



RICHLAND COUNTY COUNCIL REGULAR SESSION AGENDA

**DECEMBER 3, 2013
6:00 PM**

CALL TO ORDER THE HONORABLE KELVIN E. WASHINGTON, SR., CHAIR

INVOCATION THE HONORABLE DAMON JETER

PLEDGE OF ALLEGIANCE THE HONORABLE DAMON JETER

Presentation Of Resolutions

1. Proclamation Honoring Elise Jones Martin [LIVINGSTON]

Approval Of Minutes

2. Regular Session: November 19, 2013 [PAGES 7-16]
3. Zoning Public Hearing: November 26, 2013 [PAGES 17-19]

Adoption Of The Agenda

Report Of The Attorney For Executive Session Items

4. a. Purchase of Property
- b. Personnel Matter
- c. Project Aquarius
- d. Project Flare

Citizen's Input

5. For Items on the Agenda Not Requiring a Public Hearing

Report Of The County Administrator

Report Of The Clerk Of Council

6. a. Amending November 2014 Council Meeting Schedule [**ACTION**]
- b. National Guard Museum Tour

Report Of The Chairman

7. a. Personnel Matter

Open/Close Public Hearings

8. a. An Ordinance Amending the Richland County Code of Ordinances, Ch. 6, Buildings & Building Regulations; Art. IX, Swimming Pool Code; Sec. 6-168, requirements; so as to reference the 2012 Edition of the International Building Code
- b. An Ordinance Amending the Richland County Code of Ordinances, Ch. 23, Taxation; Art. IV, Local Hospitality Tax; Sec. 23-69, Distribution of Funds so as to clarify and revise
- c. An Ordinance Amending the Fiscal Year 2013-2014 General Fund Annual Budget to appropriate \$615, 622.56 of General Fund Unassigned Balance for Voting Machines and related equipment in the Board of Elections and Voters Registration Department
- d. An Ordinance Authorizing Certain Economic Incentives, including payment of a fee in lieu of property taxes and other related matters, pursuant to a fee agreement between Richland County, South Carolina, and International Paper [Project Ruby], pursuant to Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended; and other related matters

Approval Of Consent Items

9. An Ordinance Amending the Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article IX, Swimming Pool Code; Section 6-168, Requirements; so as to reference the 2012 Edition of the International Building Code [**THIRD READING**] [**PAGES 25-29**]
10. Authorizing an Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Fairfield County; and other related matters [**THIRD READING**] [**PAGES 30-33**]
11. 13-31MA
Ron Johnson
RU to RS-LD (25.54 Acres)
Longtown Road West
17613-02-08(p) [**THIRD READING**] [**PAGES 34-36**]
12. An Ordinance Amending the Fiscal Year 2013-2014 General Fund Annual Budget to appropriate \$615,622.56 of General Fund Unassigned Balance for voting machines and related equipment in the Board of Elections and Voter Registration Department [**THIRD READING**] [**PAGES 37-49**]

13. An Ordinance Authorizing certain economic incentives, including payment of a fee in lieu of property taxes and other related matters, pursuant to a Fee Agreement between Richland County, South Carolina, and International Paper Company, pursuant to Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended; and other related matters [**THIRD READING**] [**PAGES 50-78**]
14. Authorizing an Amendment to the Master Agreement Governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County; and other related matters [**SECOND READING**] [**PAGE 79-83**]
15. 13-35MA
Charles Marshall, Jr.
RS-LD to TROS (4.23 Acres)
9875 Windsor Lake Blvd.
19907-06-01 & 08 [**SECOND READING**] [**PAGES 84-85**]
16. Richland County Comprehensive Plan Update Vendor Selection [**PAGES 86-88**]
17. Amending the January 2014 County Council Meeting Schedule [**PAGES 89-91**]
18. County Council Mementos Recommendation [**TO TABLE**] [**PAGES 92-94**]
19. Richland County Water and Sewer Authority [**PAGES 95-98**]
20. Policy for Purchase of Property by Elected Officials [**PAGES 99-101**]
21. SC Equality’s “Through the Looking Glass of Equality” Funding Request [**TO DENY**] [**PAGES 102-105**]
22. Countywide Disparity Study [**PAGES 106-108**]
23. The County will hire an expert in the field of hydrology to develop a plan and be responsible for implementation of drainage and ditch program [**PAGES 109-111**]
24. Richland County Sheriff’s Department NRA Foundation Grant/No FTE/No Match [**PAGES 112-114**]
25. Request for Council’s Permission to Donate a Vehicle to Allen University [**PAGES 115-118**]

Third Reading Items

26.
 - a. Authorizing and Providing for the creation of the Lower Richland Sewer System and for the issuance of Lower Richland Sewer System Improvement Revenue Bonds of Richland County, South Carolina; prescribing the form of bonds; limiting the payment of the bonds solely to the new revenues derived from the operation of the Sewer System and pledging the revenues so such payment; creating certain funds and providing for payments into such funds; and making other covenants and agreements in connection with the foregoing [**PAGES 119-154**]
 - b. Authorizing and Providing for the Issuance of a Sewer System Improvement Revenue Bond

Anticipation Note, Series 2013 (Lower Richland Sewer System Project Phase I), or such other appropriate series designation of Richland County, South Carolina, in an amount not to exceed \$9,359,000; Authorizing the County Administrator to determine certain matters relating to the Note; Providing for form and details of the Note; Providing for the payment of the Note; Providing for the disposition of the proceeds thereof; and other matters relating thereto **[PAGES 155-188]**

Second Reading Items

27. An Ordinance Amending the Richland County Code of Ordinances, Chapter 23, Taxation; Article VI, Local Hospitality Tax; Section 23-69, Distribution of Funds, so as to clarify and revise the language therein **[PAGES 189-195]**

Report Of Development And Services Committee

28. Request for Fuel Cell Collaboration **[PAGES 196-200]**

Report Of Administration And Finance Committee

29. Bible Way Church of Atlas Road Funding Request **[PAGES 201-205]**
30. Famously Hot New Year Celebration **[PAGES 206-209]**
31. The Sustainers: Builders and Preservers of Civil Rights Sites in the US Funding Request **[PAGES 210-224]**
32. Benedict College Funding Request for High School Championship Events **[PAGES 225-231]**
33. Fiscal Reports for Entities Requesting County Funds **[PAGES 232-234]**

Report Of Economic Development Committee

34. a. Authorizing the expansion of the boundaries of the I-77 Corridor Regional Industrial Park jointly developed with Fairfield County to include certain real property located in Richland County; the execution and delivery of a credit agreement to provide for special source revenue credits to [Project Warehouse]; and other related matters **[FIRST READING BY TITLE ONLY] [PAGE 235]**
 - b. Authorizing the execution and delivery of an Inducement and Millage Rate Agreement and Memorandum of Understanding by and between Richland County, South Carolina and a company known as Project Aquarius and other matters related thereto **[EXECUTIVE SESSION] [PAGES 236-238]**

Citizen's Input

35. Must Pertain to Items Not on the Agenda

Executive Session

Motion Period

36. a. Move to privatize ALL Public Work operations. The RFP process will be completed before the March 18, 2014 Council meeting **[WASHINGTON]**
- b. With the upcoming meeting with City officials regarding the relocation of the Richland County Judicial Center. I move that the County Administrator arrange to have the building appraised as soon as possible **[PEARCE]**

Adjournment



Special Accommodations and Interpreter Services

Citizens may be present during any of the County's meetings. If requested, the agenda and backup materials will be made available in alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), as amended and the federal rules and regulations adopted in implementation thereof.

Any person who requires a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may request such modification, accommodation, aid or service by contacting the Clerk of Council's office either in person at 2020 Hampton Street, Columbia, SC, by telephone at (803) 576-2061, or TDD at 803-576-2045 no later than 24 hours prior to the scheduled meeting.

Richland County Council Request of Action

Subject

Proclamation Honoring Elise Jones Martin **[LIVINGSTON]**

Richland County Council Request of Action

Subject

Regular Session: November 19, 2013 [**PAGES 7-16**]



**MINUTES OF
RICHLAND COUNTY COUNCIL
REGULAR SESSION
NOVEMBER 19, 2013
6:00 PM**

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.

MEMBERS PRESENT:

Chair	Kelvin E. Washington, Sr.
Vice Chair	Greg Pearce
Member	Julie-Ann Dixon
Member	Norman Jackson
Member	Damon Jeter
Member	Bill Malinowski
Member	Jim Manning
Member	Paul Livingston
Member	Seth Rose
Member	Torrey Rush
Absent	Joyce Dickerson

OTHERS PRESENT – Tony McDonald, Roxanne Ancheta, Sparty Hammett, Warren Harley, Brad Farrar, Amelia Linder, Quinton Epps, Buddy Atkins, Geo Price, Beverly Harris, Justine Jones, Rob Perry, Sara Salley, Tracy Hegler, John Hixon, Nelson Lindsay, Ismail Ozbek, Monique Walters, Michelle Onley

CALL TO ORDER

The meeting was called to order at approximately 6:02 p.m.

INVOCATION

The Invocation was given by the Honorable Greg Pearce

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Honorable Greg Pearce

PRESENTATION OF RESOLUTIONS

“Pancreatic Cancer Month” Proclamation [MALINOWSKI] – Mr. Malinowski stated that the individual was unable to attend the Council meeting. In honor of “Pancreatic Cancer Awareness” the Council members were wearing purple ribbons.

Resolution Honoring the Richland County Sheriff’s Department on being a recipient of the prestigious Freedom Award [MALINOWSKI] – Mr. Malinowski stated that the Sheriff was unable to attend the Council meeting.

Resolution honoring Satch Krantz, Riverbanks Zoo President and CEO, on receiving the R. Marlin Perkins Award for Professional Excellence from the Association of Zoos and Aquariums [LIVINGSTON] – Mr. Livingston presented a resolution to the Riverbanks Zoo President and CEO, Satch Krantz, in honor of him being awarded the R. Marlin Perkins Award for Professional Excellence.

APPROVAL OF MINUTES

Regular Session: November 5, 2013 – Mr. Malinowski moved, seconded by Mr. Manning, to reconsider the portion of the minutes regarding the Report of the Sewer Ad Hoc Committee.

<u>For</u>	<u>Opposed</u>
Dixon	Jackson
Malinowski	Washington
Rose	Livingston
Pearce	Rush
Manning	

The vote was in favor of reconsideration.

Mr. Pearce moved, seconded by Mr. Malinowski, to direct the Administrator to engage a consultant to provide a cost analysis of selling the system versus privatization of the system. The Administrator is to advise Council prior to entering into an agreement the cost of said study. The vote was in favor.

Mr. Jackson moved, seconded by Ms. Dixon, to approve the minutes as amended. The vote in favor was unanimous.

ADOPTION OF THE AGENDA

Mr. Pearce moved, seconded by Ms. Dixon, to adopt the agenda as distributed. The vote in favor was unanimous.

REPORT OF THE ATTORNEY FOR EXECUTIVE SESSION ITEMS

- a. **Monticello Road Litigation Update**
- b. **Update on Beta Tract Mitigation Bank**

CITIZENS INPUT

No one signed up to speak.

REPORT OF THE COUNTY ADMINISTRATOR

- a. **Retreat Format** – Mr. McDonald stated that the staff has been working on the agenda for the retreat. The format will be similar to last year's Retreat format. The draft agenda will be forwarded to Council and any proposed changes by Council should be submitted to the Administrator by Friday, November 29th.
- b. **Detainee Drop-Off Update** – Mr. McDonald stated that the staff is working with the City of Columbia on a temporary solution. The discussions are ongoing and Mr. McDonald will brief Council as the developments occur.

REPORT OF THE CLERK OF COUNCIL

- a. **Retreat Location** – Ms. Onley stated that the following locations for the 2014 Council Retreat were submitted by Council members and are available: Madren Conference Center, Clemson, SC; Parklane Adult Activity Center, Columbia, SC; and Hilton Head Marriott, Hilton Head, SC.

Mr. Manning moved, seconded by Mr. Pearce, to hold the 2014 Retreat at the Madren Conference Center in Clemson, SC.

Mr. Malinowski made a substitute motion, seconded by Mr. Jackson, to hold the 2014 Retreat at the Parklane Adult Activity Center in Columbia, SC.

<u>For</u>	<u>Opposed</u>
Dixon	Pearce
Malinowski	Washington
Jackson	Livingston
Rose	Rush
	Manning
	Jeter

The substitute motion failed.

A discussion took place regarding the original motion.

The vote was in favor of the original motion.

- b. **2014 Council Meeting Schedule** – Ms. Onley stated that the January meeting schedule/agenda topics will be taken up at the November 26th D&S Committee meeting.

Mr. Malinowski moved, seconded by Mr. Manning, to hold the January 7th Regular Council meeting and the January 28th Committee and Zoning Public Hearing meetings. A discussion took place.

The vote in favor was unanimous to amend the January 2014 meeting schedule.

Mr. Malinowski moved to adopt the remaining proposed 2014 Council Meeting Calendar. The motion died for lack of a second.

- c. **National Guard Museum Tour** – Ms. Onley is awaiting a response from the National Guard Museum.
- d. **REMINDER: EngenuitySC Ignite, November 20, 5:15-8:00 PM, The Zone – Williams-Brice Stadium** – Ms. Onley reminded Council of the EngenuitySC Ignite event, November 20th, 5:15 PM – 8:00 PM at The Zone – Williams-Brice Stadium.

REPORT OF THE CHAIR

- a. **Courthouse Ad Hoc Committee** – Mr. Washington stated that the members of the committee are Mr. Pearce, Mr. Rush and himself.
- b. **Absence of Councilwoman Dickerson** – Mr. Washington stated that Ms. Dickerson is traveling.

PRESENTATION

Columbia Metropolitan Airport: Dan Mann, Executive Director – Mr. Mann gave a brief update on the Columbia Metropolitan Airport.

OPEN/CLOSE PUBLIC HEARINGS

- **Authorizing an Amendment to the Master Agreement Governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Fairfield County; and other related matters** – No one signed up to speak.

APPROVAL OF CONSENT ITEMS

- **13-28MA, John Kilmartin, M-1 to RU (14.01 Acres), Broad River Road, 02600-09-05(p) [THIRD READING]**

- **13-33MA, Carolyn Peake, RU to GC (4.097 Acres). 10931 & 10901 Two Notch Road, 29000-01-01/05 & 29004-01-02 [THIRD READING]**
- **An Ordinance Amending the Richland County Code of Ordinances, Chapter 26, Land Development; Article II, Rules of Construction/Definitions; Section 26-21, Rules of Construction Information; Subsection (b), General Rules of Construction; Paragraph (9), Contiguous [THIRD READING]**
- **An Ordinance Amending the Richland County Code of Ordinances, Chapter 26, Land Development; Article V, Zoning Districts and District Standards; Section 26-151, Permitted Uses with Special Requirements; so as to delete manufactured home parks from the M-1 Zoning District [THIRD READING]**
- **An Ordinance Amending the Richland County Code of Ordinances, Chapter 26, Land Development; Article VI, Supplemental Use Standards; Section 26-152, Special Exceptions; Subsection (d), Standards; Paragraph (26), Special Congregate Facilities; so as to provide additional requirements for same [THIRD READING]**
- **An Ordinance Amending the Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article IX, Swimming Pool Code; Section 6-168, Requirements; so as to reference the 2012 Edition of the International Building Code [SECOND READING]**
- **Authorizing an Amendment to the Master Agreement Governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Fairfield County; and other related matters**

Mr. Malinowski moved, seconded by Ms. Dixon, to approve the consent items. The vote in favor was unanimous.

THIRD READING

An Ordinance Authorizing an Easement to School District 5 of Lexington and Richland Counties for a Sanitary Line across land owned by Richland County; specifically a portion of TMS # 03300-01-06 – Mr. Malinowski moved, seconded by Ms. Dixon, to approve this item. The vote in favor was unanimous.

An Ordinance Amending the Fiscal Year 2013-2014 Hospitality Tax Budget to appropriate \$100,000 of Hospitality Tax Unassigned Fund Balance for the EdVenture—Next Exhibit Capital – Mr. Pearce moved, seconded by Mr. Livingston, to approve this item. The vote was in favor.

SECOND READING

13-31MA, Ron Johnson, RU to RS-LD (25.54 Acres), Longtown Road West, 17613-02-08(p)

– Mr. Rush moved, seconded by Ms. Dixon, to approve this item. The vote in favor was unanimous.

An Ordinance Amending the Fiscal Year 2013-2014 General Fund Annual Budget to appropriate \$615,622.56 of General Fund Unassigned Balance for voting machines and related equipment in the Board of Elections and Voter Registration Department – Mr.

Rose moved, seconded by Mr. Jackson, to approve this item. A discussion took place.

The vote in favor was unanimous.

An Ordinance Authorizing Certain Economic Incentives, including payment of a fee in lieu of property taxes and other related matters, pursuant to a fee agreement between Richland County, South Carolina, and Project Ruby, pursuant to Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended; and other related matters – Mr.

Livingston moved, seconded by Mr. Rose, to approve this item. The vote in favor was unanimous.

An Ordinance Amending the Richland County Code of Ordinances, Chapter 23, Taxation; Article VI, Local Hospitality Tax; Section 23-69, Distribution of Funds, so as to clarify and revise the language therein – Mr. Livingston moved, seconded by Mr. Rose, to defer this item

until the December 3rd Council meeting. The vote in favor was unanimous.

FIRST READING ITEM

An Ordinance Amending the Richland County Code of Ordinances, Chapter 12, Garbage, Trash and Refuse; Article I, In General; and Article II, Collection and Disposal; Section 12-12, Definitions and Section 12-16, Conditions for Residential and Small Business Solid Waste Collection-Yard Trash and Other Household Articles; so as to remove reference to “Franchise” and so as to require trash to be bagged in a phased-in manner [FIRST

READING] – Mr. Malinowski moved, seconded by Ms. Dixon, to table this item. A discussion took place.

Mr. Malinowski withdrew his motion to table.

Mr. Malinowski moved, seconded by Mr. Rose, to postpone indefinitely. The vote in favor was unanimous.

REPORT OF THE ECONOMIC DEVELOPMENT COMMITTEE

Authorizing an Amendment to the Master Agreement Governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real

property located in Richland County; and other related matters [FIRST READING BY TITLE ONLY] – Mr. Livingston stated that the Committee recommended approval of this item. The vote in favor was unanimous.

REPORT OF THE RULES AND APPOINTMENTS COMMITTEE

I. NOTIFICATION OF APPOINTMENTS

- a. **Planning Commission – 2** – Mr. Malinowski stated that the committee recommended appointing Mr. Robert A. Lapin and Mr. Greg L. Lehman.

Mr. Manning moved, seconded by Mr. Livingston, to vote on the applicants individually. The vote was in favor.

