

RESOLUTION NO. 2021-012

A RESOLUTION IDENTIFYING A PROJECT TO SATISFY THE REQUIREMENTS OF TITLE 12, CHAPTER 44 OF THE SOUTH CAROLINA CODE, SO AS TO ALLOW INVESTMENT EXPENDITURES INCURRED BY BLUE RIDGE ELECTRIC COOPERATIVE, INC., ACTING FOR ITSELF, ONE OR MORE SUBSIDIARIES, AFFILIATES, SUCCESSORS, ASSIGNS, LESSORS OR OTHER PROJECT SPONSORS, TO QUALIFY AS EXPENDITURES ELIGIBLE FOR A FEE-IN-LIEU OF *AD VALOREM* TAXES ARRANGEMENT WITH PICKENS COUNTY, SOUTH CAROLINA AND OTHER MATTERS RELATED THERETO.

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF PICKENS COUNTY, AS FOLLOWS:

**Section 1 Findings.** The County Council of Pickens County (the "*County Council*"), the governing body of Pickens County, South Carolina (the "*County*"), makes the following findings of fact in connection with the adoption of this resolution (this "*Resolution*"):

(a) The County Council is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "*Code*"), particularly Title 12, Chapter 44 of the Code (the "*Fee Act*") to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "*State*") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; and (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("*FILOT*") payments, including, but not limited to, negotiated FILOT payments made pursuant to the Fee Act, with respect to a project.

(b) The County has been approached by the Blue Ridge Electric Cooperative, Inc., on its own or together with one or more of its subsidiaries, affiliates, successors, assigns, sponsors, Sponsor Affiliates (as defined in the Fee Act), lessors, and others (collectively, the "*Company*"), regarding the expansion of broadband infrastructure within the County (the "*Project*").

(c) The Council, in order to induce the Company to located the Project within the County and to maximize the Company's investment in the Project, has committed to the Company that the Council will take certain actions and provide certain incentives, including entering into a FILOT agreement, pursuant to which the Company will acquire, construct, or install the Project within the County within certain prescribed time periods and the County will agree to accept certain negotiated FILOT payments with respect to the Project.

(d) The County has determined and found after considering all relevant factors and criteria as prescribed by law (with assistance, to the extent needed, from the South Carolina Department of Revenue and/or Board of Economic Advisors) that the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; that the Project gives rise to no pecuniary liability of

the County or any incorporated municipality or a charge against the general credit or taxing power of either; that the purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes; that the inducement of the location or expansion of the Project within the County and State is of paramount importance; and that the benefits of the Project will be greater than the costs.

(e) The County has determined on the basis of the information supplied to it by the Company, that the Project would be a "project" as that term is defined in the Fee Act and that the Project would serve the purposes of the Fee Act.

**Section 2. Statutory Recitations.**

(a) The Council, upon request by the Company, hereby agrees to enter into one or more agreements under the Fee Act that will provide the Company with (i) the benefits allowed pursuant to a FILOT agreement for twenty years for each component of the Project placed in service during the standard "Investment Period" (as that term is defined in the Fee Act), with the calculation of the fee thereunder on the basis of a fixed assessment ratio of 6%, and a fixed millage rate equal to the lowest millage rate allowed with respect to each component of the Project, based upon the location of such Project component and the millage rate applicable thereto, pursuant to Section 12-44-50(A)(1)(d) of the Fee Act, which millage rate shall be fixed pursuant to Section 12-44-50(A)(1)(b)(i) of the Fee Act for the full term of the Negotiated Payments-in-Lieu-of-Taxes.

(b) The Council agrees to provide the Company with the most favorable provisions allowable under the Fee Act for a project of this size with respect to the disposal and replacement of property.

(c) To the extent permitted by the Fee Act, the Council agrees to waive the recapitulation requirements set forth in the Fee Act, to the extent that and so long as the Company provides the County with copies of all filings and reports which the Company is required to make under the Fee Act.

(d) The Council agrees to enter into and execute the appropriate agreements and other documents to implement the provisions of this Resolution and such other provisions as the Company may request consistent with this Resolution and such applicable statutes.

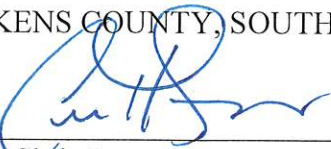
(e) Blue Ridge Electric Cooperative, Inc. is a South Carolina electric cooperative corporation considering the acquisition and expansion of facilities in Pickens County.

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Enacted and approved, in meeting duly assembled, this 19 day of January, 2021.

PICKENS COUNTY, SOUTH CAROLINA

By:

  
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Chris Bowers  
Chairman, County Council

[SEAL]

Attest:

By:



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Meagan Nations, Clerk to County Council,  
Pickens County, South Carolina