional Reserved Capacity requested pursuant to this Section 3.07 in a timely manner so that such additional Reserved Capacity can be available on or before the date set forth in such notice provided that:

- (i) the requested availability date shall be not less than thirty-six (36) months following the date of the notice;
- (ii) Seller shall not be required to add Capacity to the wastewater facilities known as Roper, Cramer, Central North and Stockade; and
- (iii) Seller shall not be required to add Capacity to the wastewater treatment facilities known as Middle Regional Plant and Upper Regional Plant, in increments of less than 1.0 MGD.

The required sum necessary to construct an expansion of the System in order to provide the requested Reserved Capacity shall be included in the Capital Revenue Requirement either as a lump sum or as debt service on an issue of Improvement Bonds and paid on the basis of Allocated Percentages provided such amount does not require a Participant's then Capital Charge to increase by more than five percent (5%). In the event such cost does require an

increase of a Participant's then Capital Charge in excess of five percent (5%), then the Participant requesting the increase of Reserved Capacity shall contribute the sum necessary to allow each Participant's Capital Charge to increase by no more than five percent (5%). Provision satisfactory to Seller shall be made by such Purchaser for the payment of the costs of such expansion, including design, engineering and financing costs.

The Participants agree to modify and amend this Agreement to the extent necessary to provide for alteration of the Reserved Capacity and Allocated Percentage of all affected Participants as the same may be required as a result of the provisions of this Section.

**Section 3.08. Mandatory Capacity Purchase for Excessive Use**

At no time will a Participant's Reserved Capacity be less than its estimated maximum daily flow. Estimated maximum daily flow shall be calculated for purposes of this Section 3.08 as the monthly Billable Flow of a Participant divided by the number of days in the month times a factor of 1.50. Seller agrees to maintain the Capacity of the System such that its estimated maximum daily flow never exceeds its Reserved Capacity.

In the event Seller determines (1) that a Purchaser's estimated maximum daily flow exceeds its Reserved Capacity and (2) that Available Capacity exists, Seller shall provide such Purchaser with written notice of (a) the excessive use event, (b) the amount of Available Capacity that Seller has determined, in its sole discretion, must be purchased at the Buy-In Charge; (c) the total Buy-In Charge due; (d) the revised Available Capacity; and (e) a new schedule of Reserved Capacities, Allocated Percentages, and monthly Capital Charges.

If a Purchaser does not purchase additional Reserved Capacity equal to or exceeding the terms set forth in the above paragraph by the sixtieth (60<sup>th</sup>) day following the notice provided in the above paragraph, Purchaser's Reserved Capacity shall be automatically increased by Seller to the required level of Reserved Capacity rounded upward to the next 50,000 gallon increment. In such event, Purchaser shall make payment to Seller at the price provided above and no later than the seventieth (70<sup>th</sup>) day following the notice provided for above.

If a Purchaser fails to make payment for the Buy-In Charge or revised Capital Charge levied for excessive use within 90 days from the date of the Seller's notice, a penalty interest rate of two times the prevailing prime rate will apply and accrue on a compounded basis until the full Buy-In Charge and Capital Charge are paid.

**Section 3.09. Parties' Rights to Sell or Otherwise Dispose of Wastewater Treatment and Reserved Capacity**

(A) Each Participant shall in no way be limited or prohibited from selling, leasing or otherwise disposing of its Reserved Capacity to another Participant and such Participant who sells, leases or otherwise disposes of any portion of its Reserved Capacity under the provisions of this paragraph (A) shall be solely entitled to the proceeds therefrom. One Participant may use another Participant's Reserved Capacity on a temporary basis by written agreement of both parties if the flows can physically be treated in the same wastewater treatment plant.

(B) Any Participant may sell, lease or otherwise dispose of all or any portion of its Reserved Capacity to an entity who is not a Participant; provided, however, that a Participant may sell, lease or otherwise dispose of all or any portion of its Reserved Capacity to an entity other than another Participant only upon the following five conditions:

(i) unless such sale, lease or other disposition is of the type contemplated by Section 3.09 (B)(iii) below, the Reserved Capacity shall first be offered to the other Participants on the same terms;

(ii) unless such sale, lease or other disposition is of the type contemplated by Section 3.09 (B)(iii) below, if, within thirty (30) days of such offer, any Participant does not elect to purchase any portion, then that portion may then be offered to a new purchaser;

(iii) if such sale, or other disposition is to a successor entity or is otherwise in connection with any merger of a Participant into any other entity or in connection with the sale of substantially all of a Participant's assets to another entity, then, as a condition to such sale, lease or other disposition such new acquirer of Reserved Capacity shall become subject to all the obligations of the Participant under this Agreement with respect to the Reserved Capacity purchased;

(iv) no such sale, lease or other disposition of Reserved Capacity, other than as contemplated by Section 3.09 (B)(iii) above, shall relieve a Participant of primary responsibility for the performance of its obligations under this Agreement; and

(v) no such sale, lease or other disposition of Reserved Capacity shall be made to, or for the benefit of, a nongovernmental entity unless the Participant disposing of such Reserved Capacity shall have provided to the other Participants an opinion of counsel experienced in matters of tax-exempt municipal bonds to the effect that such disposition will not adversely affect the exemption from federal income taxation of interest on any Bonds Outstanding or other obligations issued in connection with the financing of any portion of the System.

Any Participant selling, leasing or otherwise disposing of any portion of its Reserved Capacity under this paragraph (B) shall be solely entitled to the proceeds therefrom.

[End of Article III]

## **ARTICLE IV**

### **SYSTEM OPERATION AND WASTEWATER MANAGEMENT**

#### **Section 4.01. Maintenance of the System**

During the term of this Agreement, Seller shall keep and maintain all portions of the System in good and safe condition and repair, and in compliance with all applicable federal, state, and local laws, ordinances, rules, regulations and permits. Seller will maintain the interior and exterior of all portions of the System and grounds in a clean and orderly fashion consistent with other comparable or commercial establishments in the area. Seller shall at all times retain exclusive possession and control of the System.

#### **Section 4.02. General Operations**

Seller shall provide the necessary staff to provide attendants at the System in accordance with DHEC standards.

#### **Section 4.03. Operation and Maintenance Manuals**

Seller shall develop in accordance with EPA and DHEC guidelines, operational manuals which set out the installation, operating, and maintenance requirements for each component of the System, plus requirements for the biological system. Seller will make these manuals available for review or duplication to Purchasers or other parties during regular business hours.

#### **Section 4.04. Operations, Maintenance and Repairs**

Operations, maintenance and repairs shall be performed by Seller in accordance with the manufacturers' instructions, the O&M manuals described in Section 4.03 above, and industry practices.