Mr. Jackson, Mr. Rose, Mr. Pearce, Mr. Washington, Mr. Livingston, Mr. Rush, Mr. Manning, and Mr. Jeter voted for Ms. Marilyn Joyner.

Ms. Dixon, Mr. Malinowski, and Mr. Jackson voted for Mr. Robert A. Lapin.

Ms. Dixon, Mr. Malinowski, Mr. Rose, Mr. Pearce, Mr. Livingston, Mr. Rush and Mr. Manning voted for Mr. Greg L. Lehman.

Ms. Marilyn Joyner and Mr. Greg L. Lehman were appointed.

Richland Library Referendum Resolution: Declaring the results of the November 5, 2013 referendum – Mr. Pearce moved, seconded by Mr. Rose, to approve this item. A discussion took place.

The vote in favor was unanimous.

REPORT OF THE TRANSPORTATION AD HOC COMMITTEE

- a. **South Carolina Department of Transportation Intergovernmental Agreement Discussion** – Mr. Livingston stated that the committee directed Mr. Perry to revise the IGA and forward to committee members. Once the committee members review the changes, the revised IGA will be forwarded to full Council.
- b. **Update on Beta Tract Mitigation Bank** – This item was taken up in Executive Session.
- c. **Program Development Team** – Mr. Livingston stated that the proposals are due on December 16th. The selection committee will present the short-list to the TPAC Committee on that evening. County Council will be presented with the short list on December 17th.

Mr. Livingston moved, seconded by Mr. Rose, to hold presentations from the firms on the short list on February 4th. A discussion took place.

Mr. Livingston withdrew his motion.

Mr. Livingston requested to hold presentations from the firms on the short list on January 6th.

Mr. Jackson moved to hold the presentations from 2:00 PM until completed.

The motion died for lack of a second.

Mr. Manning moved, seconded by Mr. Jeter, to hold the presentations from 9:15 AM-5:00 PM on January 6th. The vote in favor was unanimous.

CITIZENS' INPUT

No one signed up to speak.

EXECUTIVE SESSION

=====
Council went into Executive Session at approximately 8:37 p.m. and came out at approximately 8:52 p.m.
=====

- a. **Monticello Road Litigation Update** – Mr. Livingston moved, seconded by Mr. Pearce, to proceed as directed in Executive Session. The vote in favor was unanimous.
- b. **Update on Beta Tract Mitigation Bank** – Mr. Manning moved, seconded by Mr. Livingston, to approve the purchase of property and mitigation credits totaling \$16 million, subject to contractual review by legal staff. The vote in favor was unanimous.

MOTION PERIOD

- a. **Due to active interest from several commercial real estate firms in the Huger Street Central Court and Sheriff's Dept. properties. I move that the Administrator move forward to secure an appraisal of the property as a preliminary step to disposing of said property once the Decker Center project is completed in early 2015 [PEARCE]** – This item was referred to the A&F Committee.
- b. **In an action taken by Council at its November 5th meeting, the County Administrator was directed to locate an independent consultant to provide Council with further information regarding either the sale or privatization of Richland County's sewer systems. There was no consideration given as to the cost of said consultant. This motion requests that the proposed contract with the yet to be named consultant recommended for this project be presented to Council for consideration prior to approval. [PEARCE]** – This motion was withdrawn.

ADJOURNMENT

The meeting adjourned at approximately 7:28 p.m.

Kelvin E. Washington, Sr., Chair

L. Gregory Pearce, Jr., Vice-Chair

Joyce Dickerson

Julie-Ann Dixon

Norman Jackson

Damon Jeter

Paul Livingston

Bill Malinowski

Jim Manning

Seth Rose

Torrey Rush

The minutes were transcribed by Michelle M. Onley

Richland County Council Request of Action

Subject

Zoning Public Hearing: November 26, 2013 [**PAGES 17-19**]

MINUTES OF



RICHLAND COUNTY COUNCIL ZONING PUBLIC HEARING TUESDAY, OCTOBER 22, 2013 7:00 p.m.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.

MEMBERS PRESENT:

Chair	Kelvin E. Washington, Sr.
Vice Chair	Greg Pearce
Member	Joyce Dickerson
Member	Julie-Ann Dixon
Member	Norman Jackson
Member	Damon Jeter
Member	Paul Livingston
Member	Bill Malinowski
Member	Jim Manning
Member	Seth Rose
Member	Torrey Rush

OTHERS PRESENT: Amelia Linder, Tracy Hegler, Suzie Haynes, Geo Price, Tommy DeLage, Holland Leger, Sparty Hammett, Tony McDonald, Monique Walters, Michelle Onley

CALL TO ORDER

The meeting was called to order at approximately 7:00 p.m.

ADDITIONS/DELETIONS TO AGENDA

There were no additions or deletions.

MAP AMENDMENT

13-35MA, Charles Marshall, Jr., RS-LD to TROS (4.23 Acres), 9875 Windsor Lake Blvd., 19907-06-01 & 08

Mr. Washington opened the floor to the public hearing.

No one signed up to speak.

The floor to the public hearing was closed.

Mr. Jeter moved, seconded by Ms. Dickerson, to give First Reading approval to this item. A discussion took place.

The vote in favor was unanimous.

TEXT AMENDMENTS

An Ordinance Amending the Richland County Code of Ordinances, Chapter 26, Land Development; Article V, Zoning Districts and District Standards; Section 26-151, Permitted Uses with Special Requirements; Subsection (C), Standards; Paragraph (8), Bars and Other Drinking Places; so as to remove the distance requirement between bars and places of worship in the GC, M-1, and LI Zoning Districts [SECOND READING]

Mr. Jackson moved, seconded Mr. Malinowski, to deny the text amendment. A discussion took place.

Mr. Pearce moved, seconded by Mr. Manning, to call for the question. The vote in favor was unanimous.

The vote in favor was unanimous for denial.

ADJOURNMENT

The meeting adjourned at approximately 7:09 p.m.

Submitted respectfully by,

Kelvin E. Washington, Sr.
Chair

The minutes were transcribed by Michelle M. Onley

Richland County Council Request of Action

Subject

- a. Purchase of Property
- b. Personnel Matter
- c. Project Aquarius
- d. Project Flare

Richland County Council Request of Action

Subject

For Items on the Agenda Not Requiring a Public Hearing

Richland County Council Request of Action

Subject

- a. Amending November 2014 Council Meeting Schedule [**ACTION**]
- b. National Guard Museum Tour

Notes

Item b.

The following dates are not available: December 10-12 and December 24-25

Richland County Council Request of Action

Subject

- a. Personnel Matter

Richland County Council Request of Action

Subject

- a. An Ordinance Amending the Richland County Code of Ordinances, Ch. 6, Buildings & Building Regulations; Art. IX, Swimming Pool Code; Sec. 6-168, requirements; so as to reference the 2012 Edition of the International Building Code
- b. An Ordinance Amending the Richland County Code of Ordinances, Ch. 23, Taxation; Art. IV, Local Hospitality Tax; Sec. 23-69, Distribution of Funds so as to clarify and revise
- c. An Ordinance Amending the Fiscal Year 2013-2014 General Fund Annual Budget to appropriate \$615, 622.56 of General Fund Unassigned Balance for Voting Machines and related equipment in the Board of Elections and Voters Registration Department
- d. An Ordinance Authorizing Certain Economic Incentives, including payment of a fee in lieu of property taxes and other related matters, pursuant to a fee agreement between Richland County, South Carolina, and International Paper [Project Ruby], pursuant to Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended; and other related matters

Richland County Council Request of Action

Subject

An Ordinance Amending the Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article IX, Swimming Pool Code; Section 6-168, Requirements; so as to reference the 2012 Edition of the International Building Code **[THIRD READING] [PAGES 25-29]**

Notes

October 22, 2013 - The Committee unanimously approved recommending that Council approve the request to correct the code.

First Reading: November 5, 2013
Second Reading: November 19, 2013
Third Reading:
Public Hearing:

Richland County Council Request of Action

Subject: To correct reference to the 2006 edition of the International Building Code, since the 2012 edition is now in effect.

A. Purpose

County Council is requested to approve an ordinance to correct reference to the 2006 edition of the International Building Code, which is found under Chapter 6, Buildings and Building Regulations; Article IX, Swimming Pool Code.

B. Background / Discussion

On October 1, 2013, County Council enacted Ordinance No. 050-13HR, which adopted and codified the 2012 edition of the International Building Code, along with other various building codes. Unfortunately, staff did not realize at the time that Section 6-168 also needed to be amended to properly reference the 2012 International Building Code.

C. Legislative / Chronological History

Pursuant to its authority in Section 6-9-40 and in Section 6-9-50 of the SC Code of Laws, the South Carolina Building Codes Council recently adopted the 2011 edition of the National Electrical Code and the 2012 editions of the International Residential Code, International Building Code, International Plumbing Code, International Mechanical Code, International Fire Code, and International Property Maintenance Code, all such codes to go into effect throughout the state on July 1, 2013.

This is a staff-initiated request, as correcting the wrong code citation in Section 6-168 will avoid confusion should members of the public happened to notice it.

D. Financial Impact

There is no financial impact associated with this request.

E. Alternatives

1. Approve the request to correct reference to the 2006 edition of the International Building Code, which is found under Chapter 6, Buildings and Building Regulations; Article IX, Swimming Pool Code by approving the attached ordinance. If this alternative is chosen, the County Code of Ordinances will be consistent with State law
2. Do not approve the request to correct reference to the 2006 edition of the International Building Code, which is found under Chapter 6, Buildings and Building Regulations; Article IX, Swimming Pool Code. If this alternative is chosen, the County and its citizens will still have to comply with the current edition of the 2012 edition of the International Building Code, but it will conflict with Ordinance 050-13HR and it may cause confusion among the public.

F. Recommendation

It is recommended that Council approve the request to correct reference to the wrong edition of the International Building Code by approving the attached ordinance, so that this information can be placed into the Richland County Code of Ordinances and on the internet, therefore being more available to interested citizens.

Recommended by: Donny Phipps Department: Building Codes & Inspections Date: 10/4/13

G. Reviews

Finance

Reviewed by Daniel Driggers:

Date: 10/7/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Elizabeth McLean

Date: 10/8/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision left to Council's discretion.

Administration

Reviewed by: Sparty Hammett

Date: 10/8/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ____-13HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 6, BUILDINGS AND BUILDING REGULATIONS; ARTICLE IX, SWIMMING POOL CODE; SECTION 6-168, REQUIREMENTS; SO AS TO REFERENCE THE 2012 EDITION OF THE INTERNATIONAL BUILDING CODE.

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. The Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article IX, Swimming Pool Code; Section 6-168, Requirements; is hereby amended to read as follows:

Sec. 6-168. Requirements.

In addition to the requirements imposed by the ~~2006~~ 2012 edition of the International Building Code, the following administrative requirements are hereby enacted:

- (1) A licensed swimming pool contractor shall be responsible for securing a permit from the County Building Official for the installation of an in-ground swimming pool.
- (2) In the event an approved wall, fence, or other substantial structure to completely enclose the proposed pool is not in existence at the time an application is made for the permit to install a pool, it shall be the responsibility of the property owner to have the enclosure installed prior to the final inspection and, further, to ensure that said structure remains in place as long as the swimming pool exists.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective from and after _____, 2013.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin E. Washington, Sr., Chair

ATTEST THIS THE _____ DAY

OF _____, 2013

Michelle Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading:
Public Hearing:
Second Reading:
Third Reading:

Richland County Council Request of Action

Subject

Authorizing an Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Fairfield County; and other related matters **[THIRD READING] [PAGES 30-33]**

Notes

First Reading: November 5, 2013

Second Reading: November 19, 2013

Third Reading:

Public Hearing: November 19, 2013

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____

AUTHORIZING AN AMENDMENT TO THE MASTER AGREEMENT GOVERNING THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK BY AND BETWEEN RICHLAND COUNTY, SOUTH CAROLINA, AND FAIRFIELD COUNTY, SOUTH CAROLINA, TO EXPAND THE BOUNDARIES OF THE PARK TO INCLUDE CERTAIN REAL PROPERTY LOCATED IN FAIRFIELD COUNTY; AND OTHER RELATED MATTERS.

WHEREAS, Fairfield County, South Carolina (“Fairfield”), and Richland County, South Carolina (“Richland,” collectively, “Counties”), as authorized under Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (“Act”), have jointly developed the I-77 Corridor Regional Industrial Park (“Park”);

WHEREAS, the Counties entered into an agreement entitled “Master Agreement Governing the I-77 Corridor Regional Industrial Park” (“Master Agreement”), dated April 15, 2003, the provisions of which govern the operation of the Park;

WHEREAS, Fairfield has negotiated certain property tax incentives with Element TV Company, LP and Element Real Estate Holdings, LLC (collectively, “Company”) to induce the Company to locate its investment in Fairfield;

WHEREAS, to provide an additional attraction to the Company to locate its investment in Fairfield, Fairfield desires to include the property located in Fairfield on which the Company’s investment is located, as described by the tax map number and address on the attached Exhibit A (“Property”), in the Park and has authorized the inclusion of the Property in the Park by Fairfield County Ordinance No. 618;

WHEREAS, pursuant to the terms of the Master Agreement, Fairfield requests that Richland adopt this companion Ordinance to complete the expansion of the boundaries of the Park and amendment to the Master Agreement to include the Property in the Park.

NOW, THEREFORE, BE IT ORDAINED BY THE RICHLAND COUNTY COUNCIL:

Section 1. Expansion of Park Boundaries. There is hereby authorized an expansion of the Park boundaries to include the Property. The County Council Chair, or the Vice Chair in the event the Chair is absent, the County Administrator and the Clerk to the County Council are hereby authorized to execute such documents and take such further actions as may be necessary to complete the expansion of the Park boundaries. Pursuant to the terms of the Master Agreement, the expansion shall be complete upon the adoption of this Ordinance by the Richland County Council.

Section 2. Savings Clause. If any portion of this Ordinance shall be deemed unlawful, unconstitutional or otherwise invalid, the validity and binding effect of the remaining portions shall not be affected thereby.

Section 3. General Repealer. Any prior ordinance, the terms of which are in conflict herewith, is, only to the extent of such conflict, hereby repealed.

Section 4. Effectiveness. This Ordinance shall be effective after third and final reading.

RICHLAND COUNTY, SOUTH CAROLINA

Chairman of County Council
Richland County, South Carolina

(SEAL)
ATTEST:

Clerk to County Council
Richland County, South Carolina

READINGS:

First Reading:
Second Reading:
Third Reading:

EXHIBIT A
DESCRIPTION OF PROPERTY

392 U.S. Highway 321 Bypass North
Winnsboro, SC 29180

TMS # 125-04-03-007-000

Richland County Council Request of Action

Subject

13-31MA
Ron Johnson
RU to RS-LD (25.54 Acres)
Longtown Road West
17613-02-08(p) **[THIRD READING] [PAGES 34-36]**

Notes

First Reading: October 22, 2013
Second Reading: November 19, 2013
Third Reading:
Public Hearing: October 22, 2013

STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF RICHLAND COUNTY
ORDINANCE NO. ____-13HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTY DESCRIBED AS A PORTION OF TMS # 17613-02-08 FROM RU (RURAL DISTRICT) TO RS-LD (RESIDENTIAL, SINGLE-FAMILY – LOW DENSITY DISTRICT); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

Pursuant to the authority granted by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real property described as a portion of TMS # 17613-02-08 from RU (Rural District) zoning to RS-LD (Residential, Single-Family – Low Density District) zoning; as further shown on Exhibit A, which is attached hereto and incorporated herein.

Section II. Severability. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section IV. Effective Date. This ordinance shall be effective from and after _____, 2013.

RICHLAND COUNTY COUNCIL

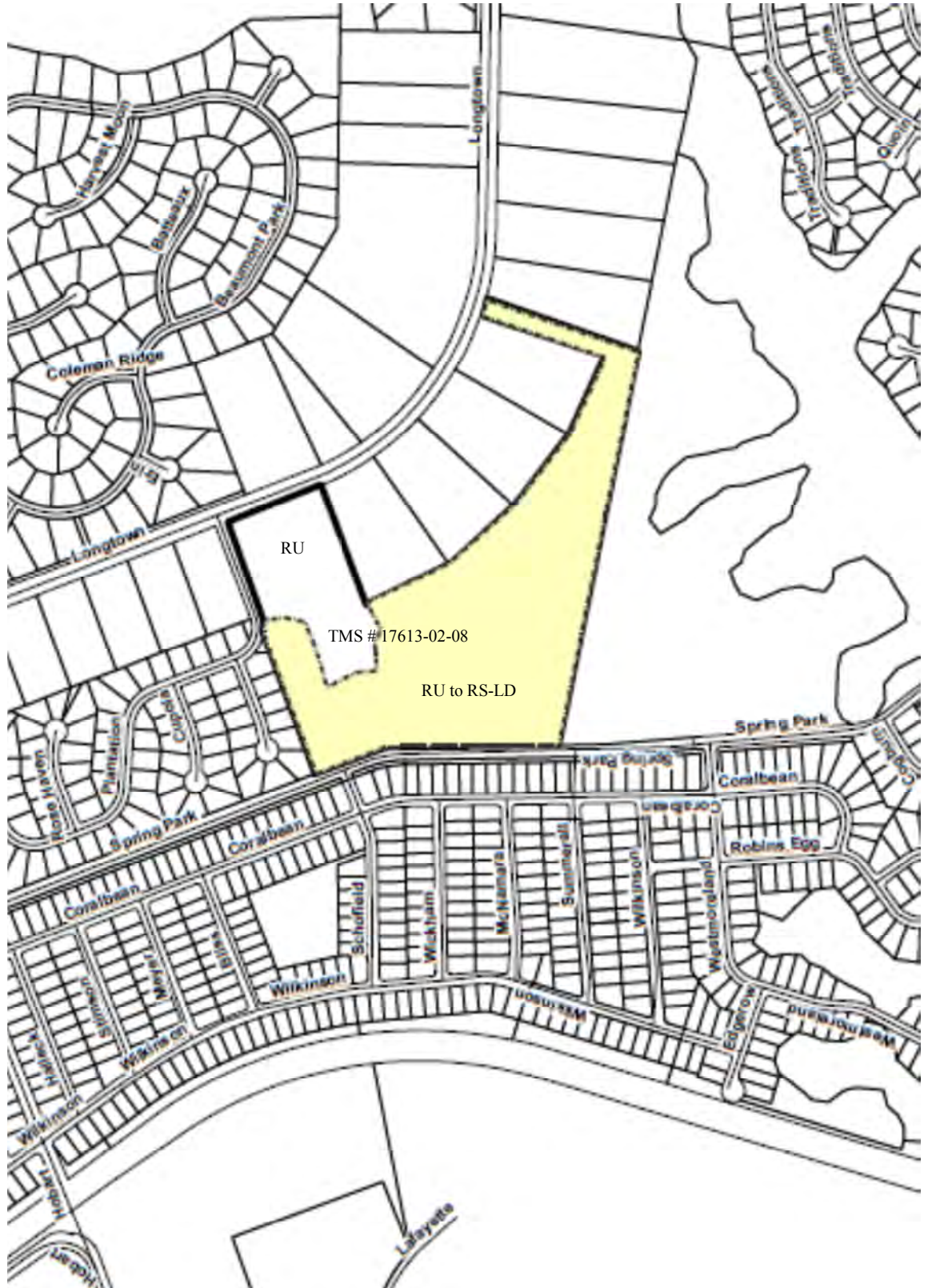
By: _____
Kelvin E. Washington, Sr., Chair

Attest this _____ day of _____, 2013.

Michelle Onley
Clerk of Council

Public Hearing: October 22, 2013
First Reading: October 22, 2013
Second Reading: November 5, 2013 (tentative)
Third Reading:

Exhibit A



Richland County Council Request of Action

Subject

An Ordinance Amending the Fiscal Year 2013-2014 General Fund Annual Budget to appropriate \$615,622.56 of General Fund Unassigned Balance for voting machines and related equipment in the Board of Elections and Voter Registration Department **[THIRD READING] [PAGES 37-49]**

Notes

October 22, 2013 - The Committee unanimously approved recommending that Council approve the request minus the \$42,500 in funding for the Voter Outreach Coordinator position, which will be funded using existing funds from the Elections and Voter Registration office. Future funding for the position and any additional savings realized from the purchase of the laptops will be deducted from the requested amount and will be considered during the FY 14-15 budget meetings.

First Reading: November 5, 2013

Second Reading: November 19, 2013

Third Reading:

Public Hearing:

Richland County Council Request of Action

Subject: Approval of Elections and Voter Registration Budget Amendment

A. Purpose

County Council is requested to approve a budget amendment in the amount of \$658,122.56 for the Elections & Voter Registration Office for the purpose of purchasing voting machines, related equipment and the approval of a Voter Outreach Coordinator position.

B. Background / Discussion

Richland County Legislative Delegation recently created and approved 25 new precincts to be implemented on January 1, 2014.

In compliance with South Carolina Code of Laws 7-13-740 and South Carolina Code of Laws 7-7-465, the directives of Council and in order to avoid a potential shortage and lack of machines which was experienced in the 2012 General Election, the Elections and Voter Registration Department has developed and would like approval of the following action plan:

1. Increase the current inventory of voting machines and related equipment with the following additions (see Appendix 1, Table 1 for cost breakdown):
 - a. 170 Refurbished iVotronic Machines
 - b. 25 ADA (Americans with Disabilities Act) Machines
 - c. 170 Booths
 - d. 25 Communication Packs with Printers
 - e. 1-Year Hardware & Software Warranty (includes 6 month complimentary extended warranty).
2. Renew the FY2014 Maintenance & Licensing Agreement for the maintenance and licensing agreement (see Appendix 1, Table 2 for cost breakdown).
3. Pay outstanding invoices for repairing voting machines and related equipment in preparation for upcoming elections. This ensures all County-owned voting machines and election equipment is in proper working condition and available for use in upcoming and future elections (see Appendix 1, Table 3 for cost breakdown).
4. Create and fund a Voter Outreach Coordinator position which will be responsible for educating Richland County citizens on the new Photo ID laws and will serve as a point of contact for voters, while increasing confidence and trust in the election process (see Appendix 1, Table 4 for cost breakdown).
5. Purchase laptops and related equipment to be used at polling locations to provide Electronic Voter Registration Lists (EVRs) that enable poll managers to electronically search for voters and record voter participation (see Appendix 1, Table 5 for cost breakdown).

C. Legislative / Chronological History

At the November 13, 2012 Council meeting, Councilman Jackson made the following motions, which were added to the December 2012 D&S Committee agenda:

1. “Work with the Voter's Registration/Election Commission to identify inadequate precincts in each district and recommend replacement sites. Preferably a park, gym or school to accommodate a large crowd inside.

“Reason: Based on the new census each district has increased immensely and some facilities cannot accommodate the crowd. Citizens should not have to be waiting on the road facing traffic and endangering their lives.”

2. “Richland County Council develops a report from the Legislative Delegation's hearing including a course of action to support resolving the unfortunate Election Day problems.”

D. Financial Impact

Itemization of Cumulative Costs Associated with Requests

Item No.	Item Description	Cost
1	Addition of Voting Machines and Related Equipment	\$392,872.00
2	Renewal of FY2014 Maintenance & Licensing Agreement	\$ 69,624.90
3	Payment of Outstanding Invoices for Repairing Voting Machines and Related Equipment	\$ 7,554.11
4	Addition of Voter Outreach Coordinator Position	\$ 42,500.00
5	Purchase of Laptops and related equipment for polling locations	\$145,571.55
Total		\$658,122.56

E. Alternatives

1. Approve the request to amend the budget in the amount of \$658,122.56 for the Elections & Voter Registration Office for the purpose of purchasing voting machines, related equipment and the approval of a Voter Outreach Coordinator position.
2. Do not approve the request to amend the budget in the amount of \$658,122.56 for the Elections & Voter Registration Office for the purpose of purchasing voting machines, related equipment and the approval of a Voter Outreach Coordinator position.

F. Recommendation

It is recommended that Council approve the budget amendment in the amount of \$658,122.56 for the purposes outlined above.

Recommended by: Howard Jackson Department: Elections & Voter Reg. Date: 10/4/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 10/15/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Request is a funding decision at Council's discretion based on County priorities and includes \$658k of additional funds but no funding source identified. Approval would require the identification of a funding source and a budget amendment. Based on the information provided, a portion of the request is for one-time capital dollars and part for annual recurring cost. The County's financial policy encourages the use of fund balance for one-time non-recurring items therefore it would be an appropriate use as partial funding.

annual recurring cost \$120k
one-time non-recurring cost \$538k

Procurement

Reviewed by: Rodolfo Callwood

Date: 10/15/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval if funded; requests is a funding decision at Council's discretion

Human Resources

Reviewed by: T. Dwight Hanna

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Request is a funding decision at County Council's discretion.

Legal

Reviewed by: Elizabeth McLean

Date: 10/17/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision left to Council's discretion. I am providing, below, the two statutes cited.

SECTION 7-13-740. Number and construction of booths; only one voter in booth at a time; speaking to voter prohibited.

There must be provided at each polling precinct at least one booth. At least one booth must be provided for each two hundred and fifty registered electors or a major fraction thereof of the precinct. The booths must be made of wood, sheet metal, or other suitable substance; must not be less than thirty-two inches wide, thirty-two inches deep, and six feet six inches high; must have a curtain hanging from the top in front to within three feet of the floor; and must have a suitable shelf on which the voter can prepare his ballot. In primary, general, and special elections, the booths must be provided by the commissioners of election or other electoral board. Only one voter shall be allowed to enter a booth at a time, and no one except as provided herein is allowed to speak to a voter while in the booth preparing his ballot.

AN ACT TO AMEND SECTION 7-7-465, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE DESIGNATION OF VOTING PRECINCTS IN RICHLAND COUNTY, SO AS TO REVISE AND ADD CERTAIN PRECINCTS, TO REDESIGNATE THE MAP NUMBER ON WHICH THE NAMES AND PRECINCT LINES

OF THESE PRECINCTS MAY BE FOUND AND MAINTAINED BY THE OFFICE OF RESEARCH AND STATISTICS OF THE STATE BUDGET AND CONTROL BOARD, TO CORRECT REFERENCES, AND TO PROVIDE FOR ALTERNATE PRECINCT POLLING PLACES UNDER SPECIFIED CONDITIONS.

Be it enacted by the General Assembly of the State of South Carolina:

Richland County voting precincts revised

SECTION 1. Section 7-7-465 of the 1976 Code, as last amended by Act 24 of 2007, is further amended to read:

"Section 7-7-465. (A) In Richland County there are the following voting precincts:

Ward 1	Ballentine 1	Friarsgate 2
Ward 2	Ballentine 2	Old Friarsgate
Ward 3	Barrier Free	Gadsden
Ward 4	Beatty Road	Garners
Ward 5	Bluff	Greenview
Ward 6	Blythewood 1	Gregg Park
Ward 7	Blythewood 2	Hampton
Ward 8	Blythewood 3	Harbison 1
Ward 9	Bookman	Harbison 2
Ward 10	Brandon 1	Hopkins 1
Ward 11	Brandon 2	Hopkins 2
Ward 12	Briarwood	Horrell Hill
Ward 13	Bridge Creek	Hunting Creek
Ward 14	Caughman Road	Keels 1
Ward 15	College Place	Keels 2
Ward 16	Cooper	Keenan
Ward 17	Dennyside	Kelly Mill
Ward 18	Dentsville	Killian
Ward 19	Dutch Fork 1	Kingswood
Ward 20	Dutch Fork 2	Lake Carolina
Ward 21	Dutch Fork 3	Lincolnshire
Ward 22	Dutch Fork 4	Longcreek
Ward 23	Eastover	Longleaf
Ward 24	Edgewood	Lykesland
Ward 25	Estates	Mallet Hill
Ward 26	Fairlawn	Meadowfield
Ward 29	Fairwold	Meadowlake
Ward 30	East Forest	McEntire
Ward 31	Acres	Midway
Ward 32	North Forest	Mill Creek
Ward 33	Acres	Monticello
Ward 34	South Forest	North Springs 1
Arcadia	Acres	North Springs 2
Ardincaple	Friarsgate 1	North Springs 3

Oak Pointe 1	Pontiac 2	Spring Valley
Oak Pointe 2	Rice Creek 1	Spring Valley
Oak Pointe 3	Rice Creek 2	West
Oakwood	Ridge View 1	Springville 1
Olympia	Ridge View 2	Springville 2
Parkridge 1	Ridgewood	Trenholm Road
Parkridge 2	Riverside	Trinity
Parkway 1	Riversprings 1	Valhalla
Parkway 2	Riversprings 2	Valley State
Parkway 3	Riversprings 3	Park
Pennington 1	Riverwalk	Walden
Pennington 2	Round Top	Webber
Pine Grove	St. Andrews	Westminster
Pine Lakes 1	Sandlapper	Whitewell
Pine Lakes 2	Satchelford	Wildewood
Pinewood	Skyland	Woodfield
Polo Road	South Beltline	Woodlands
Pontiac 1	Spring Hill	

(B) The precinct lines defining the precincts provided in subsection (A) are as shown on the official map prepared by and on file with the Office of Research and Statistics of the South Carolina Budget and Control Board designated as document P-79-13 and as shown on copies of the official map provided to the Board of Elections and Voter Registration of Richland County by the Office of Research and Statistics.

(C) The polling places for the precincts provided in this section must be established by the Board of Elections and Voter Registration of Richland County subject to the approval of the majority of the Richland County Legislative Delegation.

(D) If the Board of Elections and Voter Registration of Richland County determines that a precinct contains no suitable location for a polling place, the board, upon approval by a majority of the county's legislative delegation, may locate the polling place inside the county and within five miles of the precinct's boundaries."

Time effective

SECTION 2. This act takes effect on January 1, 2014.

Ratified the 11th day of June, 2013.

Approved the 13th day of June, 2013.

Administration

Reviewed by: Tony McDonald

Date: 10/18/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: In order to meet the requirements of recent legislation establishing additional voting precincts in Richland County, it is

recommended that this request for funds be approved. It is further recommended that the funding source, if approved, be the General Fund fund balance.

Table 1: Addition of Voting Machines and Related Equipment (Note: Customer Loyalty Discount saves \$39,000)

Tabulation Hardware		
Quantity	Item Description	Price
170	iVotronic Voter Terminals @ \$1,695/ea. <i>**Includes Terminal, Supervisor PEB, & Flashcard**</i>	\$288,150.00
25	iVotronic ADA Voter Terminals @ \$1,895/ea. <i>**Includes Terminal, Supervisor PEB, & Flashcard**</i>	\$47,375.00
170	Booths @ \$300.00/ea.	\$51,000
25	Communication Packs @ \$425.00/ea. <i>**Includes modem w/thermal printer**</i>	\$10,625.00
Election Services		
	1 Year Hardware & Software Warranty	Included
	Shipping & Handling	\$2,950.00
	<i>Customer Loyalty Discount</i>	<i>(39,000.00)</i>
	Tax	\$31,772.00
Total		\$392,872.00

* * *

Table 2: Renewal of FY2014 Maintenance & Licensing Agreement (Note: Warranty extended until June 30, 2015 for the additional 195 iVotronic Machines at no additional cost)

<p>Maintenance & License Contract for FY2014 Coverage Dates: July 1, 2013 – June 30, 2014 Total Costs: \$97,113.90</p> <p>Department's FY2014 Budget Program Maintenance & License Amount Approved: \$27,489</p> <p>Difference of: \$ 69,624.90</p>
<p><u>Hardware Maintenance, Software Maintenance & Support</u></p> <ul style="list-style-type: none"> • 947 iVotronic Machines • 195 iVotronic Machines that will be purchased due to the creation of 25 new precincts, effective January 1, 2014 • On-Site Repairs of iVotronic Machines & Equipment

- Model 650 Scanner
- Unity Ballot Image Manager
- Unity Ballot on Demand
- Unity Data Acquisition Manager
- Unity Election Data Manager
- Unity Election Reporting Manager
- Unity Hardware Program Manager
- Unity iVotronic Image Manager

The Elections and Voter Registration Office pays a yearly maintenance and licensing fee with Election Systems & Software which provides hardware maintenance, software maintenance and technical support.

* * *

Table 3: Payment of Outstanding Invoices for Voting Machines Repairs & Related Equipment

Quantity	Item Description	Price
180	Booth Wheels w/Rivets	\$891.00
22	Booth Leg Cups	\$53.90
8	Curly Cords w/Pigtail Cover attached	\$131.60
3	Surge Protectors	\$44.85
3	Pig Tail Covers	\$16.50
52	Booth Plate Sets	\$413.40
1	Blue Latch	\$2.80
5	Booth Legs	\$25.00
3	Motherboard Batteries	\$209.85
34	Power Supplies	\$663.00
13	Leg Cover Doors	\$130.00
1	Replaced Printer Sensor	\$50.00
1	Replaced Knob	\$5.50
1	Replaced Knob	\$5.50
1	Replaced Printer Cable	\$7.50
1	Replaced Knob	\$5.50

1	Replaced Paper Tray	\$7.00
1	Replaced Printer Cable	\$7.50
1	Replaced Knob	\$5.50
1	Replaced Printer Cable	\$7.50
1	Replaced Printer Cable	\$7.50
1	Replaced Knob	\$5.50
1	Replaced Printer Cable	\$7.50
135	Replace PEB Batteries	\$2,018.25
152	Replace PEB Batteries	\$2,272.40
	Taxes	\$559.56
Total		\$7,554.11

- The iVotronic Machines and election related equipment were purchased in 2004. Routine maintenance and repairs are needed to ensure all equipment is in proper working order and available for use in all elections in Richland County.
- Given the upcoming election schedule and the condition of the voting machines, it was imperative to begin the maintenance and repair of the voting machines and related election equipment immediately to assist with restoring public confidence and trust in the election process.

* * *

Table 4: Addition of Voter Outreach Coordinator Position

Proposed Voter Outreach Coordinator Position:
\$42,500 per year

- The need for a Voter Outreach Coordinator position evolved with the passage of the photo ID law that took effect January 2013. As a result of the new law, voter outreach requests have drastically increased in number. In order to try and accommodate the increased number of outreach requests, Elections and Voter Registration Office staff members are working evenings and weekends in order to accommodate the outreach events requests.
- The Voter Outreach Coordinator position will be responsible for educating the citizens of Richland County regarding the new Photo ID Laws and serving as a point of contact for the citizens of Richland County to obtain information regarding voter education and voter registration.
- The Voter Outreach Coordinator will also be responsible for informing citizens of the voter registration process as well as new changes to laws by speaking at functions and demonstrating iVotronic voting machines to educate the citizens of Richland County on the use of voting machines and the voting process.

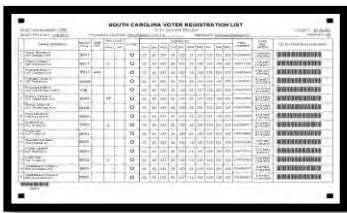
* * *

Table 5: Purchase of Laptops and Related Equipment for Polling Locations

Quantity	Item Description	Cost
263	Laptops @ \$479.00/ea.	\$125,977.00
177	Bags @ \$31.15/ea.	\$5,513.55
358	Mouse @ \$3.80/ea.	\$1,360.40
312	Memory Cards @ \$6.21/ea.	\$1,937.52
	Taxes	\$10,783.08
Total		\$145,571.55

- Electronic Voter Registration List (EVRL) is an electronic version of the paper voter registration list. An EVRL master list is sent electronically from the State Election Commission (SEC), and the list is loaded onto a laptop and sent to the precinct on Election Day.
- The poll managers use the laptop (EVRL) to search for voters and record voting participation. At the end of the day, the poll clerk returns the laptop/s to the county election office. The election staff then extracts the participation information from the precinct and it is transmitted to the SEC to provide the voter credit for voting in the election.
- Using EVRL's instead of paper voter registration lists enables poll managers to process voters quicker on Election Day and makes it is easier to find and mark the proper voter. Additionally, poll managers are able to search for voters and direct them to their proper precinct as well as create reports that detail the number of individuals who voted at a particular polling location on Election Day.
- The formula for issuing laptops is 1 laptop for every 1500 registered voters in a precinct and 1 laptop at a resolution table to assist voters with issues various issues encountered on Election Day (i.e. voters moving to other address, voters attempting to vote at the wrong precinct, no photo ID, etc.). This formula would provide each polling location with a minimum of 2 laptops.

Paper Voter Registration List



Electronic Voter Registration List



STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO.GF_02

AN ORDINANCE AMENDING THE FISCAL YEAR 2013-2014 GENERAL FUND ANNUAL BUDGET TO APPROPRIATE \$615,622.56 OF GENERAL FUND UNASSIGNED BALANCE FOR VOTING MACHINES AND RELATED EQUIPMENT IN THE BOARD OF ELECTIONS AND VOTERS REGISTRATION DEPARTMENT.

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. That the amount of Six hundred fifteen thousand six hundred twenty two dollars and fifty six cents (\$615,622.56) be appropriated specifically for the Board of Elections and Voters Registration Department to expend for "Voting Machines and Related Equipment". Therefore, the Fiscal Year 2013-2014 General Fund Annual Budget is hereby amended as follows:

REVENUE

Revenue appropriated July 1, 2013 as amended:	\$ 157,400,294
Appropriation of General Fund unassigned fund balance	\$ <u>615,623</u>
Total General Fund Revenue as Amended:	\$ 158,015,917

EXPENDITURES

Expenditures appropriated July 1, 2013 as amended:	\$ 157,400,294
Increase to Board of Elections and Voters Registration	\$ <u>615,623</u>
Total General Fund Expenditures as Amended:	\$ 158,015,917

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be enforced from and after _____, 2013.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin Washington, Chair

ATTEST THIS THE _____ DAY
OF _____, 2013

Clerk of Council

RICHLANDCOUNTYATTORNEY'S OFFICE

Approved As To LEGAL Form Only.
No Opinion Rendered As To Content.