#### **Section 4.05. Access and Inspection**

Each Purchaser may upon advance notification to the Director of the PSC, inspect the System and observe as necessary, in its opinion, to assure that the operations and maintenance of the System are being performed in a good and workmanlike manner and in accordance with applicable legal requirements and good emergency practices. A Purchaser shall not instruct or direct any person with regard to the operations of the System but may direct any comments, questions or requests it may have to the Director of the PSC.

#### **Section 4.06. Noise and Odors**

Seller will use reasonable good-faith efforts to operate and maintain the System as required to minimize objectionable noise and odors.

#### **Section 4.07. Insurance**

Seller agrees to carry fire, casualty, public liability and other insurance on the System for such purposes and in amounts which ordinarily would be carried by a privately owned company owning and operating a sewer system similar to the System and consistent with the Seller's practice for insuring similar properties of the Seller.

[End of Article IV]

**ARTICLE V**  
**RECORDKEEPING**

**Section 5.01. Recordkeeping and Inspection Rights**

(A) Seller shall maintain in a business-like manner accounting records for the System, which records shall be maintained in accordance with generally accepted accounting principles. All books and records of Seller pertaining to the System shall be available to each Purchaser for inspection at all reasonable times.

(B) Each Purchaser agrees to provide to Seller, at no cost, monthly records of the water usage of Purchaser's System's customers who are provided wastewater treatment services by the System. In addition, each Purchaser agrees to provide to Seller, at no cost, monthly records of amount of wastewater flow of Purchaser's System's customers who are not water customers.

(C) Each Purchaser shall maintain in a business-like manner accounting records for such Purchaser's System which records shall be maintained in accordance with generally accepted accounting principles. All books and records of each Purchaser pertaining to such Purchaser's System shall be available to Seller for inspection at all reasonable times.

(D) As a part of the preparation of the Seller's annual Audited Annual Financial Report, Seller shall engage a firm of certified public accountants to prepare a statement of the Allocated Percentage for each Participant, the Billable Flow for each Participant, the O&M Revenue Requirement, and the Capital Revenue Requirement for such Fiscal Year. Unless the methodology is determined to be inappropriate, a consistent reporting framework will be provided in the event that the auditing firm changes.

(E) An outside auditor shall be engaged annually by the Seller to examine the PSC's operations and maintenance costs for the immediate Fiscal Year past. The audited costs for the past Fiscal Year and the estimated actual costs for the current Fiscal Year, will be shown in the budget for comparison with the budgeted O&M Revenue Requirement.

[End of Article V]

## **ARTICLE VI**

### **ADVISORY COMMITTEE**

#### **Section 6.01. Purpose and Function; Meetings**

The governing body of each of the Participants shall appoint a representative to a four-member Advisory Committee. The Director of the PSC shall be the fourth but non-voting member of the Advisory Committee. The Advisory Committee, at its first meeting, shall elect a Chairman and a Vice-Chairman. The PSC will provide a recording Secretary. The Advisory Committee may establish bylaws governing the election of officers, meeting dates, and other matters pertinent to the functioning of the Advisory Committee. The committee will meet, at a minimum, on a quarterly basis.

The Advisory Committee shall consult with and advise the PSC with regard to all matters pertaining to the System. The Advisory Committee will review each budget prepared by the PSC and provide comments, all as set forth in Section 3.03 hereof.

Said Committee shall have access to and may inspect all physical elements of the System and all records and accounts of Seller pertaining to the System during regular business hours of the PSC.

The term of membership for appointed members on the Advisory Committee shall be for twenty-four (24) months. A member may serve more than one (1) term.

[End of Article VI]

## **ARTICLE VII**

### **SERVICE TO CUSTOMERS**

#### **Section 7.01. Provision of Service**

(A) The Seller may provide wastewater services to customers other than the Purchasers, including but not limited to residential, commercial, or industrial retail and wholesale customers, collection, treatment, transportation, industrial pre-treatment, industrial monitoring, sludge treatment, and facilities operations and maintenance so long as the Seller charges such customers fair and reasonable charges for such services and accounts for the offsetting effect of such revenues on the charges imposed on the Purchasers, as estimated by the Director of the PSC. Cost of services for the provision of new service must be set no lower than comparable rates for existing service customers.

(B) In the event residential or commercial wastewater service is requested in the Eighteen-Mile Creek Service Area by a new customer outside of the corporate limits of either Purchaser, the Participants agree that such services shall be provided by the Purchaser who is capable of providing such service in the most efficient and economic manner. If the Purchaser is not capable of providing such services, or elects to not provide such service, such Purchaser shall notify the customer and the Seller of its decision not to provide such services within sixty (60) days of the date such service is requested. Upon receipt of such notice, Seller may elect to provide or decline the provision of such service.

(C) In the event wholesale wastewater treatment service or wastewater services to an industrial customer is requested outside of the corporate limits of either Purchaser, the Participants agree that such services shall be provided by Seller. In order to provide such wastewater services, Seller shall own, operate, and maintain collection lines, manholes, and pump stations as components of Seller's Retail System. These facilities shall not be considered part of the System for purposes of defining Capital Revenue Requirements of the System.

(D) In the event a Purchaser annexes any area already served by Seller on a retail basis, such Purchaser shall purchase the collection component owned by Seller in that area for a fair and equitable price, within the period of one hundred eighty (180) days following official certification of annexation.

[End of Article VII]

## **ARTICLE VIII**

### **EVENTS OF DEFAULT; REMEDIES**

#### **Section 8.01. Events of Default; Remedies**

(A) (1) In the event that a Purchaser fails to make any payment required by this Agreement, after thirty (30) days written notice to a Purchaser of such failure, Seller may institute such action as may be necessary to enforce payment of such amounts, including interest on past due amounts, from the date such amount becomes due until paid in full, at the judgment rate then in force under the laws of the State of South Carolina.

(2) In the event that a Purchaser fails to perform any other covenant or agreement herein made, Seller may, after thirty (30) days written notice to a Purchaser of such failure, bring action against such Purchaser for the specific performance by such Purchaser of such other covenant or agreement or, in the event that such failure may impair such Purchaser's ability to make payments required by this Agreement, for the appointment of a receiver to administer and operate a Purchaser's System, or for the enforcement of rights and remedies pursuant to the United States Bankruptcy Code.

(3) In the event that a failure by a Purchaser to perform any covenant or agreement herein made is the proximate cause of any physical damage to the System, then such Purchaser shall be responsible for the cost of repairing such damages, and Seller may bring an action therefor.

(4) The remedies herein granted to Seller shall be exclusive and shall be in lieu of all other remedies that Seller may have at law or in equity. A Purchaser shall not be liable in any event for punitive, economic or third-party damages.