First Reading:
Second Reading:
Public Hearing:
Third Reading:

Richland County Council Request of Action

Subject

An Ordinance Authorizing certain economic incentives, including payment of a fee in lieu of property taxes and other related matters, pursuant to a Fee Agreement between Richland County, South Carolina, and International Paper Company, pursuant to Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended; and other related matters **[THIRD READING] [PAGES 50-78]**

Notes

First Reading: November 5, 2013

Second Reading: November 19, 2013

Third Reading:

Public Hearing:

**STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____**

AN ORDINANCE AUTHORIZING CERTAIN ECONOMIC INCENTIVES, INCLUDING PAYMENT OF A FEE IN LIEU OF PROPERTY TAXES AND OTHER RELATED MATTERS, PURSUANT TO A FEE AGREEMENT BETWEEN RICHLAND COUNTY, SOUTH CAROLINA, AND INTERNATIONAL PAPER COMPANY, PURSUANT TO TITLE 12, CHAPTER 44, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED; AND OTHER RELATED MATTERS.

WHEREAS, Richland County, South Carolina (“County”), acting by and through its County Council (“County Council”), is authorized and empowered under and pursuant to the provisions of the South Carolina Constitution (“Constitution”), the Code of Laws of South Carolina, 1976, as amended (“Code”), and the case law of the courts of the State of South Carolina, to offer and provide certain privileges, benefits, and incentives to prospective and existing industries as inducements for economic development within the County;

WHEREAS, the County is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 of the Code (“Act”) to enter into certain agreements with any industry that constructs, operates, maintains, and improves certain properties (which constitute “projects” as defined in the Act) and to accept any grants for such projects;

WHEREAS, through employment of the powers granted by the Act, the County is empowered to promote the economic and industrial development of the State of South Carolina (“State”) and develop its trade by inducing manufacturing and commercial enterprises to locate and remain in the State and thus use and employ the manpower, agricultural products, and natural resources of the State and benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally by providing for the exemption of such project from property taxes and for the payment of a fee in lieu of property taxes (a “fee agreement,” as defined in the Act);

WHEREAS, International Paper Company, a corporation organized and existing under the laws of the State of New York (“Company”), but authorized to conduct, and conducting business in the County, desires to invest in its facility located in the County (“Facility”) through any combination of the following: the construction of one or more new buildings, investment involving one or more existing buildings, and/or the addition of machinery and equipment at the Facility (“Project” as further defined below), and has requested the County to provide certain incentives to the Company by entering into a fee agreement;

WHEREAS, the Project involves an anticipated investment by the Company of at least \$25,000,000 over a period of five (5) years from the last calendar day of the property tax year during which the Project or a portion of the Project is first placed in service;

WHEREAS, in connection with the economic development incentives hereby authorized, the County and the Company are prepared to enter into a fee agreement as set forth in the Act (“Fee Agreement”) pursuant to which the property comprising the Project will be exempted from property tax for a period of time during which the Company shall make certain payments to the County in lieu of property taxes (“FILOT Payments”); and

WHEREAS, the County has reviewed the Fee Agreement, a copy of the substantially final form of which is attached as Exhibit A and which is incorporated in this Ordinance, and determined that the same is appropriate in form and substance for execution by the County so long as the Fee Agreement includes the County Reporting Requirements, as shown on the attached Exhibit B.

NOW, THEREFORE, BE IT ORDAINED by the County Council of Richland County, South Carolina, in meeting duly assembled:

Section 1. Findings and Determinations. It is hereby declared that the facts set forth in the recitals to this Ordinance are true and correct in all respects. It further is found, determined, and declared by the County Council, based on information provided by the Company, as follows:

(a) the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally;

(b) the Project gives rise to no pecuniary liability of the County or incorporated municipality or results in a charge against its general credit or taxing power; and

(c) the purposes to be accomplished by the Project, including, without limitation, economic development, jobs creation or retention, and increase of the County’s tax base, are proper governmental and public purposes and the benefits of the Project are greater than the costs.

Section 2. Approval of Fee Agreement. The Fee Agreement is approved as follows:

(a) The form, terms, and provisions of the Fee Agreement presented to this meeting and filed with the Clerk to County Council (“Clerk”) are approved and all of the terms, provisions, and conditions of the Fee Agreement are incorporated by reference. The Chairman of the County Council (“Chairman”) and the Clerk are authorized, empowered, and directed to execute, acknowledge, and deliver the Fee Agreement in the name of the County. The Chairman and the Clerk are further authorized, empowered, and directed to cause the Fee Agreement to be delivered to the Company.

(b) The Fee Agreement to be executed on behalf of the County shall be in substantially the form now before the County Council and shall include only changes that are approved by the County officials executing the Fee Agreement. The County officials shall consult with legal counsel to the County (“Counsel”) with respect to any changes to the Fee Agreement. The

execution of the Fee Agreement by County officials shall constitute conclusive evidence that they have approved all changes to or revisions of the Fee Agreement now before this meeting.

(c) If under the Fee Agreement or the Act any future actions of the Company (including, without limitation, the supplementation of the exhibits thereto and/or any assignments of the Project) require the approval of the County, such approval can be given on behalf of the County by the Chairman or the Richland County Administrator (“County Administrator”) upon affirmative resolution of the County Council to the extent permitted by law. The County officials shall consult with Counsel with respect to such approval. The execution of a written approval by County officials shall constitute conclusive evidence that the County has approved the respective actions of the Company.

Section 3. Execution of Document. The Chairman, the County Administrator, the Clerk, and the County Attorney are each authorized and directed to do all things reasonably necessary to effect the execution and delivery of the Fee Agreement and the County’s performance of its obligations under the Fee Agreement.

Section 4. Severability. The provisions of this Ordinance are declared to be separable. If any section, phrase, or provision shall be declared by a court of competent jurisdiction to be invalid or unenforceable for any reason, the remaining sections, phrases, and provisions of the Ordinance shall remain valid.

Section 5. Repeal of Conflicting Ordinances. All orders, resolutions, and other ordinances in conflict with this Ordinance are repealed to the extent of such conflict.

Section 6. Effective Date of Ordinance. This Ordinance shall take effect immediately upon third reading of the County Council.

RICHLAND COUNTY COUNCIL

By: _____
Kelvin E. Washington, Sr., Chair

(SEAL)

Attest this _____ day of _____, 2013

Michelle M. Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading:	November 5, 2013
Second Reading:	November 19, 2013
Public Hearing:	December 3, 2013
Third Reading:	December 3, 2013

**Exhibit A
[Form of]
Fee Agreement**

Exhibit B
County Reporting Requirements

I. Annually, throughout the length of the incentives, beginning with the property tax year in which the Fee Agreement takes effect, the Company shall submit, on or before January 31 of each year, to the Richland County Administrator's Office at the following address:

Richland County Administrator
Attn: Economic Development
Post Office Box 192
Columbia, South Carolina 29202

the following information:

- a. Name of company;
- b. Cumulative capital investment (less any removed investment) to date as a result of the Project;
- c. Cumulative ad valorem taxes (if any) and fee in lieu payments made in connection with the facility;
- d. Cumulative number of new jobs created to date as a result of the Project;
- e. List of all employees for reporting year by residential zip code only;
- f. Community Service Involvement, including Zip Codes of assisted organizations, which shall include a description of the company's financial and in-kind donations made to organizations in the County during the preceding year, as well as such other information as the company desires to share regarding its community activities.

II. The Richland County Administrator's Office, or the Administrator's designee, is entitled to require the submission of any of the items in section I, above, from the Company, which the Company shall submit in no more than 30 days after notification of the request.

If the Company fails to provide any part of the information outlined in Items No. I above, then the County is entitled to require the Company to return all incentives, or a dollar amount equal to the incentives, to the County. The Company is required to make any return or repayment to the County no more than 60 days after the date on which the Company should have provided the information outlined in Items No. I to the County.

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

I, the undersigned, Clerk to County Council of Richland County (“County Council”), DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance adopted by the County Council. The Ordinance was read and received a favorable vote at three public meetings of the County Council on three separate days. At least one day passed between first and second reading and at least seven days between second and third reading. At each meeting, a quorum of the County Council was present and remained present throughout the meeting.

To the best of my knowledge, the County Council has not taken any action to repeal the Ordinance.

IN WITNESS WHEREOF, I have hereunto set my Hand and the Seal of Richland County Council, South Carolina, as of this _____ day of _____, 2013.

Michelle M. Onley,
Clerk to County Council
Richland County, South Carolina

FEE AGREEMENT

by and between

RICHLAND COUNTY, SOUTH CAROLINA

and

INTERNATIONAL PAPER COMPANY

Effective as of December 31, 2013

FEE AGREEMENT

INTERNATIONAL PAPER COMPANY

THIS FEE AGREEMENT (the “Fee Agreement”) is made and entered into effective as of the Commencement Date (as defined hereinafter) by and between RICHLAND COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the “County”), and INTERNATIONAL PAPER COMPANY, a corporation organized and existing under the laws of the State of New York (the “Company”). The County and the Company are sometimes jointly referred to in this Fee Agreement as the “parties,” or severally referred to as a “party.”

WITNESSETH:

WHEREAS, the Act, as defined herein, empowers the several counties of the State of South Carolina to enter into a fee agreement with an industry as an optional method of providing fee in lieu of property tax benefits for a project; and

WHEREAS, the County is authorized to enter into this Fee Agreement by enactment of an ordinance; and

WHEREAS, the Company desires to invest in its facility located in the County (“Facility”) through any combination of the following: the construction of one or more new buildings, investment involving one or more existing buildings, and/or the addition of machinery and equipment at the Facility (the “Project”) and has requested the County to commit to provide certain incentives to the Company by entering into this Fee Agreement; and

WHEREAS, subject always to the Act, the parties desire to define the terms under which the Project will qualify for fee in lieu of property tax treatment and the Company will make PILOT Payments, as defined herein, with respect to the Project.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained and the mutual benefits to be derived by the parties, the receipt and adequacy of which are acknowledged by the parties, the County and the Company agree as follows:

1. DEFINITIONS

1.1. Specific Definitions

In addition to the words and terms elsewhere defined in this Fee Agreement, the following words and terms as used herein shall have the following meanings unless the context or use indicates a different meaning or intent.

“Act” means the Fee in Lieu of Tax Simplification Act of 1997, S.C. Code Ann. § 12-44-10, *et seq.*, as amended.

“Additional Payments” shall have the meaning set forth in Section 4.3 of this Fee Agreement.

“Administrative Expenses” means the reasonable and necessary expenses incurred by the County in reviewing, implementing or amending this Fee Agreement and the Related Documents, including, without limitation, legal fees and expenses incurred by the County, but excluding the salaries and overhead of County personnel. Prior to an Event of Default, no expense shall be considered an Administrative Expense until the County has furnished to the Company a statement in writing indicating in reasonable detail the amount of such expense and the reason it has been or will be incurred. Expenses incurred in connection solely with a general taxpayer challenge to the validity of the Act shall not be deemed an Administrative Expense unless the Company requests the County to defend the suit on Company’s behalf.

“Authorized Company Representative” means any person or persons at the time authorized to act on behalf of the Company including, without limitation, the president, any vice president, the secretary, and the treasurer of the Company.

“Code” means the Code of Laws of South Carolina, 1976, as amended.

“Commencement Date” means the last calendar day of the property tax year during which the Project or a portion of the Project is placed in service, as defined in the Act, except that this date must not be later than the last calendar day of the property tax year which is three years from the year in which the Company and the County entered into this Fee Agreement.

“Company” means International Paper Company, a corporation organized and existing under the laws of the State of New York, and any surviving, resulting or transferee limited liability company, corporation, partnership or other business entity in any merger, consolidation or transfer of assets permitted under this Fee Agreement.

“Completion Date” shall mean the Initial Completion Date or, if extended pursuant to Section 3.2, such date provided for by Section 3.2.

“Cost” or “Cost of the Project” means the cost to the Company of acquiring the Project, by construction, purchase, or lease, and shall be deemed to include, whether incurred prior to or after the Commencement Date: (a) costs incurred for architects, engineers, designers, landscape architects, attorneys, estimators, and other Project consultants; (b) costs incurred for labor, materials and other expenses to contractors, builders and suppliers in connection with the acquisition, construction and installation of the Project; (c) Project financing costs, (d) the cost of contract bonds and insurance of all kinds that may be required or necessary during the course of acquisition, construction and installation of the Project; (e) the expenses of the Company for tests, borings, surveys, test and pilot operations, estimates, plans and specifications and preliminary investigations therefore, and for supervising construction, as well as for the performance of all other duties required by or reasonably necessary in connection with the

acquisition, construction and installation of the Project; (f) other costs that the Company shall be required to pay under the terms of any contract or contracts for the acquisition, construction and installation of the Project; (g) costs incurred by the Company for the acquisition and insuring of any interest in the land upon which the Project is located; (h) costs incurred for the Project by third parties on behalf of the Company; and (i) any sums required to reimburse the Company for advances made by it for any of the above items, or for any other work done and costs incurred by the Company which are for the acquisition of property of a character subject to the allowance for depreciation provided for under Section 167 of the Internal Revenue Code of 1986, as amended, and included in the Project, all whether or not reimbursed by the County or by third parties, all as reflected on the Company's property tax return Form PT-300, with all attachments and schedules thereto, as filed with the Department of Revenue.

"County" means Richland County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, and its successors and assigns.

"County Council" means the governing body of the County and its successors.

"County Reporting Requirements" means those requirements as set forth on *Exhibit A* attached hereto and made a part hereof.

"Default" means an event or condition, the occurrence of which would, after the passage of any time permitted for cure or the giving of notice or both, become an Event of Default as defined in Section 7.1 hereof.

"Department of Revenue" means the South Carolina Department of Revenue or its successor agency.

"Equipment" means all equipment, machinery, furnishings, and other personal property of Company that are made part of the Project by placing it in service in the County during the Project Period, and any other property described in *Exhibit C* attached hereto and made a part hereof, including all Replacement Property that is personal property of the Company.

"Event of Default" means any of those events set forth in Article 7 of this Fee Agreement.

"Fair Market Value" shall have the meaning set forth in Section 5.1(B) of this Fee Agreement.

"Fee Agreement" means this Fee Agreement as originally executed and from time to time supplemented or amended as permitted herein.

"FILOT Payments" shall have the meaning set forth in Section 5.1 of this Fee Agreement.

"Independent Counsel" means an attorney duly admitted to practice law in the State of South Carolina who does not represent either party to this Agreement.

“*Initial Completion Date*” means December 31, 2018, or such earlier date as may be specified by the Company pursuant to Section 3.2 hereof.

“*Ordinance*” means the ordinance of the County Council that authorizes execution and delivery of this Fee Agreement and other applicable Related Documents by the County.

“*Person*” means any individual, association, corporation, partnership, limited liability company, unincorporated organization, joint venture, trust, or government or agency or political subdivision thereof.

“*Project*” shall have the meaning set forth in the recitals hereof, as further defined herein, and shall specifically mean the Real Property and the Equipment.

“*Project Period*” means the five (5) year period beginning with the Commencement Date and ending on the Initial Completion Date.

“*Real Property*” means the real property, if any, made part of the Project during the Project Period, including any leasehold improvements or other capital expenditures of the Company that qualify as economic development property under the Act, as more fully described in *Exhibit B* attached hereto, as from time to time supplemented by the Company, and all Replacement Property that is real property.

“*Related Documents*” means this Fee Agreement, the Ordinance, and any documents to which the County and/or the Company are parties that are reasonably required for the consummation of the transactions contemplated hereby or thereby.

“*Replacement Property*” means all property that is placed in service as a replacement for a portion of the Project, to the maximum extent permitted by the Act.

“*State*” means the State of South Carolina.

“*Term*” means the duration of this Fee Agreement.

1.2. *References to Fee Agreement*

The words “hereof,” “herein,” “hereunder” and other words of similar import refer to this Fee Agreement.

2. REPRESENTATIONS AND WARRANTIES

2.1. *Representations and Warranties by the County*

The County warrants that:

(A) The County is a body politic and corporate and a political subdivision of the State of South Carolina and is authorized and empowered by the provisions of the Act to enter into the

transactions contemplated by this Fee Agreement and to carry out the County's obligations hereunder. Based on representations of the Company, the County has determined the Project constitutes or will constitute a "project" within the meaning of the Act. By proper action by County Council, the County has been duly authorized to execute and deliver this Fee Agreement;

(B) Prior to the delivery of this Fee Agreement, the County has enacted the Ordinance;

(C) The execution and delivery of this Fee Agreement and compliance by the County with the terms and conditions thereof will not constitute a material breach of, or a material default under any existing law, regulation, decree, or order, or any material agreement, mortgage, lease or other instrument to which the County is subject or by which it is bound; and

(D) To the best of its knowledge, no actions, suits, proceedings, inquiries or investigations are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal that would materially adversely affect the validity or enforceability of this Fee Agreement.

2.2. Representations and Warranties by Company

The Company represents and warrants that:

(A) The Company is a corporation organized and in good standing under the laws of the State of New York, is authorized to transact business in the State of South Carolina, and has power to enter into this Fee Agreement, and, by proper action, has been duly authorized to execute and deliver this Fee Agreement;

(B) The execution and delivery of this Fee Agreement and compliance by the Company with the terms and conditions hereof will not constitute a material breach of, or a material default under, (i) any existing law, regulation, decree, or order, or (ii) any material term, condition, or provision of any corporate restriction or any agreement or instrument to which the Company is now a party or by which it is bound; and will not result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Company that would materially restrict the Company's ability to make any payments hereunder, other than as may be permitted by this Fee Agreement;

(C) No event has occurred and no condition exists with respect to the Company that would constitute an "Event of Default" as described in Section 7.1 hereof;

(D) The Company intends to operate the Project for the purposes permitted by this Fee Agreement or the Act or other purposes expressly agreed upon in writing by the parties;

(E) The execution of this Fee Agreement by the County and the Company has been instrumental in inducing the Company to make further investment in its Facility in the County and in the State;

(F) To the best of its knowledge, no actions, suits, proceedings, inquiries or investigations are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal that would materially and adversely affect the validity or enforceability of this Fee Agreement; and

(G) The Project constitutes or will constitute a “project” within the meaning of the Act.

(H) The Company shall comply with the County Reporting Requirements.