(B) (1) In the event that Seller fails to perform any covenant or agreement herein made, a Purchaser may, after thirty (30) days written notice to Seller of such failure, bring action against Seller for the specific performance by Seller of such covenant or agreement.

(2) In the event that a failure by Seller to perform any covenant or agreement herein made is the proximate cause of any physical damage to a Purchaser's System, Seller shall be responsible for the cost of repairing such damages, and such Purchaser may bring an action therefor.

(3) The remedies herein granted to the Purchasers shall be exclusive and shall be in lieu of all other remedies that the Purchasers may have at law or in equity, and notwithstanding that if Seller shall become indebted to a Purchaser by reason hereof, a Purchaser shall have no right to offset such indebtedness against its obligations to make payments under the provisions of this Agreement. Seller shall not be liable in any event for punitive, economic or third-party damages. The fact that the obligations of the Purchasers to make payments under this Agreement are absolute and unconditional shall not be construed to diminish the exclusive remedies provided by this Section 8.01(B) for any failure by Seller to perform under this Agreement.

[End of Article VIII]

## **ARTICLE IX**

### **FORCE MAJEURE**

#### **Section 9.01. Effects of Force Majeure**

If by reason of force majeure any Participant shall be rendered unable wholly or in part to carry out its obligations under this Agreement, other than the obligations of each Purchaser to make the payments required under Section 3.02 of this Agreement, then if such Participant shall give notice and full particulars of such force majeure in writing to the other Participant within a reasonable time after occurrence of the event or cause relied on, the obligation of the Participant giving such notice, so far as it is affected by such force majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such Participant shall endeavor to remove or overcome such inability with all reasonable dispatch. The term "Force Majeure" as employed herein shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy or war, orders of any kind of the Government of the United States or the State of South Carolina, or any civil or military authority, insurrection, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage, accidents and acts of terrorism to machines, pipelines or canals and inability on the part of Seller to provide wastewater treatment service hereunder for any reason, or on account of any other causes not reasonably within the control of the Participant claiming such inability.

[End of Article IX]

## **ARTICLE X**

### **MISCELLANEOUS**

#### **Section 10.01. Ownership of the System and Reserved Capacities of the System**

The System and all of its physical components shall at all times be the sole and absolute property of Seller. Pursuant to the provisions of Section 3.01, each Participant has been provided a Reserved Capacity.

#### **Section 10.02. Availability Fees**

The Purchasers and the Seller agree that each has the authority to establish its own equitable schedule of availability fees. Purchasers will not pay Availability Fees to the Seller under the terms of this Agreement.

#### **Section 10.03. Notices**

All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by certified or registered mail, postage prepaid, and addressed as follows:

If to Purchasers:

Town of Central  
W. Herbert Thompson, Jr., or successor  
Town Administrator  
Post Office Box 549  
1067 W. Main Street  
Central, South Carolina 29630-0549

City of Liberty  
Eddie Hughes, or successor  
Mayor  
Post Office Box 716  
206 W. Front Street  
Liberty, South Carolina 29657-0716

If to Seller:

Pickens County  
Mr. Alan Ours or successor  
Pickens County Administrator  
222 McDaniel Avenue B-2  
Pickens, South Carolina 29671

Either party hereto may, by notice given to the other party to this Agreement, designate any further or different addresses to which subsequent notice, certificates or other communications shall be sent.

**Section 10.04. Beneficiaries**

This Agreement shall inure to the benefit of and shall be binding upon the Participants and their respective successors or assigns.

**Section 10.05. Severability**

In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 10.06. Counterparts**

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 10.07. Governing Law**

This Agreement is prepared and entered into with the intention that the law of the State of South Carolina shall govern its construction.

**Section 10.08. Amendments**

This Agreement may not be amended, changed, modified or terminated without in each instance the prior written consent of the parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed in their names by their duly authorized officers as of the date first hereinabove written.

**PICKENS COUNTY, SOUTH CAROLINA**

Attest:

\_\_\_\_\_  
Chairman, County Council of Pickens County

\_\_\_\_\_  
County Administrator, Pickens County

**TOWN OF CENTRAL, SOUTH CAROLINA**

Attest:

\_\_\_\_\_  
Mayor, Town of Central

\_\_\_\_\_  
Town Administrator, Town of Central

**CITY OF LIBERTY, SOUTH CAROLINA**

Attest:

\_\_\_\_\_  
Mayor, City of Liberty

\_\_\_\_\_  
City Clerk, City of Liberty

**CAPACITY IN THE SYSTEM**

<b>Facilities in the System</b>	<b>System Capacity (MGD)</b>
Upper Regional WWTP	1.0000
Cramer WWTP	0.1570
Roper WWTP	0.5000
Middle Regional WWTP	1.0000
Central North WWTP	<u>0.1500</u>
Total	2.8070

**Reserved Capacities and Allocated Percentages**

<b>Participant</b>		<b>Reserved Capacities (MGD)</b>	<b>Allocated Percentage</b>
City of Liberty		0.4200	14.96%
Town of Central		0.6000	21.38%
Pickens County		<u>1.7870</u>	<u>63.66%</u>
Total		2.8070	100.00%

## SUMMARY OF O&M CHARGE AND CAPITAL CHARGE

	Former Agreement as Interpreted by Arbitrator	New Agreement
	FY 2004 Arbitration Assumptions	FY 2006 Charges
<b>O&amp;M CHARGE</b>		
<b>O&amp;M Rate Calculation</b>		
O&M Revenue Requirement	\$783,404	\$828,826
Total Billable Flow, kgals/year	235,980	226,000
O&M Rate/kgal	\$3.32	<b>\$3.67</b>
<b>Billable Flow, kgals per year</b>		
City of Liberty	100,136	81,000
Town of Central	104,753	110,000
Pickens County	<u>31,091</u>	<u>35,000</u>
Total Billable Flow	235,980	226,000
<b>O&amp;M Charges per Year</b>		
City of Liberty	\$332,430	297,057
Town of Central	\$347,758	403,411
Pickens County	<u>\$103,216</u>	<u>128,358</u>
Total O&M Recovered	\$783,404	\$828,826
<b>CAPITAL CHARGE</b>		
<b>Capital Revenue Requirement</b>	\$634,399	\$694,684
<b>Allocated Percentages</b>		
City of Liberty		14.96%
Town of Central		21.38%
Pickens County		<u>63.66%</u>
Total		100.00%
<b>Total Capital Charges</b>		
City of Liberty	\$122,083 (a)	\$103,943
Town of Central	113,934 (b)	148,490
Pickens County	<u>398,382 (c)</u>	<u>442,252</u>
Total Capital Recovered	\$634,399	\$694,684

Notes on arbitration of former agreement: All parties paid \$3.32/kgal for O&M.

a. Liberty was to pay \$0.721/kgal times 100,136 assumed kgals, plus special purpose tax of \$49,885. In stead, Liberty paid \$1.15/kgal for capital and did not levy the tax.

b. Central was to pay \$0.721/kgal times 104,753 assumed kgals, plus special purpose tax of \$38,407.

c. Pickens County was to pay the balance, that is total capital revenue requirements less capital revenues received from Liberty and Central.

<b>CAPITAL REVENUE REQUIREMENT</b>	
	<b>FY2006 Adopted Budget</b>
<b>Seller's Debt Service Principal and Interest</b>	
BREC Principal Only (Upper 18 Mi)	\$50,000
SRF (Middle 18 Mi)	\$237,345
USDA RD (Middle 18 Mi 1999B)	\$112,140
USDA RD (Upper 18 Mi 1999A)	<u>\$203,364</u>
Total Debt Service P&I	\$602,849
<b>Other Capital</b>	
Payment to DS Reserve per USDA Bonds	\$31,550
Transfer to Depreciation & Contingency Fund	<u>60,285</u>
Total Other Capital	\$91,835
<b>Capital Outlay Budget</b>	\$0
<b>Total Capital Revenue Requirement</b>	<u>\$694,684</u>

**MAP OF EIGHTEEN-MILE CREEK SERVICE AREA**

<b>O&amp;M REVENUE REQUIREMENT</b>	
	<b>Adopted Budget</b>
<b>PSC Total Operating Budget (a)</b>	
<b>PSC Salaries &amp; Benefits</b>	
Director + Admin Asst	\$128,596
All Other	<u>\$303,424</u>
Total PSC Salaries & Benefits	\$432,020
<b>PSG Wastewater Operations</b>	
Electricity & Heating Oil	\$157,000
Chemicals & Lab Supplies	\$105,060
Uniforms & Safety Supplies & Equipment	\$3,000
Gasoline & Oil	\$14,500
Lubricants & Other	\$1,600
Repairs to Equipment Vehicles & Automotive	\$5,000
Small Hand Tools	\$1,000
Asphalt Gravel & Sand	\$2,650
Training for Employees	\$3,500
Maintenance & Service Contracts	\$805
Cleaning & Sanitation	\$1,000
Consulting & Contractual	
Engineering Svc DHEC Req	\$15,000
Flow Meter Maintenance	\$2,563
PER	\$3,000
PTP Evn Lower Svcs	\$450
Roper Pilot Study	\$35,000
Site Specific Study (Upper)	\$15,000
Sludge to Palmetto WWM	\$1,000
Wastewater Monitoring	
Toxicity Testing	\$32,800
Outside Lab Svc for PTP	\$4,800
Groundwater Well Monitoring	\$4,700
New Permit Restrictions	\$1,260
Mercury Testing 5 WWTPs (Goldie)	\$5,000
Illicit Discharge Analysis	\$1,000
Biosolids Soil Sampling DHEC	\$9,480
Rental Equipment	\$0
Water & Sewer	\$7,000
Machines & Equipment	\$2,500
Repairs to Building & Grounds	\$94,789
Tanker Trailer Rental	\$2,500
Road Tractor Rental	\$6,000
Farm Tractor	\$2,500
Temp Driver Contract	<u>\$2,500</u>
Total Wastewater Operations	\$543,957

<b>PSC General &amp; Administrative</b>	
Telephone	\$6,500
Data Line	\$6,000
Postage	\$2,310
Office Supplies	\$4,961
Furniture	\$0
Dues & Subscriptions	\$341
Travel Expense	\$170
Insurance, Bonds & Licenses	\$62,889
Rate Consulting	
County Finance	\$0
Legal Expense	\$0
Contingency	\$0
Total G&A	\$83,171
<b>Seller's Retail Wastewater System Expenditures</b>	
Retail Collection System Maintenance	\$11,716
Retail Billing (pass thru to ECWD)	\$0
Georges Creek Related Costs	\$0
Total Retail	<u>\$11,716</u>
<b>Total PSC Operating Expense Budget</b>	<b>\$1,070,864</b>

<b>O&amp;M Expense Adjustments to PSC Total Operating Budget to Determine 18-Mile Creek O&amp;M Revenue Requirement</b>
---

<b>Expense Adjustments</b>	
Salary & Benefits for Director & Admin Assistant	(\$128,596)
Legal & Consulting for Dispute Resolution	\$0
Seller's Retail System Expenditures	(\$11,716)
Georges Creek-Related O&M	<u>\$0</u>
Revenues from Cateechee Village Operations	(\$25,959)
Revenues from School District Operations	(\$45,563)
Revenues from Industrial Pretreatment Monitoring	(\$17,653)
Revenues from Industrial Extra Strength Surcharges	\$0
Revenues from Septage Hauling	<u>(\$12,551)</u>
<b>Total Expense Adjustments</b>	<b>(\$242,038)</b>
<b>18-Mile Creek O&amp;M Revenue Requirement</b>	<b>\$828,826</b>
<b>Billable Flow, kgals/year</b>	<b>226,000</b>
<b>O&amp;M Rate (b)</b>	<b>\$3.67</b>

a. Cost categories are subject to change over time.

b. This rate applies to all of Seller's Billable Flow, including the Stockade, as well as the Billable Flow of Liberty and Central.

**Town of Central Sewer Rates  
Before and After New Agreement**

	<b>Former</b>	<b>New</b>
Capacity, mgd	0.4543	0.6000
	meaningless	guaranteed
Yearly Capital	\$117,607	\$148,490
SPD Tax	<u>(\$38,407)</u>	<u>(\$38,407)*</u>
Capital Rev Required from Rates	\$79,200	\$110,083
Billable Flow, est Next 12 Months	110,000	110,000
Average Capital/kgal	\$0.72	\$1.00
O&M Rate/kgal	<u>\$3.32</u>	<u>\$3.67</u>
Total Sewer Treatment & Transmission Co	\$4.04	\$4.67
Avg Rate Increase/kgal		<b>\$0.63</b>