3. CONSTRUCTION, ACQUISITION, AND PURCHASE OF PROJECT

3.1. Construction and Acquisition of Project

The Company shall construct and acquire the Project and shall do all other things deemed necessary by the Company in connection with the Project. The Company shall identify in writing, to the extent required by the Department of Revenue, any portion of the Project placed in service that is not then already adequately described in this Fee Agreement or supplements thereto as a portion of the Project. The Company shall maintain such records in connection with the construction or acquisition of the Project as are reasonably necessary to (i) permit ready identification thereof and (ii) confirm the date(s) on which the Project or portions of the Project were placed in service.

3.2. Completion Date

The Initial Completion Date shall be December 31, 2018; provided, however, that (i) if the Company invests at least \$50,000,000 at the Project by the Initial Completion Date, then the Completion Date shall be extended to December 31, 2020, and (ii) if the Company invests at least \$75,000,000 at the Project by the Initial Completion Date, then the Completion Date shall be extended to December 31, 2023.

The Completion Date(s) shall be evidenced to the County by a written statement by an Authorized Company Representative certifying the Completion Date and stating that, to the best of his knowledge and information, the acquisition or construction of the Project, or a phase thereof, has been completed and placed in service as of the stated Completion Date and shall state the total cost as of the Completion Date. The certificate of completion may state that it is given without prejudice to any rights against third parties that exist at the date of such certificate or which may subsequently come into being.

3.3. Completion of the Project

The Company shall cause the Project to be completed and shall pay or cause to be paid all of the Cost of the Project, provided that this shall not be deemed to preclude financing of some or all of the Cost of the Project on such terms as the Company shall determine.

3.4. *Amendments to Exhibits B and C*

The Company may supplement *Exhibit B* and *Exhibit C* from time to time provided that the supplements are consistent with the terms of this Fee Agreement and the Act and notice of such supplement is given to the County in accordance with the notice provisions of this Fee Agreement.

3.5. *Minimum Investment Threshold*

Before the Initial Completion Date, the Company will invest at least Twenty-Five Million Dollars (\$25,000,000) in taxable property constituting part of the Project (the “Minimum Investment Threshold”).

3.6. *Licenses and Permits; Assistance in Obtaining*

To the extent permitted by law, the County will use its reasonable best efforts to expedite all building and construction permit applications, if applicable, and will use its reasonable best efforts to assist the Company in securing all other state, county and local construction, environmental and other permits, approvals and consents which may be necessary or desirable in connection with the Project on a timely basis.

If any application is made to a governmental or other agency by the Company or the County for any permit, license, or approval to do or to perform certain things necessary for the proper performance of this Fee Agreement, the Company and the County shall execute, upon the request of the other party, such applications as may reasonably be requested or required.

4. TERM, FEES AND ADDITIONAL PAYMENTS

4.1. *Term*

Subject to the provisions herein, this Fee Agreement shall be and remain in full force and effect for a term (the “Term”) commencing on the Commencement Date, and, unless earlier terminated in accordance with this Fee Agreement, ending at midnight on December 31 of the twentieth (20th) year after the last year during which any portion of the Project is placed in service or the last FILOT Payment hereunder, whichever is later; provided, however, that (i) if the Company invests at least \$50,000,000 at the Project by the Initial Completion Date, then the Term shall be extended to twenty-five (25) years, and (ii) if the Company invests at least \$75,000,000 at the Project by the Initial Completion Date, then the Term shall be extended to thirty (30) years.

4.2. *FILOT Payments*

The Company shall pay to the County all amounts due and payable as FILOT Payments pursuant to Section 5.1 hereof. Unless otherwise expressly provided in the Act, returns for the FILOT Payments shall be filed and FILOT Payments shall be payable at the same time, and subject to the same penalty assessments, that *ad valorem* property tax returns and tax payments

for the Project would otherwise be due and payable under applicable State law and regulations in the absence of this Fee Agreement.

4.3. Additional Payments

In addition to the Fee Payments and other amounts payable under Section 5.1, the Company shall pay, as “Additional Payments,” to or on behalf of the County any Administrative Expenses and any other amounts payable by the Company under this Agreement. Such Additional Payments shall be payable by the Company within twenty (20) calendar days of receipt by the Company from the County of a statement in writing indicating in reasonable detail the amount of such Additional Payments and the reason they have been incurred.

4.4. Failure to Pay in a Timely Manner

If the Company fails to make in a timely manner any of the payments required in this Article 4, the item or installment so in default shall continue as an obligation of the Company until the amount in default shall have been fully paid, together with interest and penalties for which the Company is liable under applicable law thereon, along with Administrative Expenses, from the date the payment was due, at the rate per annum which is equal to the rate required by law for late payment of *ad valorem* taxes or, in the case of the FILOT Payments, an amount equal to any interest required by law for late payment of comparable *ad valorem* property taxes. In the event of any failure on the part of the Company to pay any such amounts, liabilities or obligations, the County shall have all rights, powers and remedies provided for herein, by law, equity or otherwise, including without limitation with respect to non-payment of FILOT Payments hereunder the imposition and enforcement of a lien against the Project for tax purposes, as provided in Section 12-44-90 of the Act and the collection of Administrative Expenses.

5. FILOT PAYMENTS AND TAX CREDITS

5.1. FILOT Payments; Calculation and Timing

(A) The parties acknowledge that during the Term of this Fee Agreement, the Project is exempt from *ad valorem* property taxes. However, in lieu of *ad valorem* property taxes, the Company shall make twenty (20) annual FILOT Payments for each portion of the Project placed in service each year during the Project Period. If the Term is extended pursuant to Section 4.1(i) or (ii) of this Fee Agreement, then the Company shall make twenty-five (25) or thirty (30), respectively, annual FILOT Payments for each portion of the Project placed in service each year during the Project Period.

(B) The amount of FILOT Payments due and payable shall be that which would be due in *ad valorem* property taxes if the Project were subject to *ad valorem* property taxes, but using (i) an assessment ratio of six percent (6%), (ii) a millage rate of 423.2 mills (which millage rate shall remain applicable and fixed throughout the Term of this Fee Agreement), and (iii) a fair market value of the Project to be determined according to the Act (the “Fair Market Value”).

(C) Pursuant to Section 12-44-60 of the Act, the Company may elect to include Replacement Property as part of the Project to the maximum extent permitted by the Act. The FILOT Payments due with respect to any Replacement Property shall be calculated according to Section 12-44-60 of the Act.

(D) Any part of the Project subject to this Fee Agreement may be disposed of, and the Fair Market Value of the Project used to calculate FILOT Payments shall be reduced by the Fair Market Value of the disposed property.

(E) If the Act, any portion of the Act, and/or the FILOT Payments are declared invalid or unenforceable, in whole or in part, for any reason, the Company and the County intend that this Fee Agreement be reformed so as to afford the Company with a benefit that is commensurate with the benefit provided under this Fee Agreement. If the Project is not eligible for FILOT Payments, the Company shall be entitled to receive (i) the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by South Carolina Constitution Article X, Section 3, and any other exemption allowed by law from time to time; (ii) all allowable depreciation, allowances and adjustments to Fair Market Value; and (iii) such other credits, abatements and exemptions from *ad valorem* taxes, as are allowed by law.

(F) If the Company does not meet the Minimum Investment Threshold as of the Initial Completion Date, the Company prospectively loses the benefit of this Fee Agreement and the Project reverts to normal *ad valorem* taxation and the Company shall repay the County the full amount of the difference between the FILOT Payments and the amount of *ad valorem* property taxes that would have otherwise been due and payable by the Company if the Project were subject to *ad valorem* property taxes since the Commencement Date. The Company shall make any such repayment no later than ninety (90) days after the Initial Completion Date.

(G) If, at any time during the Term, the investment at the Project falls below \$10 million (by original cost, including replacement property, and not including applicable depreciation), then the Project will prospectively, and not retroactively, lose the benefit of this Fee Agreement and become subject to *ad valorem* property taxes.

5.2. Tax Deductions, Credits and Exemptions

Unless otherwise precluded by the Act, applicable law or judicial decision, the Company shall be entitled to all applicable federal, state and local investment tax credits, exemptions, allowances and deductions for depreciation and diminution in value, and other similar tax relief provisions relating to the Project. At the request of the Company, the County shall do all things as are reasonably necessary or proper to confirm and receive those benefits, provided the Company shall pay the expenses incurred in that undertaking.

5.3. Abating FILOT Payments

If the Project is damaged or destroyed, the subject of condemnation proceedings, or otherwise adversely impacted by theft, casualty, or other cause, and the damage, destruction, condemnation, or adverse impact reduces the Project's fair market value, the FILOT Payments

shall be abated in the same manner as *ad valorem* property taxes would be abated if the Project were subject to *ad valorem* property taxes to the fullest extent allowed by the Act.

6. OTHER COVENANTS

6.1. *Use of Project*

The Company shall have the right during the Term of this Fee Agreement to use the Project, as a project, for any lawful purpose authorized by the Act. At the time of entering into this Fee Agreement, however, it is the intent of the Company to use the Project for the primary purpose of a paper mill and related activities.

6.2. *Limitation of County's Liability*

Anything herein to the contrary notwithstanding, any obligation the County may incur hereunder, including an obligation for the payment of money, shall not be deemed to constitute a debt or general obligation of the County but shall be payable solely and exclusively from the revenues and receipts derived by the County from this Fee Agreement, and the Project gives rise to no pecuniary liability of the County or a charge against its general credit or taxing power.

6.3. *No Liability of County Personnel*

All covenants, agreements and obligations of the County contained herein shall be deemed to be covenants, agreements and obligations of the County and not of any member of the County Council or any officer, agent, servant or employee of the County in his individual capacity.

6.4. *Transfer of Project; Financing*

To the extent permitted by Section 12-44-120(A) of the Act, (a) an interest in this Fee Agreement and the Project, or (b) an equity interest or other interest in an entity with an interest in this Fee Agreement or the Project, or both, may be transferred to another entity at any time; provided that the Company shall not be released from its obligations without the County's prior written consent. Whenever consent of the County is required under the Act or this Fee Agreement for any of the foregoing transactions, such consent shall not be unreasonably withheld.

6.5. *Financing*

Financing, lending, security, sale-leaseback, assignments, leases, subleases, or similar arrangements are permitted in accordance with Sections 12-44-120(B) and (C) of the Act. The Company shall cause the County and the Department of Revenue to be notified of a financing-related transfer of the Fee Agreement or the Project within sixty (60) days of such transfer. Such notice shall be in writing and shall include the identity of each transferee and any other information required by the Department of Revenue with any appropriate returns.

6.6. *Leasing of Project*

The Company may at any time lease or sublease the Project or portions of the Project on such terms as the Company may determine in its sole discretion, provided that such terms are not inconsistent with this Fee Agreement. No lease or sublease shall reduce any of the obligations of the Company hereunder unless expressly approved in writing by the County.

6.7. *Filing of Annual Report of Investment in Project*

The Company shall provide to the County a copy of the annual return to the Department of Revenue or equivalent showing the investment of the Company in the Project (currently, Form PT-300S). The County shall accord this information the same degree of confidentiality as is required for the Department of Revenue. The Company shall also make all other filings required from time to time by Section 12-44-90 of the Act.

6.8. *Waiver of Statutorily Required Recapitulation*

Pursuant to Section 12-44-55(B) of the Act, the County and the Company and any Sponsors waive any and all compliance with any and all of the provisions, items, or requirements of Section 12-44-55.

6.9. *Indemnification*

(a) Except in the event of willful misconduct or gross negligence of the County, its County Council members, officers, employees or agents, present and future, and past County employees or agents who have worked on the Project and any documents or matters related to the Project, the Company shall and agrees to indemnify and save the County, its County Council members, officers, employees or agents, present and future, and past County employees or agents who have worked on the Project and any documents or matters related to the Project (each, an "Indemnified Party"), harmless against and from all claims by or on behalf of any person, firm, or corporation arising from the conduct or management of, or from any work or thing done on the Project during the Term, and, Company, further, releases each Indemnified Party from and shall indemnify and save each Indemnified Party harmless against and from all claims arising during the Term from (i) any condition of the Project, (ii) any breach or default on the part of Company in the performance of any of its obligations under this Fee Agreement, (iii) any act of negligence of Company or any of its agents, contractors, servants, employees, or licensees, (iv) any act of negligence of any assignee or sublessee of Company, or of any agents, contractors, servants, employees, or licensees of any assignee or sublessee of Company, (v) any environmental violation, condition, or effect, or (vi) the administration by any Indemnified Party of this Fee Agreement or the performance by any Indemnified Party of the County's obligations hereunder. Company shall indemnify and save each Indemnified Party harmless from and against all reasonable costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon, and upon notice from the County or any other Indemnified Party, Company shall defend it in any such action, prosecution, or proceeding.

(b) Notwithstanding the fact that it is the intention of the parties that each Indemnified Party shall not incur pecuniary liability by reason of the terms of this Fee Agreement, or the undertakings required of the County hereunder, by reason of the performance of any act requested of it by the Company, or by reason of the operation of the Project by the Company, including all claims, liabilities, or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if an Indemnified Party should incur any such pecuniary liability, then in such event the Company shall indemnify and hold that Indemnified Party harmless against all claims by or on behalf of any person, firm, or corporation, arising out of the same, and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice, the Company shall defend them in any such action or proceeding.

These indemnification covenants shall be considered included in and incorporated by reference in subsequent documents after the closing which the County is requested to sign, and any other indemnification covenants in any subsequent documents shall not be construed to reduce or limit the above indemnification covenants.

7. EVENTS OF DEFAULT AND REMEDIES

7.1. Events of Default by Company

Any one or more of the following events shall constitute an “Event of Default” by Company:

(A) if default shall occur in the due and punctual payment of any Additional Payments to the County, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County;

(B) if FILOT Payments, together with any interest or penalties thereon, shall not have been paid within the maximum time that would be permitted by law if the Project were subject to *ad valorem* property taxes;

(C) if the Company shall fail to perform or comply with any other terms of this Fee Agreement, other than those referred to in the foregoing Subsections (A) or (B), and such default shall (i) continue for thirty (30) calendar days after the County has given the Company written notice of such default, or (ii) in the case of any such default that can be cured, but cannot be cured with due diligence within such thirty (30) day period, if the Company shall fail to proceed promptly and with due diligence to cure the same within such additional period as may be necessary to complete the curing of the same with all due diligence not to exceed ninety (90) days;

(D) if the Company shall file a voluntary petition seeking an order for relief in bankruptcy; or shall be adjudicated insolvent; or shall file any petition or answer or commence a case seeking reorganization, composition, readjustment, liquidation or similar order for relief for itself under any present or future statute, law or regulation; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Company or of the

Project; or shall make any general assignment for the benefit of creditors; or shall admit in writing its inability to pay its debts generally as they become due;

(E) if a petition shall be filed or a case shall be commenced against the Company seeking an order for relief in bankruptcy or any reorganization, composition, readjustment, liquidation or similar relief under any present or future statute, law or regulation, and shall remain undismissed or unstayed for an aggregate of ninety (90) days (whether or not consecutive); or if any trustee, receiver or liquidator of the Company or of all or any substantial part of its properties or of the Project shall be appointed without the consent or acquiescence of the Company and such appointment shall remain unvacated or unstayed for an aggregate of ninety (90) days (whether or not consecutive);

(F) if any material representation or warranty made by the Company herein proves untrue in any material and adverse respect as of the date of making the representation or warranty; or

(G) if the Company ceases operations at the Facility.

7.2. Remedies on Event of Default by Company

Upon the occurrence of any Event of Default, the County, may, at its option, take any one or more of the following actions: (i) terminate this Fee Agreement by thirty (30) days notice in writing specifying the termination date; (ii) take whatever action at law or in equity as may appear necessary or desirable to collect the sums under Article 4 then due and thereafter to become due. In all events, if the Company fails to make Fee Payments due under Section 5.1, the County shall have the same enforcement, lien, and collection rights and remedies as it would have had for the non-payment of *ad valorem* taxes.

7.3. Default by County

Upon the failure of the County to perform any obligation it may have under this Fee Agreement or the Related Documents in a timely manner, or if no time for performance is specified, then within ninety (90) days following written notice thereof from the Company to the County, the Company may pursue any remedy permitted by this Fee Agreement or available by law or in equity, including, but not limited to, specific performance or suit for *mandamus*.

8. MISCELLANEOUS

8.1. Rights and Remedies Cumulative

Each right, power and remedy of the County or of the Company provided for in this Fee Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Fee Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced, and the exercise by the County or by the Company of any one or more of the rights, powers or remedies provided for in this Fee Agreement or now or hereafter existing at law or in equity or

by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company of any or all such other rights, powers or remedies.

8.2. *Successors and Assigns*

The terms and provisions of this Fee Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

8.3. *Notices; Demands; Requests*

All notices, demands and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if (a) personally delivered by any entity which provides written evidence of such delivery, or (b) sent by United States first class mail, postage prepaid (in which event notice shall be deemed to occur two (2) calendar days after the date postmarked), or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid (in which event notice shall be deemed to occur on the date on which delivery was accepted or rejected by the recipient). Notices, demands and requests shall be addressed as follows or to such other places as may be designated in writing by such party by proper notice to the other party.

(a) As to the County:

Richland County
P.O. Box 192
Columbia, South Carolina 29202
Attention: County Administrator
Telephone: (803) 576-2054
Facsimile: (803) 576-2137

With a Copy to:

Parker Poe
1201 Main Street, Suite 1450
Columbia, South Carolina 29201
Attn: Ray Jones
Telephone: (803) 253-8000
Facsimile: (803) 255-8017

(b) As to the Company:

International Paper Company
Attention: Ann Marie Person
P.O. Box 2118,
Memphis, TN 38101
Telephone: (901) 419-4495
Facsimile: (901) 214-1435

With a Copy to:

McNair Law Firm, P.A.
Post Office Box 11390
Columbia, South Carolina 29211
Attention: Erik P. Doerring
Telephone: (803) 799-9800
Facsimile: (803) 753-3277

8.4. *Next Succeeding Business Day*

Unless otherwise expressly provided by applicable law, in any case in which the last date for action by or notice to a party falls on a Saturday, Sunday or date that is an official state or federal holiday in the place in which the address is located, then the action required or notice to be given may be made or given on the next succeeding business day with the same effect as if given as required by this Fee Agreement.

8.5. *Applicable Law; Entire Understanding*

Except as otherwise provided by the Home Rule Act, the Act, and other applicable law, this Fee Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of South Carolina. This Fee Agreement expresses the entire understanding and all agreements of the parties hereto with each other and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Fee Agreement or in certificates delivered in connection with the execution and delivery hereof.

8.6. *Severability*

If any material provision of this Fee Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof unless the effect thereof would render enforcement of the remaining provisions unconscionable.

8.7. *Execution Disclaimer*

Notwithstanding any other provision, the County is executing this Fee Agreement as statutory accommodation to assist the Company in achieving the intended benefits and purposes of the Act. The County has made no independent legal or factual investigation regarding the particulars of this transaction and it executes in reliance on representations by the Company that this document complies with all laws and regulations, particularly those pertinent to industrial development projects in South Carolina.

8.8. *Headings and Table of Contents; References*

The headings of the Fee Agreement and any Table of Contents or Index annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. Unless otherwise clearly indicated by the context, all references in this Fee Agreement to particular Articles, Sections or Subsections are references to the designated Articles, Sections or Subsections of this Fee Agreement.

8.9. *Multiple Counterparts*

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

8.10. *Amendments*

This Fee Agreement may be amended only by a writing signed by all parties hereto.

8.11. *Waiver*

Any party hereunder may waive compliance by the other party with any term or condition of this Fee Agreement only in a writing signed by the waiving party.

8.12. *NON-DISCLOSURE OF COMPANY INFORMATION*

The County, and County Council, acknowledges and understands that the Company utilizes confidential and proprietary “state-of-the-art” manufacturing processes and techniques and that any disclosure of any information relating to such processes and techniques and the economics thereof would result in substantial harm to the Company and could thereby have a significant detrimental impact on Company and its employees. Consequently, to the extent permitted by law, the County agrees to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the nature, description and type of the machinery, equipment, processes and techniques, and financial information relating thereto (“Confidential Information”), which may be obtained from the Company, its agents or representatives, except as may otherwise expressly be required by applicable law. The County, and County Council, shall not disclose and shall cause all employees, agents and representatives of the County not to disclose such Confidential Information to any person or entity other than in accordance with the terms of the Fee Agreement and as required by law.

[signatures on following page]

IN WITNESS WHEREOF, the parties have executed this Fee Agreement effective as of the Commencement Date.

RICHLAND COUNTY COUNCIL

By: _____
Kelvin E. Washington, Sr., Chair

(SEAL)

Attest this _____ day of
_____, 2013

Michelle M. Onley
Clerk of Council

INTERNATIONAL PAPER COMPANY

By: _____
Name: _____
Title: _____

EXHIBIT A

COUNTY REPORTING REQUIREMENTS

I. Annually, throughout the length of the incentives, beginning with the property tax year in which the Fee Agreement takes effect, the Company shall submit, on or before January 31 of each year, to the Richland County Administrator's Office at the following address:

Richland County Administrator
Attn: Economic Development
Post Office Box 192
Columbia, South Carolina 29202

the following information:

- a. Name of company;
- b. Cumulative capital investment (less any removed investment) to date as a result of the project;
- c. Cumulative ad valorem taxes (if any) and fee in lieu payments made in connection with the facility;
- d. Cumulative number of new jobs created to date as a result of the project;
- e. List of all employees for reporting year by residential zip code only;
- f. Community Service Involvement, including Zip Codes of assisted organizations, which shall include a description of the company's financial and in-kind donations made to organizations in the County during the preceding year, as well as such other information as the company desires to share regarding its community activities.

II. The Richland County Administrator, or the Administrator's designee, is entitled to require the submission of any of the items in section I, above, from the Company, which the Company shall submit in no more than 30 days after notification of the request.

If the Company fails to provide any part of the information outlined in Items No. I above, then the Company shall return all incentives, or a dollar amount equal to the incentives, to the County. The Company is required to make any return or repayment to the County no more than 60 days after the date on which the Company should have provided the information outlined in Items No. I to the County.

EXHIBIT B

LEGAL DESCRIPTION OF REAL PROPERTY

EXHIBIT C

DESCRIPTION OF PERSONAL PROPERTY

All trade fixtures, furnishings, equipment, machinery, facilities and other personal property owned by Company that are purchased and used in connection with the Project.

Richland County Council Request of Action

Subject

Authorizing an Amendment to the Master Agreement Governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County; and other related matters [**SECOND READING**] [**PAGE 79-83**]

Notes

First Reading: November 19, 2013

Second Reading:

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____

AUTHORIZING AN AMENDMENT TO THE MASTER AGREEMENT GOVERNING THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK BY AND BETWEEN RICHLAND COUNTY, SOUTH CAROLINA, AND FAIRFIELD COUNTY, SOUTH CAROLINA, TO EXPAND THE BOUNDARIES OF THE PARK TO INCLUDE CERTAIN REAL PROPERTY LOCATED IN RICHLAND COUNTY; AND OTHER RELATED MATTERS.

WHEREAS, Richland County, South Carolina (“Richland”), acting by and through its County Council (“County Council”) is authorized and empowered under and pursuant to the provisions of Title 4, Chapter 9, Code of Laws of South Carolina, 1976, as amended, to make and execute contracts;

WHEREAS, Richland and Fairfield County, South Carolina (“Fairfield,” collectively, “Counties”), as authorized under Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (collectively, “Act”), have jointly developed the I-77 Corridor Regional Industrial Park (“Park”);

WHEREAS, the Counties entered into an agreement entitled “Master Agreement Governing the I-77 Corridor Regional Industrial Park” (“Master Agreement”), dated April 15, 2003, the provisions of which govern the operation of the Park;

WHEREAS, pursuant to the Act and the terms of the Master Agreement, the Counties are authorized to include the property of eligible companies within the Park as an inducement to locate investment within the Counties, which inclusion, by the terms of the Act, makes such property exempt from ad valorem property taxes, therefore changing the character of the annual receipts from such properties from ad valorem property taxes to fees-in-lieu of ad valorem property taxes;

WHEREAS, Richland and the State of South Carolina (“State”) are negotiating with a company known as Project Flare (“Company”) to induce the Company to make a potential investment in Richland;

WHEREAS, to provide an attraction to the Company to locate its investment in Richland, Richland desires to amend the Master Agreement and expand the boundaries of the Park to include the property, as described by the tax map number and address on the attached Exhibit A, on which the Company’s potential investment will be located; and

WHEREAS, to provide an additional attraction to the Company to locate its investment in Richland, Richland desires to (i) make a grant to the Company, and (ii) accept and administer a grant from the State to the Company, each of which will assist the Company in making qualified improvements to the Property, pursuant to the terms of a Performance Agreement among Richland, the State and the Company.

NOW, THEREFORE, BE IT ORDAINED BY THE RICHLAND COUNTY COUNCIL:

Section 1. Amendment to Master Agreement; Expansion of Park Boundaries. There is hereby authorized an amendment to the Master Agreement and expansion of the Park boundaries to include the Property. The County Council Chair (“Chair”), or the Vice Chair in the event the Chair is absent, the County Administrator and the Clerk to the County Council are hereby authorized to execute such documents and take such further actions as may be necessary to complete the expansion of the Park boundaries. Pursuant to the terms of the Master Agreement, the expansion shall be complete on the

adoption of this Ordinance by the Richland County Council and a companion ordinance by the Fairfield County Council.

Section 2. Grant; Execution and Delivery of Performance Agreement. There is hereby authorized a grant from the County to the Company for the purpose of assisting the Company in making qualified improvements to the Property. To the extent the County receives a grant from the State for the benefit of the Company, the County is authorized to accept and administer the grant. The Chair, or the Vice Chair in the event the Chair is absent, the County Administrator and the Clerk to the County Council are hereby authorized to negotiate, execute and deliver a Performance Agreement among Richland, the State and the Company, pursuant to which the County will make, accept and administer the grants authorized by this Ordinance.

Section 3. Further Assurances. Richland County Council confirms the authority of the Chair, or the Vice-Chair in the absence of the Chair, the County Administrator and the Clerk to County Council, and various other County officials and staff, acting at the direction of the Chair, County Administrator or Clerk to Council, as appropriate, to take whatever further action and to draft, execute, deliver and post whatever further documents as may be appropriate to effect the intent of this Ordinance.

Section 4. Savings Clause. If any portion of this Ordinance shall be deemed unlawful, unconstitutional or otherwise invalid, the validity and binding effect of the remaining portions shall not be affected thereby.

Section 5. General Repealer. Any prior ordinance, the terms of which are in conflict herewith, is, only to the extent of such conflict, hereby repealed.

Section 6. Effectiveness. This Ordinance shall be effective after third and final reading.

RICHLAND COUNTY, SOUTH CAROLINA

Chairman of County Council
Richland County, South Carolina

(SEAL)
ATTEST:

Clerk to County Council
Richland County, South Carolina

READINGS:

First Reading: November 19, 2013
Second Reading: December 3, 2013
Public Hearing:
Third Reading:

EXHIBIT A
DESCRIPTION OF PROPERTY

739 Old Clemson Road
Columbia, South Carolina 29229

TMS # R25800-07-08

Richland County Council Request of Action

Subject

13-35MA
Charles Marshall, Jr.
RS-LD to TROS (4.23 Acres)
9875 Windsor Lake Blvd.
19907-06-01 & 08 [**SECOND READING**] [**PAGES 84-85**]

Notes

First Reading: November 26, 2013
Second Reading:
Third Reading:
Public Hearing: November 26, 2013

STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF RICHLAND COUNTY
ORDINANCE NO. ____-13HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTIES DESCRIBED AS TMS # 19907-06-01 AND TMS # 19907-06-08 FROM RS-LD (RESIDENTIAL, SINGLE-FAMILY – LOW DENSITY DISTRICT) TO TROS (TRADITIONAL RECREATION OPEN SPACE DISTRICT); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

Pursuant to the authority granted by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real properties described as TMS # 19907-06-01 and TMS # 19907-06-08 from RS-LD (Residential, Single-Family – Low Density District) zoning to TROS (Traditional Recreational Open Space District) zoning.

Section II. Severability. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section IV. Effective Date. This ordinance shall be effective from and after _____, 2013.

RICHLAND COUNTY COUNCIL

By: _____
Kelvin E. Washington, Sr., Chair

Attest this _____ day of _____, 2013.

Michelle Onley
Clerk of Council

Public Hearing: November 26, 2013
First Reading: November 26, 2013
Second Reading: December 3, 2013 (tentative)
Third Reading:

Richland County Council Request of Action

Subject

Richland County Comprehensive Plan Update Vendor Selection [**PAGES 86-88**]

Notes

November 26, 2013 - The Committee unanimously approved the request to allow selection of a vendor to update the Comprehensive Plan.

Richland County Council Request of Action

Subject: Richland County Comprehensive Plan Update Vendor Selection

A. Purpose

Richland County Council is requested to endorse the selection of a vendor to complete an update of the land use and priority investment elements of the Comprehensive Plan.

B. Background / Discussion

The South Carolina Local Government Comprehensive Planning Enabling Act of 1994 requires that each local government in the state of South Carolina establish a comprehensive plan that includes all elements considered “critical, necessary, and desirable” to guide development and redevelopment in its area of jurisdiction. According to Section 6-29-510, “The local planning commission shall review the comprehensive plan or elements of it as often as necessary, but not less than once every five years, to determine whether changes in the amount, kind, or direction of development of the area or other reasons make it desirable to make additions or amendments to the plan.”

The current Richland County Comprehensive Plan was adopted in December 2009. In order to remain in compliance with state legislation, the plan must be reviewed and updated, if necessary, by December 2014.

Staff has determined that major updates to the Comprehensive Plan are necessary to ensure that development in the County is consistent with the community’s vision. County Council directed staff to focus on updating the land use and priority investment elements at their last retreat. In addition, the selected vendor may also be asked to provide minor updates to the remaining elements to reflect more current census data.

The following firms responded to the Request for Proposals which were due November 1, 2013:

- Clarion Associates
- LandDesign

If directed to proceed with the selection of a vendor from this list, staff will update Council with its recommended vendor at the earliest possible Council meeting in December. Prior to initiating a contract, Council will be asked to review and approve the selected vendor.

C. Legislative / Chronological History

This is a staff-initiated request. Therefore, there is no legislative history.

D. Financial Impact

The process of vendor selection will require staff time in order to evaluate responses to the RFP as well as interview potential candidates. The costs associated with hiring the consultant to prepare the Comprehensive Plan update will be negotiated during contracting and presented to Council before executing contract award.

E. Alternatives

1. Approve the request to allow selection of a vendor to update the Comprehensive Plan.

2. Do not approve the request to allow selection of a vendor to update the Comprehensive Plan.

F. Recommendation

It is recommended that Council approve the request to select a vendor to update the land use and priority investment elements of the Comprehensive Plan.

Recommended by: Tracy Hegler Department: Planning Date: November 1, 2013

G. Reviews

Finance

Reviewed by: Daniel Driggers Date: 11/5/13
 Recommend Council approval Recommend Council denial
Comments regarding recommendation:

Procurement

Reviewed by: Rodolfo Callwood Date: 11/5/13
 Recommend Council approval Recommend Council denial
Comments regarding recommendation:

Legal

Reviewed by: Brad Farrar Date:
 Recommend Council approval Recommend Council denial
Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Sparty Hammett Date: 11/13/13
 Recommend Council approval Recommend Council denial
Comments regarding recommendation: County Council directed staff to focus on updating the land use and priority investment elements of the Comprehensive Plan at their last retreat.

Richland County Council Request of Action

Subject

Amending the January 2014 County Council Meeting Schedule [**PAGES 89-91**]

Notes

November 26, 2013 - The Committee unanimously approved a request to amend the January 7th County Council meeting agenda to only include: Selection of the Chair, Vice Chair and Seats; and to take up any time sensitive items and motions.

Richland County Council Request of Action

Subject: Amending the January 2014 County Council Meeting Schedule

A. Purpose

County Council is requested to amend the January 2014 County Council Meeting Schedule.

B. Background / Discussion

Regular Meetings of County Council are held on the first and third Tuesday of each month at 6:00 p.m., unless otherwise scheduled by the Chair for good cause, with the consent of a majority of the Council members present.

C. Legislative / Chronological History

On October 15, 2013, Council approved a motion sponsored by the Honorable Jim Manning as follows:

“I move that the Council Meetings scheduled for January 2014 only include – the January 7th meeting to Select the Chair, Vice Chair and Seats, Time Sensitive Items and Motions; the Annual Council Retreat and the January 28th Development & Services, Administration & Finance and Zoning meetings.”

D. Financial Impact

There is no financial impact associated with this request.

E. Alternatives

1. Approve the request to amend the County Council meeting schedule for January 2014 as outlined by Councilman Manning’s motion.
2. Do not approve the request to amend the County Council meeting schedule for January 2014.

F. Recommendation

Recommended by: Hon. Jim Manning

Department: County Council Date: 10/28/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 10/29/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Council discretion

Legal

Reviewed by: Brad Farrar

Date: 10/30/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council as to when to hold meetings. Regular meetings should be advertised (written public notice) at the

beginning of the calendar year pursuant to the South Carolina Freedom of Information Act, S.C.Code Ann. Section 30-4-80(a).

Administration

Reviewed by: Tony McDonald

Date: 10/30/13

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Administration has no objection to the January schedule as proposed.

Richland County Council Request of Action

Subject

County Council Mementos Recommendation **[TO TABLE] [PAGES 92-94]**

Notes

November 26, 2013 - The Committee unanimously approved recommending that Council table the request.

Richland County Council Request of Action

Subject: County Council Mementos Recommendation

A. Purpose

County Council is requested to approve recommendations on mementos to honor individuals recognized by Council Members

B. Background / Discussion

The Clerk's Office in researching Councilwoman Dickerson's motion, polled fellow Clerks of Council, in order to obtain information on their "memento" options. The consensus is that there are a wide variety of options and costs depending on the person, organization, etc. being honored. The gifting options included gift baskets with items that are manufactured in the respective County or reflect the character of the County, items that bear the County seal (i.e. glassware, coasters, pens, USBs, pens with laser pointers), County flags and resolutions.

The Clerk's Office recommends working with Council to formulate a policy and/or guidelines regarding the cost parameters and awarding of mementos.

C. Legislative / Chronological History

On October 1, 2013, Council approved a motion sponsored by the Honorable Joyce Dickerson as follows:

"To direct staff (Clerk of Council, Public Information) to make recommendations, including costs, on mementos that Council members can provide to honorees, citizens, and others being formally, informally, recognized by individual Council Members, or Council as a body."

D. Financial Impact

The financial impact of this request is yet to be determined.

E. Alternatives

1. Approve the request to make recommendations on mementos to honor individuals recognized by Council Members.
2. Do not approve the request to make recommendations on mementos to honor individuals recognized by Council Members.

F. Recommendation

Recommended by: Hon. Joyce Dickerson

Department: County Council Date: 10/29/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/5/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Public Information

Reviewed by: Beverly Harris

Date: 11/5/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Brad Farrar

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council subject to ethics rules relative to gifts, including compliance with the SC Ethics Act and related authority.

Administration

Reviewed by: Tony McDonald

Date: 11/5/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval.

Richland County Council Request of Action

Subject

Richland County Water and Sewer Authority **[PAGES 95-98]**

Notes

November 26, 2013 - The Committee unanimously approved staff's recommendation to add to the scope of services for the consultant being retained to provide neutral information regarding the costs and benefits of privatization and selling the system. The consultant would evaluate the costs and benefits of establishing a Water and Sewer Authority as an alternative means of service delivery.

Richland County Council Request of Action

Subject: Richland County Water and Sewer Authority

A. Purpose

County Council is requested to develop a Water and Sewer Authority to serve Richland County.

B. Background / Discussion

During the November 5, 2013, Council meeting, Councilman Washington made the following motion: “Richland County will develop a “Water and Sewer Authority.” This motion was forwarded to the D&S Committee for further consideration.

C. Legislative / Chronological History

This motion was referred to the D&S Committee during the November 5, 2013 Council meeting.

D. Financial Impact

The financial impact of developing a Water and Sewer Authority should be compared to that of retaining the Utilities Operation as a Department of County Government. Additional information will be provided on the financial impact as the Authority’s organizational plan is developed.

E. Alternatives

1. Approve the request to develop a “Water and Sewer Authority” in Richland County.
2. Do not approve the request to develop a “Water and Sewer Authority” in Richland County.

F. Recommendation

It is recommended that Council approve the request to develop a “Water and Sewer Authority” in Richland County.

Recommended by: Councilman Kelvin Washington

Date: 11/12/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/14/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

This is a policy decision for Council. Recommend approval include further evaluation including benefits and limitation of structure.

Utilities

Reviewed by: Andy H. Metts

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Developing a Water & Sewer Authority or Commission would be our recommended alternative to continuing to provide utility services as a department of the County Government. Authorities or Commissions are governed by a publically appointed board normally comprised of members from the customer base served by the Authority. Subject to the type Authority created, Richland County and other local municipalities (such as the Town of Eastover, Town of Irmo and Ballentine), could appoint board members that would serve the Authority and would allow fair and equal representation across Richland County.

Water & Sewer Authorities typically have the freedom to concentrate only on water and sewer issues, have their own financial system, billing, procurement and administration which allow them to be more efficient and responsive. Checks and balances exist through the publically appointed board. The transfer of assets, grant and loan obligations to an Authority would be much less complicated than to transferring to a private utility provider. If the existing system was transferred to a private utility provider, all outstanding Rural Development (RD) funding would have to be paid-in-full and all grant funds repaid in accordance with RD Agreements. Also, an Authority would be eligible to receive additional RD loans and grants where a private utility would not.