<b>Current Sewer Rates</b>	<b>Inside City</b>	<b>Outside City</b>	<b>Ratio</b>
<b>Minimum Bill</b>	<b>\$10.10</b>	<b>\$13.68</b>	35%
Includes 2 kgals at a price of:	\$10.10	\$12.00	19%
Difference	\$0.00	\$1.68	
<b>Volume Charge/Kgal (all kgals over 2)</b>	<b>\$5.05</b>	<b>\$6.00</b>	19%
<b>Example Monthly Bills at Current Rates</b>			
3 kgals	\$15.15	\$19.68	30%
7 kgals	\$35.35	\$43.68	24%
25 kgals	\$121.20	\$145.68	20%
50 kgals	\$252.50	\$301.68	19%
<b>New Sewer Rates</b>	<b>Inside City</b>	<b>Outside City</b>	<b>Ratio</b>
<b>Minimum Bill</b>	<b>\$11.36</b>	<b>\$14.94</b>	32%
Includes 2 kgals at a price of:	\$11.36	\$13.26	17%
Difference	\$0.00	\$1.68	
<b>Volume Charge/Kgal (all kgals over 2)</b>	<b>\$5.68</b>	<b>\$6.63</b>	17%
<b>Example Monthly Bills at New Rates</b>			
3 kgals	\$17.04	\$21.57	27%
7 kgals	\$39.76	\$48.09	21%
25 kgals	\$136.32	\$160.80	18%
50 kgals	\$284.00	\$333.18	17%
<b>\$ Increase</b>			
3 kgals	\$1.89	\$1.89	0%
7 kgals	\$4.41	\$4.41	0%
25 kgals	\$15.12	\$15.12	-0%
50 kgals	\$31.50	\$31.50	-0%
<b>% Increase</b>			
3 kgals	12.5%	9.6%	-23%
7 kgals	12.5%	10.1%	-19%
25 kgals	12.5%	10.4%	-17%
50 kgals	12.5%	10.4%	-16%

# City of Liberty Sewer Rates Before and After New Agreement

	Former	New	
Capacity, mgd	0.5899	0.4200	
	meaningless	guaranteed	
Yearly Capital	\$93,150	\$103,943	
Billable Flow, est Next 12 Months	81,000	81,000	
Average Capital/kgal	\$1.15	\$1.28	
O&M Rate/kgal	<u>\$3.32</u>	<u>\$3.67</u>	
Total Sewer Treatment & Transmission Co	\$4.47	\$4.95	
Avg Rate Increase/kgal		<b>\$0.48</b>	
<b>Current Residential Sewer Rates</b>	<b>Inside City</b>	<b>Outside City</b>	<b>Ratio</b>
<b>Minimum Bill</b>	<b>\$11.25</b>	<b>\$15.50</b>	38%
Includes 2 kgals at a price of:	\$10.90	\$14.40	32%
Difference	\$0.35	\$1.10	214%
<b>Volume Charge/Kgal (all kgals over 2)</b>	<b>\$5.45</b>	<b>\$7.20</b>	32%
<b>Example Monthly Residential Bills at Current Rates</b>			
3 kgals	\$16.70	\$22.70	36%
7 kgals	\$38.50	\$51.50	34%
25 kgals	\$136.60	\$181.10	33%
<b>New Residential Sewer Rates</b>	<b>Inside City</b>	<b>Outside City</b>	<b>Ratio</b>
<b>Minimum Bill</b>	<b>\$12.21</b>	<b>\$16.46</b>	35%
Includes 2 kgals at a price of:	\$11.86	\$15.36	30%
Difference	\$0.35	\$1.10	214%
<b>Volume Charge/Kgal (all kgals over 2)</b>	<b>\$5.93</b>	<b>\$7.68</b>	30%
<b>Example Monthly Residential Bills</b>			
3 kgals	\$18.14	\$24.14	33%
7 kgals	\$41.86	\$54.86	31%
25 kgals	\$148.60	\$193.10	30%
<b>\$ Increase</b>			
3 kgals	\$1.44	\$1.44	0%
7 kgals	\$3.36	\$3.36	0%
25 kgals	\$12.00	\$12.00	0%
<b>% Increase</b>			
3 kgals	8.6%	6.3%	-26%
7 kgals	8.7%	6.5%	-25%
25 kgals	8.8%	6.6%	-25%
<b>Current Commercial Sewer Rates</b>	<b>Inside City</b>	<b>Outside City</b>	<b>Ratio</b>
<b>Minimum Bill</b>	<b>\$14.25</b>	<b>\$27.50</b>	93%
Includes 2 kgals at a price of:	\$10.90	\$14.40	32%
Difference	\$3.35	\$13.10	291 %
<b>Volume Charge/Kgal (all kgals over 2)</b>	<b>\$5.45</b>	<b>\$7.20</b>	32%
<b>Example Monthly Commercial Bills at Current Rates</b>			
7 kgals	\$41.50	\$63.50	53%
25 kgals	\$134.15	\$185.90	39%
50 kgals	\$275.85	\$373.10	35%
<b>New Commercial Sewer Rates</b>	<b>Inside City</b>	<b>Outside City</b>	<b>Ratio</b>
<b>Minimum Bill</b>	<b>\$15.21</b>	<b>\$28.46</b>	87%
Includes 2 kgals at a price of:	\$11.86	\$15.36	30%
Difference	\$3.35	\$13.10	291 %
<b>Volume Charge/Kgal (all kgals over 2)</b>	<b>\$5.93</b>	<b>\$7.68</b>	30%
<b>Example Monthly Commercial Bills</b>			
7 kgals	\$44.86	\$66.86	49%
25 kgals	\$145.67	\$197.42	36%
50 kgals	\$299.85	\$397.10	32%
<b>\$ Increase</b>			
7 kgals	\$3.36	\$3.36	0%
25 kgals	\$11.52	\$11.52	0%
50 kgals	\$24.00	\$24.00	0%
<b>% Increase</b>			
7 kgals	8.1%	5.3%	-35%
25 kgals	8.6%	6.2%	-28%

50 kgals

8.7%

6.4%

-26%

	A	B	C	D	E
1					
2	<b>City of Liberty</b>				
3					
4	New 18-Mile Creek Agreement				
5					
6					
7					
8	<b>Sewer Rates</b>				
9					
10	<b>Current</b>		Inside City	Outside City	
11					
12	<b>Residential</b>				
13	Minimum		\$11.25	\$15.50	
14	Includes 2 kgals				
15	plus				
16					
17	Over Min/kgal		\$5.45	\$7.20	
18					

**CITY OF LIBERTY**

**COUNTY OF PICKENS**

**RESOLUTION 2023-05**

**STATE OF SOUTH CAROLINA**

**A RESOLUTION OF THE LIBERTY CITY COUNCIL SUPPORTING AN EFFORT BY THE CITY OF CLEMSON TO STUDY THE POTENTIAL FOR A NEW REGIONAL INTERGOVERNMENTAL AGREEMENT TO SERVE THE PICKENS COUNTY RESIDENTS OF CENTRAL, CLEMSON AND LIBERTY.**

**WHEREAS**, the Pickens County Comprehensive Plan identifies the southern part of the County as an area that will see significant growth; and

**WHEREAS**, enhanced public utilities and regional cooperation will be needed to facilitate this growth; and

**WHEREAS**, Pickens County, and the municipalities of Central, Clemson and Liberty will need adequate infrastructure to serve the citizens of today and tomorrow, and