Many South Carolina Counties have elected to provide water and sewer services under the direction of an Authority. Newberry, Laurens and Lexington Counties have developed very successful utility systems under this form of government in the region surrounding Richland County.

Grants

Reviewed by: Sara Salley

Date: 11/15/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Procurement

Reviewed by: Rodolfo Callwood

Date: 11/15/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision that's up to Council discretion.

Legal

Reviewed by: Brad Farrar

Date: 11/19/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council subject to compliance with applicable laws governing provision of utilities.

Administration

Reviewed by: Sparty Hammett

Date: 11/19/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend Council approval to add to the scope of services for the consultant being retained to provide neutral information regarding the costs and benefits of privatization and selling the system. The consultant

could also evaluate the costs and benefits of establishing a Water and Sewer Authority as an alternative means of service delivery.

:

Richland County Council Request of Action

Subject

Policy for Purchase of Property by Elected Officials **[PAGES 99-101]**

Notes

November 26, 2013 - The Committee unanimously approved the request to develop a policy regarding the purchase of property by Elected/Appointed Officials.

Richland County Council Request of Action

Subject: Policy for Purchase of Property by Elected Officials

A. Purpose

County Council is requested to approve a policy regarding the purchase of property by Elected Officials.

B. Background / Discussion

The Request of Action is generated per a motion of Councilman Bill Malinowski at the October 1, 2013 Council meeting.

C. Legislative / Chronological History

On October 1, 2013, Council approved a motion sponsored by the Honorable Bill Malinowski as follows:

“No elected official is allowed to make outside inquiries about the purchase of property but must submit their request to staff. It will be placed on the appropriate committee agenda for review and action (possibly as an Executive Session item). Elected officials seeking property without the assistance of staff can tend to pay more once it is learned the ‘government’ is seeking to purchase the property. Many of the properties are also in need of repair/remodeling to fit the needs of the particular official and such outside actions can tend to elevate the prices by not going through the approved bid process.”

D. Financial Impact

There is no financial impact associated with this request.

E. Alternatives

1. Approve the request to develop a policy regarding the purchase of property by Elected Officials.
2. Do not approve the request to develop a policy regarding the purchase of property by Elected Officials.

F. Recommendation

Recommended by: Hon. Bill Malinowski

Department: County Council Date: 10/28/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 10/29/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

This is a policy decision for Council and Legal

Legal

Reviewed by: Brad Farrar

Date: 10/30/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Tony McDonald

Date: 10/30/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Approval of this motion should provide for better coordination in instances where the County is pursuing the purchase of property.

Richland County Council Request of Action

Subject

SC Equality's "Through the Looking Glass of Equality" Funding Request [**TO DENY**] [**PAGES 102-105**]

Notes

November 26, 2013 - The Committee unanimously recommended denial of the request.

Richland County Council Request of Action

Subject: SC Equality’s “Through the Looking Glass of Equality” Funding Request

A. Purpose

County Council is requested to fund SC Equality’s inaugural gala “Through the Looking Glass of Equality” in the amount of \$500.

B. Background / Discussion

On October 15, 2013, Council member Washington brought forth the following motion: “SC Equality’s ‘Through the Looking Glass of Equality’ Inaugural Gala Sponsorship Request”

SC Equality’s gala will take place October 26, 2013 and they request a \$500 table sponsorship. This premiere awareness and fundraising event gathers lesbian, gay, bisexual, transgender, and straight leaders from across the state to celebrate diversity and equality in South Carolina. Their request letter is attached.

This organization received FY14 Discretionary funds in the amount of \$8,090 for “Know Your Rights”, an LGBT diversity awareness and equality education for youth and adults.

C. Legislative / Chronological History

Motion by Kelvin Washington on October 15, 2013.

D. Financial Impact

Allocating \$500 in funds to this organization will cause a financial impact and will require a budget amendment. A source of funding will need to be identified.

E. Alternatives

1. Approve the motion to fund SC Equality’s inaugural gala “Through the Looking Glass of Equality” request for \$500.
2. Do not approve the motion to fund SC Equality’s inaugural gala “Through the Looking Glass of Equality” request for \$500.

F. Recommendation

This recommendation was made by Mr. Washington. This is a policy decision for Council.

Recommended by: Kelvin Washington Department: County Council Date: 10/15/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/1/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommendation is based on request being out of funding cycle and no funding source identified and not the merits of the program. Additionally would recommend that the

agency be referred to the FY15 budget process for future request to be considered through the normal process.

Approval as submitted would require the identification of a funding source.

Grants

Reviewed by: Sara Salley Date: 11/4/13
 Recommend Council approval Recommend Council denial
Comments regarding recommendation:
This is an out of cycle request. This organization received FY14 funding through the Discretionary Grant program for an unrelated project.

Legal

Reviewed by: Brad Farrar Date:
 Recommend Council approval Recommend Council denial
Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Roxanne Ancheta Date: November 4, 2013
 Recommend Council approval Recommend Council denial
Comments regarding recommendation: Recommend denial of this request as it is an out-of-cycle funding request. Further, the \$500 request was for the purchase of a table at the event, which occurred on October 26, 2013.

Per the Clerk of Council’s Office, a policy was approved in June 2007 which states, “The Clerk of Council shall be authorized to sponsor tables on council’s behalf, provided: (1) at least four members of council must confirm their attendance; no later than seven days prior to the event; and (2) The maximum allowable sponsorship shall be \$2,000 per organization per year.”

Tables at the following events have historically been purchased on Council’s behalf, per the Clerk of Council’s Office:

Chamber of Commerce Gala	\$1,500
Columbia Urban League	\$2,000
NAACP Appreciation	\$1,500
Black Pages	\$1,500



September 20, 2013

Richland County
Jim Manning
District Eight
P.O. Box 535
Chapin, SC 29036

Dear Council Member Manning,

South Carolina Equality would like to formally invite you and other members of council to our inaugural Gala, *"Through the Looking Glass of Equality"*. The event will be held on the evening of October 26, 2013 between the hours of 6:00pm till 11:00pm in Columbia. We would like to ask Richland county to purchase a table of eight seats for the event at the cost of \$500. Perhaps several of your constituents or community members could be honored with seats at your table.

The SC Equality Gala will be our premiere awareness and fundraising event of the year where lesbian, gay, bisexual, transgender, (LGBT) and straight ally leaders from across South Carolina will gather in Columbia for a night of celebration of diversity and equality in South Carolina. We anticipate attendance from statewide and local elected officials, major donors, community advocates, and youth.

South Carolina Equality was established in 2002 as a statewide non-partisan coalition of social, religious, and political LGBTQ organizations and allies with a mission to secure civil and human rights for all LGBTQ people in South Carolina. As a 501 (c)(3) charitable and educational organization we focus on LGBTQ issues and policies by providing leadership and education to our local community.

Your presence at this event will show the residents of your local community your dedication to diversity and your passion for making this state a better place for all its citizens.

Tickets and tables can be purchased on our website: www.scequality.org/events
Feel free to contact me for more information.

For the cause,

Ryan C. Wilson, M.Ed.
Executive Director, South Carolina Equality
ryan@scequality.org
(803) 256-6500

Thank you for all your
support of SC Equality
and LGBT people!

Richland County Council Request of Action

Subject

Countywide Disparity Study [**PAGES 106-108**]

Notes

November 26, 2013 - The Committee unanimously approved the request to perform a disparity study. Staff will create an RFP and go through the normal procurement process to obtain a vendor.

Richland County Council Request of Action

Subject: Countywide Disparity Study

A. Purpose

County Council is requested to provide direction to staff with regards to a countywide Disparity Study.

B. Background / Discussion

The following motion was made at the November 5, 2013 Council Meeting:

**Richland County will perform a County-wide disparity study
[WASHINGTON].**

A disparity study refers to an analysis of whether a disparity, or differences, exists between the number of specified individuals or groups that are available to participate in certain opportunities, and those that actually do participate in those areas. A disparity study helps to determine whether the environment is fair and equitable to all parties involved.

Per Franklin Lee (the attorney the County hired to create and establish the County's Small, Local Business Enterprise (SLBE) program), if the County wishes to pursue a disparity study, the data gathered from the SLBE program will be extremely useful for the analysis used in the disparity study, and will cut down tremendously on the costs associated with the study itself. Mr. Lee recommends performing the disparity study within a year or so in order to have obtained the aforementioned data from the SLBE program. Mr. Lee further stated that the City of Columbia and Charlotte, NC have completed disparity studies.

If Council approves this motion, staff will create an RFP, and go through the normal procurement process to obtain a vendor to complete the disparity study.

C. Legislative / Chronological History

The motion was made at the November 5, 2013 Council Meeting.

D. Financial Impact

A quick Google search yielded disparity study costs from \$221,000 (Tampa / Hillsborough County, FL) to \$1,000,000 (Portland, OR), depending on the size of the jurisdiction. The City of Columbia's Disparity Study cost \$232,000, while Charlotte's study cost \$305,450.

A funding source for this study would need to be identified.

E. Alternatives

1. Approve the motion to perform a Disparity Study at this time. If Council approves this item, staff will create an RFP, and go through the normal procurement process to obtain a vendor.
2. Approve the motion to perform a Disparity Study, but wait until a later date. After the SLBE program has been established, and data is available from that program (within a year or so), staff will request Mr. Lee's assistance in determining the appropriate time for a Disparity Study.

3. Do not approve a Disparity Study.

F. Recommendation

Richland County will perform a County-wide disparity study.

Recommended by: Chairman Washington

Date: 11/5/13

G. Reviews

Finance

Reviewed by Daniel Driggers:

Date: 11/14/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Cost numbers were not available at time of review therefore recommendation is that approval include a funding amount and source.

Procurement

Reviewed by: Rodolfo Callwood

Date: 11/18/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Brad Farrar

Date: 11/19/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Tony McDonald

Date: 11/20/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval, with the caveat that initiation of the disparity study be delayed until data from the SLBE Program has been obtained, as suggested by Franklin Lee.

Richland County Council Request of Action

Subject

The County will hire an expert in the field of hydrology to develop a plan and be responsible for implementation of drainage and ditch program [**PAGES 109-111**]

Notes

November 26, 2013 - The Committee unanimously approved a recommendation to move forward and have the County Administrator bring back funding options.

Richland County Council Request of Action

Subject: The County will hire an expert in the field of hydrology to develop a plan and be responsible for implementation of drainage and ditch program

A. Purpose

The County will hire an expert in the field of hydrology to develop a plan and be responsible for implementation of drainage and ditch program.

B. Background / Discussion

At the November 5, 2013 Council meeting of Council, Chairman Washington made the following motion: The County will hire an expert in the field of hydrology to develop a plan and be responsible for implementation of drainage and ditch program.

C. Legislative / Chronological History

None.

D. Financial Impact

Unknown.

E. Alternatives

1. Approve the request to hire an expert in the field of hydrology to develop a plan and be responsible for implementation of drainage and ditch program
2. Do not approve the request to hire an expert in the field of hydrology to develop a plan and be responsible for implementation of drainage and ditch program.
3. Forward this request to be discussed under a proposed topic on Countywide Drainage issues at the 2014 Council retreat.

F. Recommendation

Public Works recommends forwarding this request for discussion at the 2014 Council Retreat. We believe that many of the issues that have been requested of Public Works have been addressed and those that have not will require changes in policy and ordinances. Additionally, the Stormwater division of Public Works is preparing to contract for a countywide stormwater master plan, which could help define drainage improvements and level of service needs.

Recommended by: David Hoops Department: Public Works Date: November 13, 2013

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/19/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommendation supports approval of Alternative 3 as recommended by the Public Works Director to forward item to 2014 Council Retreat for further discussion.

Legal

Reviewed by: Brad Farrar

Date: 11/19/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Sparty Hammett

Date: 11/19/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval of Alternative 3 - forward this request to be discussed under a proposed topic on Countywide Drainage issues at the 2014 Council retreat.

Richland County Council Request of Action

Subject

Richland County Sheriff's Department NRA Foundation Grant/No FTE/No Match [**PAGES 112-114**]

Notes

November 26, 2013 - The Committee unanimously approved the request for funding to provide the 'Eddie Eagle' mascot safety costume for RCSD.

Richland County Council Request of Action

Subject: Richland County Sheriff's Department NRA Foundation Grant/No FTE/No Match

A. Purpose

County Council is requested to approve a grant application that was not included in the Grant Budget Request for FY 2014.

B. Background / Discussion

The Richland County Sheriff's Department has applied for a grant to provide funding for an 'Eddie Eagle' safety mascot costume to be used in school and community education programs. The application is for funding through the National Rifle Association Foundation. The costume will allow the RCSD School Resource Officer Division to use additional tools in providing firearm safety and awareness presentations to students and to the community. There is no cost to maintain the costume for the foreseeable future.

C. Legislative / Chronological History

On October 21, 2013 the Richland County Sheriff's Department applied for funding through the National Rifle Association Foundation General Grant Application. This opportunity was not available during the regular budget cycle.

D. Financial Impact

Eddie Eagle costume (Grantor 100%)	\$3,024
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E. Alternatives

1. Approve the request for funding to provide the 'Eddie Eagle' mascot safety costume for RCSD.
2. Do not approve the request for funding to provide the 'Eddie Eagle' mascot safety costume for RCSD, forfeit funds, and decrease likelihood for future funding.

F. Recommendation

It is recommended that Council approve the request for the Eddie Eagle mascot safety costume.

Recommended by: Chief Stephen Birnie

Department: Sheriff

Date: 11/5/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/6/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Grants

Reviewed by: Sara Salley

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Brad Farrar

Date: 11/7/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Warren Harley

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Richland County Council Request of Action

Subject

Request for Council's Permission to Donate a Vehicle to Allen University [**PAGES 115-118**]

Notes

November 26, 2013 - The Committee unanimously approved the request to donate a decommissioned/deadlined Sheriff's Department vehicle to Allen University.

Richland County Council Request of Action

Subject: Request for Council's Permission to Donate a Vehicle to Allen University

A. Purpose

Council is requested to grant permission to donate a decommissioned / deadlined Sheriff's Department vehicle to Allen University.

B. Background/Discussion:

Allen University is in need of a police patrol vehicle for the use of the Campus Police Department. This unit will be used as the primary vehicle in the department, patrolling the Allen University campus, responding to calls and incidents, conducting emergency response, and transporting detainees to the Alvin S. Glenn Detention Center. There are currently no operable vehicles available for use at the University.

The Sheriff's Department has agreed to donate a decommissioned / deadlined vehicle from its fleet. The unit is a 2008 Ford Crown Victoria Police Pursuit vehicle. If the vehicle were not to be donated, the vehicle would be designated to be sold at auction. Its value is approximately \$3,500.00.

There would be no costs or liability associated with the vehicle once it is turned over to the University.

C. Legislative/Chronological History

There is no legislative history for this item.

D. Financial Impact:

Richland County will not receive any compensation for the donation of this vehicle to the University.

E. Alternatives:

1. Grant permission to donate a decommissioned / deadlined Sheriff's Department vehicle to Allen University.
2. Do not grant permission to donate a decommissioned / deadlined Sheriff's Department vehicle to Allen University.

F. Recommendation

It is recommended that Council donate a decommissioned / deadlined Sheriff's Department vehicle to Allen University.

Recommended by: Tony McDonald Department: Administration Date: 11/14/13

G. Reviews

Finance

Reviewed by: Daniel Driggers Date: 11/14/13

Recommend Council approval
Comments regarding recommendation:

Recommend Council denial

Procurement

Reviewed by: Rodolfo Callwood
 Recommend Council approval
Comments regarding recommendation:

Date: 11/18/13
 Recommend Council denial

Support Services

Reviewed by: John Hixon
 Recommend Council approval

Date: 11/19/13
 Recommend Council denial

Comments regarding recommendation: The sheriff's vehicles we have on hand have all been decommissioned (deadlined) and are in preparation to be auctioned. I note this because all the police equipment such as light bar, siren, and protective cage separating the rear seat from the officer have all been removed by the Sheriff's Department per their normal standard operating procedure (SOP). The vehicle is also silver over black and will probably require painting, as is our SOP for all decommissioned silver and black sheriffs units. I would plan a simple one coat of black paint that would cost no more than \$350.00.

In December 2012 we donated a deadlined vehicle to the Hampton County Coroner, but for that transaction we did charge \$1 and Council may want to follow that process to remain consistent if they so desire.

Sheriff's Department

Reviewed by: Stephen Birnie
 Recommend Council approval

Date:
 Recommend Council denial

Comments regarding recommendation: The Sheriff's Department recommends this action consistent with the above comments regarding changing of the vehicle paint scheme to avoid misidentification.

Legal

Reviewed by: Brad Farrar
 Recommend Council approval

Date: 11/19/13
 Recommend Council denial

Comments regarding recommendation: Policy decision of Council, but consideration of State and County authority in this area should be given. Specifically, pursuant to S.C.Code Ann. Section 4-9-30, a county governing body has the power... (2) to acquire real property by purchase or gift; to lease, sell or otherwise dispose of real and personal property; and to acquire tangible personal property and supplies." However, see also Richland County Code of Ordinances section 2-616, "Sales of county property," which provides, "[a]ny items of personal property belonging to the county which are declared by the county administrator to be obsolete or surplus with an estimated market value of less than two hundred dollars (\$200.00) may be sold by the director of procurement to any interested person for the estimated market value. In the event of a retiring county employee who has utilized such personal property while serving the county, the director of procurement may allow such employee the first right of refusal to purchase such personal property for the estimated dollar value. The

director of procurement shall otherwise ensure that such goods be sold at public auction pursuant to proper public notice or through sealed or written bids or proposals in accordance with the provisions herein.”

Administration

Reviewed by: Warren Harley

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval under advice of legal counsel.