**WHEREAS**, the City of Clemson has requested that the Pickens County Public Service Commission consider the development of a new intergovernmental agreement between Pickens County and the municipalities of Central, Clemson and Liberty to create a regional partnership to serve our citizens needs through utilities, and

**WHEREAS**, with the permission of Pickens County and the Municipalities of Central and Liberty, the City of Clemson would facilitate a study to investigate the development of a new regional Intergovernmental Agreement to operate, maintain and expand the wastewater collection and treatment utilities common to their citizens, and

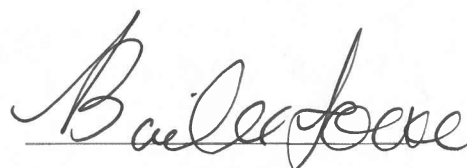
**WHEREAS**, consenting to participate in this study does not obligate any partner of the August 15, 2005 agreement to be a party to a new agreement, or allocate resources to the investigation of a new intergovernmental agreement.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LIBERTY, SOUTH CAROLINA** supports conducting a study to explore the potential for a new regional Intergovernmental Agreement to collaboratively address utility issues common to the citizens of Pickens County and the municipalities of Central, Clemson and Liberty.

**RESOLVED BY CITY COUNCIL THIS 12<sup>th</sup> DAY OF JUNE, 2023.**

  
\_\_\_\_\_  
Erica Woods, Mayor

Attest:

  
\_\_\_\_\_  
Bailee Locke, City Clerk

**TOWN OF CENTRAL**

**COUNTY OF PICKENS**

**RESOLUTION #04-10-2023 IGA**

**STATE OF SOUTH CAROLINA**

**A RESOLUTION OF THE CENTRAL TOWN COUNCIL SUPPORTING AN EFFORT BY THE  
CITY OF CLEMSON TO STUDY THE POTENTIAL FOR A NEW REGIONAL  
INTERGOVERNMENTAL AGREEMENT TO SERVE THE PICKENS COUNTY RESIDENTS  
OF CENTRAL, CLEMSON AND LIBERTY.**

**WHEREAS**, the Pickens County Comprehensive Plan identifies the southern part of the County as an area that will see significant growth; and

**WHEREAS**, enhanced public utilities and regional cooperation will be needed to facilitate this growth; and

**WHEREAS**, Pickens County, and the municipalities of Central, Clemson and Liberty will need adequate infrastructure to serve the citizens of today and tomorrow, and

**WHEREAS**, the City of Clemson has requested that the Pickens County Public Service Commission consider the development of a new intergovernmental agreement between Pickens County and the municipalities of Central, Clemson and Liberty to create a regional partnership to serve our citizens needs through utilities, and

**WHEREAS**, with the permission of Pickens County and the municipalities of Central and Liberty; the City of Clemson would facilitate a study to investigate the development of a new regional intergovernmental agreement to operate, maintain and expand the wastewater collection and treatment utilities common to their citizens, and

**WHEREAS**, consenting to participate in this study does not obligate any partner of the August 15, 2005 agreement to be a party to a new agreement, or allocate resources to the investigation of a new intergovernmental agreement.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF CENTRAL, SOUTH CAROLINA** supports conducting a study to explore the potential for a new regional intergovernmental agreement to collaboratively address utility issues common to the citizens of Pickens County and the municipalities of Central, Clemson and Liberty.

**RESOLVED BY TOWN COUNCIL THIS 10<sup>TH</sup> DAY OF APRIL, 2023.**

---

Andrew J. Beckner, Mayor

Attest:

---

Susan A. Brewer, Town Clerk

## Pickens County PSC

### City of Liberty Flow Inventory as of 7-1-2023

---

#### 18-mile Upper WWTP

<u>Project Name</u>	<u>Permit #</u>	<u>Flow-GPD</u>	<u>Cumulative</u>	<u>Liberty/Remain</u>
Begin				420,000
Liberty/Lusk transfer		56,692	56,692	363,308
Liberty/Owens transfer		57,000	113,692	306,308
Rocky Top	24933-WW	19,200	132,892	287,108
Technology Properties	30687-WW	1,300	134,192	285,808
Liberty High School	35608-WW	14,730	148,922	271,078
Westfield Apts	39718-WW	8,700	157,622	262,378
Rocky Top (Liberty Ridge adjustment)	24933-WW	+19,200	138,422	281,578

#### Liberty/Roper WWTP

Base ave.		95,000	233,422	186,578
Adjustment for DMR 1997/1998		50,000	283,422	136,578
Adjustment for failure to meet limits 5/28/1998		107,600	391,022	28,978
Golden Springs Phase II	25248-WW	46,500	437,522	-17,522
Ingles Store	26477-WW	13,000	450,522	-30,522
Ingles Outparcels	28282-WW	1,400	451,922	-31,922
Ashton Ridge Subdivision	29392-WW	21,200	473,122	-53,122
*Inventory adjustment 11/7/2008		-200,000	273,122	146,878

Liberty has 146,878 gallons per day of available capacity

\*Cabinet Shop, Old St. Jude Building, Steel Building, and Airport Road Building = 1000

199000/200000=99.5% of adjustment goes to Liberty

## Pickens County PSC

### Town of Central Estimated Flow Inventory as of 6-21-2023

---

#### 18-mile Middle WWTP

<u>Project Name</u>	<u>Permit #</u>	<u>Flow-GPD</u>	<u>Cumulative</u>	<u>CentralRemain</u>
18-mile Middle WWTP	23164-WW			600,000
Berkshire/Centr Apts ph2	23660-WW	65,000	65,000	535,000
Redirected from SC0025003		325,200	390,200	209,800
University Village	27801-WW	118,800	509,000	91,000
Wal-Mart Store #3222	28139-WW	18,010	527,010	72,990
Southern Wesleyan Univ.	29627-WW	5,000	532,010	67,990
Tramlaw Corner	29973-WW	15,000	547,010	52,990
SCHWY 93 Sewer Collector	31006-WW	1,200	548,210	51,790
University Village ph6	31088-WW	24,300	572,510	27,490
University Village	27801-WW	59,565	632,075	-32,075
*DHEC Adjustment 79.8% of -367,075=		-292,925	339,150	260,850
Park Terrace		46,080	385,230	214,770

#### Central/North WWTP

Base – Ave		69,000		145,770
The Arbors Subdivision	21725-DW	11,200		134,570
Oak Hill Subdivision	26570-WW	4,800		129,770
Morgan Lane Housing	30294-WW	2,600		127,170
Review of DMR data as per Mike M.		-20,000		147,170
Daniel High School	36805-WW	36,250		110,920
Edwards Middle School		20,000		90,920
Ingles Crossing	40084-WW	15,900		75,020
Hidden Valley	40868-WW	13,200		61,820

Central Elem. Development	30,000	31,820
Gateway @ Cross Creek	40,538	-8718**

\*Heritage @Riverwood + Chimney Ridge = 20.2% of flow so 79.8% of adjustment goes to Central

\*\*The Town of Central paid the PSC for this capacity

Mr. Ralph Guarino  
Finance Director  
Pickens County  
222 McDaniel Avenue  
Pickens, SC 29671  
E-mail: [PCFinance@Co.Pickens.SC.US](mailto:PCFinance@Co.Pickens.SC.US)

April 6, 2023

**RE: Request for Proposals ("RFP") #202319 for an Impact Fee Study**

Dear Mr. Guarino:

DTA is pleased to submit this proposal to Pickens County (the "County"). It is our understanding the County is seeking a qualified consultant to perform a Development Impact Fee ("DIF") study. All work to be completed will satisfy the requirements of Code of Laws of South Carolina, Title 6, Chapter 1, Article 9 (the "South Carolina Impact Fees Act"). The South Carolina Impact Fees Act-compliant DIF Nexus Study ("Fee Study") would recommend the appropriate fee justification methodology and fee levels to support specific types of County-selected capital facilities needed to serve new growth. DTA's Fee Study would evaluate and update the County's existing construction impact fees, including Fire, Emergency Medical Services ("EMS"), Permitting, Planning, and Stormwater fees. The Fee Study shall also recommend new impact fees in compliance with State law including but not limited to Transportation, Fire, Stormwater, Roads and Bridges, County Facilities, and Parks and Recreation Fees.

In addition, DTA is currently working in both the City and County of El Paso, Texas, as a fiscal and economic consultant for two separate development projects of 180 homes and a much larger 4,300 homes. This is the County of El Paso's first district improvement approach to guiding development and receiving community benefits, in the process establishing support for infrastructure costs, a community center/annex for Sheriff's service, parks and bike trails, and hiking improvements. DTA is working closely with the County of El Paso's staff, Engineering Department, Financial Advisor, and County Judge's Office for this project.

As described in greater detail in the attached proposal, DTA is a public finance consulting firm with offices in Raleigh, North Carolina, Newport Beach, San Jose, San Francisco, and Riverside, California, as well as Dallas and Houston, Texas, and Tampa, Florida. Since its establishment in 1985, DTA has completed consulting assignments for more than 3,000 clients in 22 states. During this period, the firm has been involved in the formation of more than 2,000 public finance districts, with total bond authorizations exceeding \$75 billion. Our financing programs have utilized a variety of public financing mechanisms, such as Special Assessment Areas ("SAAs"), Public Improvement Districts ("PIDs"), Assessment Districts ("ADs"), Community Facilities Districts ("CFDs"), Certificates of Participation, Tax Allocation Bonds, Sewer and Water Revenue Bonds, Marks-Roos Bond Pools, Landscaping and Lighting Districts ("LLDs"), Integrated Financing Districts, and various types of fee programs. **In addition, DTA is licensed and registered with the U.S. Securities and Exchange Commission ("SEC") and Municipal Securities Rulemaking Board ("MSRB") as a Municipal Advisor (No. 867-01160) and follows all the fiduciary requirements associated with this designation.**

Each of DTA's DIF studies includes a cost-benefit analysis and the determination of nexus between the facilities financed and financing mechanism. DTA has prepared approximately 500 fee justification studies to date for a variety of public improvements, including transportation, water, sewer and flood control facilities, fire protection districts, fire and police stations, parks, libraries, and other types of infrastructure. **DTA is also currently involved in impact fee engagements in Arizona, Florida, North Carolina, Tennessee, and West Virginia.**

DTA has assembled a project team for the County with the breadth of experience required to provide impact fee consulting services in a professional and timely manner. **This project would be primarily handled out of DTA's Raleigh office located at 614 Capital Boulevard, Unit 202, Raleigh, NC 27603.** I, David Taussig, President/CEO, would be the Principal-in-Charge and have the County's primary account responsibility. I would be assisted by Kuda Wekwete, a Managing Director at DTA, Richard Ruiz, a Manager at DTA, Steve Runk, P.E., Vice President of Engineering Services at DTA, and Hector Perez, a Senior Manager at DTA, in addition to other support staff. All personnel will be available full-time (100%) for the duration of the project.

DTA's client contact and interaction continue beyond the basic deliverables. As a customer and community-centric firm committed to excellence, quality products, and an open and interactive communication environment, our firm employs these practices in the workplace, in cities, counties, and towns, and with the many clients that we have served for 38 years. **DTA realizes that every client, like every person, is a distinct entity best understood and served in a direct and collaborative manner.**

DTA serves clients in small towns, medium-sized cities, and larger municipalities. Our service philosophy is three-pronged: we strive to know our customers, understand the communities we're privileged to serve, and always provide the best care, advice, and products. At DTA, we also understand that every project is different, and every outcome is special to our team. Our values of accountability, integrity, and excellence underly all work performed.

If you have any questions regarding DTA, our team members, or the enclosed proposal, please contact me or Kuda Wekwete during the proposal evaluation period at (800) 969-4DTA. We look forward to having the opportunity to work with you on this engagement.

Best Regards,



David Taussig  
President  
Phone: (800) 969-4DTA  
[David@FinanceDTA.com](mailto:David@FinanceDTA.com)



**Mayor**  
FLETCHER PERRY

**City Council**  
ROBERT NEALY  
PATRICK LARK  
ISAIAH SCIPIO  
JIMMY DAVIS  
DONNIE MCKINNEY  
LOIS PORTER



**Administrator**  
CHARLENE CARTER  
**City Clerk**  
DONNA OWEN

RE: Request for Pickens County Assistance for July 1, 2023 Independence Day Spectacular

City overtime projections for June 29-July 2, 2023

Police	\$6,478.15
Fire	\$3,718.70
Public Works	\$5,788.85
Other personnel	\$1,200.00

Event Planner Assistance	\$ 500.00
Meal vouchers for workers	\$1,000.00
Marketing and Decorations	\$2,600.00

---

Total	\$21,285.70
-------	-------------

Thank you for any assistance you may be able to provide.

Sincerely,

A handwritten signature in black ink that reads "Charlene Carter". The signature is written in a cursive style with a large, looped "C" at the beginning.

Charlene Carter  
City of Pickens Administrator



**Alternative Attendance by a Member.**

A member of the body may attend any meeting by electronic means subject to the following requirements:

1. A quorum of the body is physically present at the meeting location;
2. The electronic means used allows both the member to hear all proceedings, and those in attendance at the physical location to hear the member. This means may be by video, if possible, or by telephone i) if video is not possible or ii) if video fails; and
3. Attendance by electronic means is limited to twice in any calendar year.

**RULE 2: COUNTY OFFICERS**

**2.1** The Council shall elect a Chair, Vice Chair, Vice Chair Pro Tempore, and such other officers as it may deem necessary for terms as hereinafter set forth, at the initial meeting of the Council in January following each General Election.

- A. **Chair.** The Council shall elect one of its members to serve as Chair for a term of two (2) years. Any vacancy in the Chair shall be filled by the Council for the un-expired portion of the term. The Chair shall preside at all regular and special meetings of the Council, shall execute, on behalf of the Council, all ordinances, resolutions, directives, bonds, and other official instruments or documents, and shall have such other duties and perform such functions as are set forth in these rules. The Chair shall exercise no authority over any elected officials of the county whose offices were created either by Constitution or by the general law of the state.
- B. **Vice Chair.** The Council shall elect one of its members to serve as Vice Chair for a two (2) year term; in the event that the Chair shall be temporarily absent or unable to serve, the Vice Chair shall serve as Chair in his/her stead and shall, during the time necessary for such service, carry the authority, powers, and responsibility of the Chair. In the event a vacancy occurs in the office of Chair, the Vice Chair will then become the Chair thereby, creating a vacancy in the position of Vice Chair to be filled by Council.
- C. **Vice Chair Pro Tempore.** The Council shall elect one of its members to serve as Vice Chair Pro Tempore for a two (2) year term for the purpose of conducting meetings of Council in the absence of the Chair and Vice Chair. In the event a vacancy occurs in the office of Vice Chair, the Vice Chair Pro Tempore will then become the Vice Chair thereby, creating a vacancy in the position of Vice Chair Pro Tempore to be filled by Council.
- D. No officer can serve more than two consecutive two-year terms in a particular office. Should the chairman's office become vacant, the vice chairman will become the chairman and serve to the end of the unexpired term. At the same time, the vice-chair pro tempore will become vice chairman and serve to the end of the unexpired term. An election for the vice-chair pro tempore will occur at the next regularly scheduled council meeting. If the vice-chairman's office becomes vacant, the vice-chair pro tempore will become the vice chairman to serve to the end of the unexpired terms. An election for the vice-chair pro tempore will occur at the next regularly scheduled council meeting.

**RULE 2: COUNTY OFFICERS**

**2.1** The Council shall elect a Chair, Vice Chair, Vice Chair Pro Tempore, and such other officers as it may deem necessary for terms as hereinafter set forth, at the initial meeting of the Council in January following each General Election.

- A. **Chair.** The Council shall elect one of its members to serve as Chair for a term of two (2) years. Any vacancy in the Chair shall be filled by the Council for the un-expired portion of the term. The Chair shall preside at all regular and special meetings of the Council, shall execute, on behalf of the Council, all ordinances, resolutions, directives, bonds, and other official instruments or documents, and shall have such other duties and perform such functions as are set forth in these rules. The Chair shall exercise no authority over any elected officials of the county whose offices were created either by Constitution or by the general law of the state.
  - B. **Vice Chair.** The Council shall elect one of its members to serve as Vice Chair for a two (2) year term; in the event that the Chair shall be temporarily absent or unable to serve, the Vice Chair shall serve as Chair in his/her stead and shall, during the time necessary for such service, carry the authority, powers, and responsibility of the Chair. In the event a vacancy occurs in the office of Chair, the Vice Chair will then become the Chair thereby, creating a vacancy in the position of Vice Chair to be filled by Council.
  - C. **Vice Chair Pro Tempore.** The Council shall elect one of its members to serve as Vice Chair Pro Tempore for a two (2) year term for the purpose of conducting meetings of Council in the absence of the Chair and Vice Chair. In the event a vacancy occurs in the office of Vice Chair, the Vice Chair Pro Tempore will then become the Vice Chair thereby, creating a vacancy in the position of Vice Chair Pro Tempore to be filled by Council.
  - D. **No officer can serve more than two consecutive two-year terms in a particular office.**  
~~Should the chairman's office become vacant, the vice chairman will become the chairman and serve to the end of the unexpired term. At the same time, the vice chair pro tempore will become vice chairman and serve to the end of the unexpired term. An election for the vice chair pro tempore will occur at the next regularly scheduled council meeting. If the vice chairman's office becomes vacant, the vice chair pro tempore will become the vice chairman to serve to the end of the unexpired terms. An election for the vice chair pro tempore will occur at the next regularly scheduled council meeting.~~
-

**RULE 2: COUNTY OFFICERS**

**2.1** The Council shall elect a Chair, Vice Chair, Vice Chair Pro Tempore, and such other officers as it may deem necessary for terms as hereinafter set forth, at the initial meeting of the Council in January following each General Election.

- A. **Chair.** The Council shall elect one of its members to serve as Chair for a term of two (2) years. ~~Any vacancy in the Chair shall be filled by the Council for the un-expired portion of the term.~~ The Chair shall preside at all regular and special meetings of the Council, shall execute, on behalf of the Council, all ordinances, resolutions, directives, bonds, and other official instruments or documents, and shall have such other duties and perform such functions as are set forth in these rules. The Chair shall exercise no authority over any elected officials of the county whose offices were created either by Constitution or by the general law of the state.
  - B. **Vice Chair.** The Council shall elect one of its members to serve as Vice Chair for a two (2) year term; in the event that the Chair shall be temporarily absent or unable to serve, the Vice Chair shall serve as Chair in his/her stead and shall, during the time necessary for such service, carry the authority, powers, and responsibility of the Chair. ~~In the event a vacancy occurs in the office of Chair, the Vice Chair will then become the Chair thereby, creating a vacancy in the position of Vice Chair to be filled by Council.~~
  - C. **Vice Chair Pro Tempore.** The Council shall elect one of its members to serve as Vice Chair Pro Tempore for a two (2) year term for the purpose of conducting meetings of Council in the absence of the Chair and Vice Chair. ~~In the event a vacancy occurs in the office of Vice Chair, the Vice Chair Pro Tempore will then become the Vice Chair thereby, creating a vacancy in the position of Vice Chair Pro Tempore to be filled by Council.~~
  - D. ~~No officer can serve more than two consecutive two-year terms in a particular office. Should the chairman's office become vacant, the vice chairman will become the chairman and serve to the end of the unexpired term. At the same time, the vice-chair pro tempore will become vice chairman and serve to the end of the unexpired term. An election for the vice-chair pro tempore will occur at the next regularly scheduled council meeting. If the vice-chairman's office becomes vacant, the vice-chair pro tempore will become the vice chairman to serve to the end of the unexpired terms. An election for the vice-chair pro tempore will occur at the next regularly scheduled council meeting.~~
-