Richland County Council Request of Action

Subject

a. Authorizing and Providing for the creation of the Lower Richland Sewer System and for the issuance of Lower Richland Sewer System Improvement Revenue Bonds of Richland County, South Carolina; prescribing the form of bonds; limiting the payment of the bonds solely to the new revenues derived from the operation of the Sewer System and pledging the revenues so such payment; creating certain funds and providing for payments into such funds; and making other covenants and agreements in connection with the foregoing **[PAGES 119-154]**

b. Authorizing and Providing for the Issuance of a Sewer System Improvement Revenue Bond Anticipation Note, Series 2013 (Lower Richland Sewer System Project Phase I), or such other appropriate series designation of Richland County, South Carolina, in an amount not to exceed \$9,359,000; Authorizing the County Administrator to determine certain matters relating to the Note; Providing for form and details of the Note; Providing for the payment of the Note; Providing for the disposition of the proceeds thereof; and other matters relating thereto **[PAGES 155-188]**

Notes

First Reading: September 10, 2013
Second Reading: September 17, 2013
Third Reading:
Public Hearing: October 1, 2013

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
GENERAL BOND ORDINANCE NO. _____

AUTHORIZING AND PROVIDING FOR THE CREATION OF THE LOWER RICHLAND SEWER SYSTEM AND FOR THE ISSUANCE OF LOWER RICHLAND SEWER SYSTEM IMPROVEMENT REVENUE BONDS OF RICHLAND COUNTY, SOUTH CAROLINA; PRESCRIBING THE FORM OF BONDS; LIMITING THE PAYMENT OF THE BONDS SOLELY TO THE NET REVENUES DERIVED FROM THE OPERATION OF THE SEWER SYSTEM AND PLEDGING THE REVENUES TO SUCH PAYMENT; CREATING CERTAIN FUNDS AND PROVIDING FOR PAYMENTS INTO SUCH FUNDS; AND MAKING OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING.

Pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Unless the context shall clearly indicate some other meaning, the terms defined in this Section shall, for all purposes of this Ordinance and of any ordinance, resolution, certificate, opinion, instrument or other document herein or therein mentioned, have the meanings herein specified, with the definitions to be equally applicable to both the singular and plural forms of any of the terms herein defined and vice versa. The term:

“Accountant” shall mean an independent certified public accountant or a firm of independent certified public accountants selected by the County.

“Act” shall mean Title 6, Chapter 21, Code of Laws of South Carolina, 1976, and all other statutory authorizations, now or hereinafter enacted, authorizing and enabling the County to provide for the issuance of the Bonds.

“Annual Budget” shall mean the annual budget required by Section 7.8 hereof and adopted in conformance therewith.

“Bondholders” or the term “Holders” or any similar term shall mean the registered owner or owners of any Outstanding Bond or Bonds.

“Bond” or “Bonds” shall mean any Bond, some of the Bonds or all of the Bonds issued under and pursuant to Article IV hereof, excluding bonds or other indebtedness issued under Section 4.5 and Section 4.6 hereof.

“Bond Anticipation Note” or “Notes” shall mean any Bond Anticipation Note issued under and pursuant to Article IV hereof, in anticipation of the issuance of Bonds.

“Bond and Interest Redemption Fund” shall mean each of the respective funds of that name established pursuant to Section 6.7 of this Ordinance and so designated pursuant to a Supplemental Ordinance to provide for the payment of the principal of and interest on the respective Series of Bonds issued pursuant to this Ordinance and such Supplemental Ordinance as the same respectively become due and payable.

“Bond Counsel” shall mean any attorney or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States.

“Books of Registry” shall mean the registration books maintained by the Registrar in accordance with Section 4.3 hereof.

“Business Day” shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State or the office of the Custodian/Trustee are required or authorized by law (including executive orders) to close.

“Combined System” shall mean the Richland County Sewer System consisting of various components including Nicholas Creek and Hollingshed Creek drainage basins and also certain County landfill facilities; East Bluff Sewer Assessment District; the Romain-Meech-Burbank Sewer Assessment District; Broad River Sewer System; Eastover Sewer System; Franklin Park Sewer System, and upon its creation, the Lower Richland Sewer System.

“Construction Fund” shall mean any fund established with and maintained by the Custodian named by ordinance or resolution of the County, and derived from certain of the proceeds of the sale of the Bonds and intended to defray the cost of all or a portion of any Project and to pay all Costs of Acquisition and Construction in connection therewith, as established in a Supplemental Ordinance authorizing the issuance of any Series of Bonds.

“Consulting Engineer” shall mean the engineer or engineering firm or corporation registered and qualified to practice the profession of engineering under the laws of the State of South Carolina and having a favorable reputation for skill and experience in the construction and operation of sewage disposal and treatment systems, employed by the County to perform and carry out the duties imposed by this Ordinance, and who or which is not a full-time employee of the County.

“Contingent Fund” shall mean the fund of that name established pursuant to Section 6.10 of this Ordinance.

“Cost of Acquisition and Construction” shall mean, to the extent permitted by the Act, all costs of acquiring, reconstructing, replacing, extending, repairing, bettering, improving, equipping, developing, embellishing or otherwise improving the Lower Richland System, including the Costs of Issuance and capitalized interest on Bonds. Cost of Acquisition and Construction shall include the payment of amounts due on bond anticipation notes, the proceeds of which were used for Cost of Acquisition and Construction.

“Cost of Issuance” shall mean all items of expense, directly or indirectly payable or reimbursable by or to the County and related to the authorization, sale and issuance of Bonds including, but not limited to, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any Custodian/Trustee, Custodian, Registrar or Paying Agent, legal fees and

charges, auditing and accounting fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of Bonds, costs and expenses of refunding, premiums for insurance of the payment of Bonds, financing charges, accrued interest with respect to the initial investment of proceeds of Bonds and any other costs, charges or fees in connection with the original issuance of Bonds.

“Council” shall mean the County Council of Richland County, South Carolina.

“County” shall mean Richland County, South Carolina.

“Custodian” shall mean any bank, depository or trust company duly qualified and doing business within the State selected by the County as a depository of moneys or securities held in the Construction Fund.

“Custodian/Trustee” shall mean a bank, a trust company, a national banking association or a national association qualified under the terms of Article IX hereof as shall be appointed in a Supplemental Ordinance authorizing a Series of Bonds.

“Debt Service” shall mean, with respect to each Series of Bonds and with respect to any particular Fiscal Year, the aggregate of the amounts to be paid or set aside (or estimated to be required to be paid or set aside) in the applicable Bond and Interest Redemption Fund in such Fiscal Year for the payment of the principal of, redemption premium, if any, and interest (to the extent not capitalized) on such Series of Bonds; provided that the interest on Variable Rate Indebtedness then Outstanding shall be calculated at the actual average rate of interest on the Variable Rate Indebtedness during the twelve (12) months immediately preceding the date of calculation; provided further, that for purposes of Section 3.3 hereof, interest on Variable Rate Indebtedness then proposed to be issued shall be calculated at the initial interest rate on such Variable Rate Indebtedness as of the date of such calculation.

“Debt Service Reserve Fund” shall mean the respective funds, if any, of that name established pursuant to Section 6.8 of this Ordinance and so designated pursuant to a Supplemental Ordinance.

“Default” or “Event of Default” shall mean any of those defaults specified in and defined by Article XI hereof.

“Depreciation Fund” shall mean the fund of that name established pursuant to Section 6.9 of this Ordinance.

“Expenses of Operating and Maintaining the Lower Richland System” shall mean the current expenses, paid or accrued, of operation, maintenance and current repair of the Lower Richland System, and shall include, without limiting the generality of the foregoing, salaries, wages, employee benefits, cost of materials and supplies, cost of routine repairs, renewals, replacements and alterations occurring in the usual course of business, cost of billings and collections, cost of insurance, costs of any audit required by this Ordinance, the premiums for all insurance required with respect to the Lower Richland System, taxes, if any, amounts payable by way of arbitrage rebate. Expenses of Operating and Maintaining the Lower Richland System shall not include the payment of interest on Bonds, any allowance for depreciation or renewals or replacements of capital assets of the Lower Richland System and amounts deemed to be payments in lieu of taxes or other equity transfers.

“Fiscal Year” shall mean the fiscal year for the Combined System as determined by the County, initially being the period from July 1 in any year to and including June 30 in the following year.

“Government Obligations” shall mean any of the following:

(a) non-callable bonds, notes or direct obligations and general obligations of the United States;

(b) non-callable U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series - “SLGS”);

(c) non-callable direct obligations of the U.S. Treasury which have been stripped by the U.S. Treasury;

(d) non-callable obligations issued by any agency or instrumentality of the United States of America which are backed by the full faith and credit of the United States; and

(e) preredempted municipal bonds which are rated “Aaa” by Moody's or “AAA” by S&P.

“Interest Account” shall mean the account by that name created within each respective Bond and Interest Redemption Fund.

“Interest Payment Date” shall mean the respective interest payment dates for a Series of Bonds as determined by a Supplemental Ordinance.

“Initial Bond” shall mean the first bond issued pursuant to the Ordinance and a Supplemental Ordinance.

“Junior Bonds” shall mean either (a) bonds secured by a pledge of Revenues junior and subordinate in all respects to the pledge securing the Bonds or (b) any other form of indebtedness, including lease purchase obligations secured by sums available in the Revenue Fund after provision has been made for all payments required to be made with respect to the Bonds.

“Lower Richland System” shall mean the Lower Richland Sewer System established herein, as the same is now constituted, all properties, real and personal, and matters and things used or useful in the maintenance, operation or functioning thereof, all apparatus and equipment used in connection therewith, and all replacements, enlargements, improvements, extensions, additions, and betterments that may be made thereto, including any Project, and any other public utility system with which the Lower Richland System may hereafter be combined pursuant to ordinance of Council.

“Maximum Debt Service” shall mean the highest principal and interest requirements (to the extent not capitalized) on the Bonds then Outstanding during any Fiscal Year. With respect to any Series of Variable Rate Bonds, the following methods shall determine the interest rate to be used:

(a) in the case of determining the Reserve Fund Requirement, the interest rate shall be equal to the lesser of (i) the 25-Bond Revenue Index published by *The Bond Buyer* no more than (2) weeks prior to, but in no event after, the issuance of the Series of Bonds to which the Reserve Fund Requirement in question applies, or (ii) the maximum interest rate allowable on such Variable Rate Bonds;

(b) in the case of determining the Maximum Debt Service for purposes of Section 3.3 of this Ordinance, the interest rate shall be equal to the initial interest rate on such Variable Rate Indebtedness for the applicable period.

provided, however, that if the 25-Bond Revenue Index referred to in (a) above is no longer published, any reasonably equivalent nationally recognized index published for the periods in questions may be selected by the County for use in its stead.

“Net Revenues” shall mean the Revenues of the Lower Richland System after deducting the Expenses of Operating and Maintaining the Lower Richland System.

“Operation and Maintenance Fund” shall mean the fund of that name established pursuant to Section 6.6 of this Ordinance.

“Ordinance” shall mean this ordinance as from time to time amended or supplemented by one or more Supplemental Ordinances.

“Outstanding” when used with respect to any Bond shall have the construction given to such word in Article XIII hereof; i.e., a Bond shall not be Outstanding if such Bond is not, or would not be, at the time, deemed to be Outstanding by reason of the operation and effect of said Article XIII.

“Paying Agent” shall mean for each Series of Bonds the respective paying agent or paying agents appointed pursuant to the proceedings authorizing such Bonds.

“Permitted Investments” shall mean (a) any one or more of the investments now or hereafter permitted by Section 6-5-10, Code of Laws of South Carolina 1976, as amended and in effect from time to time, or any authorization relating to the investment of County funds; and (b) the South Carolina Pooled Investment Fund or similar State-administered pool investment fund.

“Principal Account” shall mean the account by that name created within each respective Bond and Interest Redemption Fund.

“Project” shall mean any work, undertaking or project which the County is or may hereafter be authorized to construct or acquire with the proceeds of any Bonds and which will become a part of the Lower Richland System, including the acquisition of any system which shall be combined with or consolidated into the System pursuant to law.

“Rate Covenant” shall mean the covenant as to fees, rates and other charges described in Section 7.1 hereof.

“Record Date” shall mean with respect to any Series of Bonds the fifteenth (15th) day (whether or not a Business Day) of the calendar month immediately preceding an Interest Payment Date or such other day as may be provided in the Supplemental Ordinance authorizing the issuance of such Series of Bonds.

“Registrar” shall mean for each Series of Bonds the registrar appointed pursuant to the proceedings authorizing such Bonds.

“Reserve Fund Requirement” shall mean, as of the date of calculation, the debt service reserve fund requirement, if any, established pursuant to a Supplemental Ordinance authorizing the issuance of a Series of Bonds.

“Revenue Fund” shall mean the fund of that name established pursuant to Section 6.5 of this Ordinance.

“Revenues” shall mean all receipts, income, revenues, fees and other charges to be levied and collected in connection with, and all other income and receipts of whatever kind or character derived by the County from the operation of the Lower Richland System, including, but not limited to, tap fees, connection charges, impact fees, developer fees, plant capacity fees, interest earnings and other earnings or investments, as such earnings or investments are computed in accordance with generally accepted accounting practices, but excluding the proceeds of any grants or debt, contributions in aid of construction, gains or losses on extinguishment of debt, fees derived from assessments and extraordinary items, and the receipts, income, revenues, fees and other charges derived from the operation of Special Facilities.

“Series” or “Series of Bonds” or “Bonds of Series” shall mean all Bonds designated as being of the same series issued and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter delivered in lieu thereof or in substitution therefor pursuant to this Ordinance.

“Special Facilities” shall mean any project or undertaking, the revenues and expenses resulting from the operation of which can be segregated from the revenues and expenses of the Lower Richland System and which the County shall designate as such by ordinance of Council.

“Special Facilities Bonds” shall mean any bonds issued in accordance with Section 3.6 hereof.

“State” shall mean the State of South Carolina.

“Supplemental Ordinance” shall mean any ordinance by the County providing for the issuance of Bonds or Bond Anticipation Notes and any ordinance enacted by the Council pursuant to and in compliance with the provisions of Article X hereof amending or supplementing the provisions of this Ordinance.

“Test Period” shall mean that period defined in Section 4.3 hereof.

“Variable Rate Bonds” shall mean indebtedness in the form of Bonds the interest rate on which is not established at a fixed or constant rate at the time such indebtedness is incurred.

ARTICLE II

FINDINGS AND DETERMINATIONS

Section 2.1. Findings and Determinations. The Council hereby finds and determines:

A. Pursuant to Section 4-9-10, Code of Laws of South Carolina, 1976, as amended (the “Code”), the Council/Administrator form of government was selected and the Council constitutes the governing body of the County.

B. In the exercise of the powers vested in the County by the Constitution and statutes of the State of South Carolina, and in conformity with the provisions thereof, the County, pursuant to the favorable results of a referendum heretofore duly held on November 7, 1978, is authorized and empowered to acquire, construct and operate a Sewer system or systems in any of the unincorporated areas of the County.

C. The County currently operates the Richland County Combined System as a department of the County.

D. It is the County's best interest to create a Sewer system to serve the residents of the Lower Richland area and other communities in lower Richland County, which shall be operated as a component of the Combined System.

E. Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended, provides that a county or political subdivision may incur indebtedness payable solely from a revenue-producing project which source does not involve revenues from any tax or license.

F. Pursuant to the Act, the County may issue revenue bonds to defray the cost of improvements, enlargements and extensions to the Combined System, including the Lower Richland System

G. The Combined System, including the Lower Richland System, will be operated on a fiscal year basis, which presently commences on July 1 of each year and ends on June 30 of the following year.

H. By the enactment of the Ordinance, the County intends to provide for the issuance of the revenue bonds at the time and on the terms and conditions set forth in the Ordinance and Supplemental Ordinances hereto.

ARTICLE III

ESTABLISHMENT OF LOWER RICHLAND SEWER SYSTEM

A. Pursuant to the Constitution and statutes of the State of South Carolina, and in conformity with the provisions thereof, the County, pursuant to the favorable results of a referendum heretofore duly held on November 7, 1978, hereby creates the Lower Richland Sewer System to service the residents of the of the Lower Richland area and other communities in lower Richland County.

B. The Lower Richland System will be administered as a component of the Combined System which is administered as a department of the County.

ARTICLE IV

AUTHORIZATION AND ISSUANCE OF BONDS

Section 4.1. Authorization of Bonds. There is hereby authorized to be issued Bonds of the County to be known as "Lower Richland Sewer System Improvement Revenue Bonds of Richland County, South Carolina," or such other designations as may be provided in the Supplemental Ordinance authorizing such Bonds, which Bonds may be issued pursuant to this Ordinance and in accordance with the terms, conditions and limitations set forth herein, in Series, in such amounts and from time to time as the County may deem to be necessary or advisable for any corporate purpose of the County for which Bonds may be issued under this Ordinance and the Act.

Section 4.2. General Provisions For Issuance of Bonds. (a) The Bonds shall be issued in Series by means of Supplemental Ordinances enacted by the Council in accordance with the provisions of this Article and Article X hereof. Each Supplemental Ordinance shall designate the Bonds provided for thereby by an appropriate Series designation and by such further particular designations, if any, as the County deems appropriate, and shall, unless or except as is otherwise set forth herein, also specify: (i) the authorized principal amount of such Series of Bonds; (ii) the purpose or purposes for which the Bonds of such Series are being issued, which shall be one or more of the purposes set forth in Sections 4.3 or 4.4 hereof; (iii) if the Bonds of the Series are being issued for a purpose specified in Section 4.3 hereof, the Project for which such Bonds are being issued; (iv) an estimate of the Costs of Acquisition and Construction for any Project to be financed by such Series of Bonds, and, in the event of the acquisition by purchase or condemnation of any facilities already constructed, a determination of what repairs, replacements, additions and betterments will be necessary in order that such facilities may be effective for their purpose and an estimate of the cost required therefor; (v) the date or dates of the Bonds of the Series; (vi) the maturity date or dates of the Bonds of the Series and the sinking fund installment amounts; (vii) the interest rate or rates of the Bonds of such Series, or the manner of determining such rate or rates, the initial Interest Payment Date therefor, and the subsequent Interest Payment Dates; (viii) the denominations of, and manner of numbering and lettering, the Bonds of such Series; (ix) the redemption premium or premiums, if any, or the redemption price or prices to be paid upon the redemption of the Bonds of such Series, the period or periods, if any, during which such premiums or prices shall be payable, and the terms and conditions, if any, of such redemption; (x) the place or places of payment of the Bonds of the Series and interest thereon, and the Paying Agent therefor; (xi) the provisions for the sale or other disposition of the Bonds of the Series and the use, application and investment, if any, of the proceeds of such sale or other disposition, which use, application and investment shall not be inconsistent or in conflict with the provisions hereof; (xii) whether such Series of Bonds will be subject to a Reserve Fund Requirement and the manner of satisfaction of Reserve Fund Requirement; (xiii) any other provisions which may be required to be inserted therein by other provisions of this Ordinance; and (xiv) any other necessary or desirable provisions not inconsistent or in conflict with the provisions of this Ordinance.

(b) Bonds of a Series may be executed and delivered to the Registrar by the County and authenticated and delivered by the Registrar to the County or, upon its order, upon compliance with Section 3.3 or 3.4 hereof.

Bonds issued upon compliance with this Section and Section 3.3 or Section 3.4 hereof shall be on a parity with respect to the pledge and lien of the Net Revenues of the Lower Richland System inter sese, but not with respect to the particular Bond and Interest Redemption Fund or Debt Service Reserve Fund created for the benefit of the Holders of the Bonds of a Series, notwithstanding, that they may be in different form, and bear different dates, interest rates, number, date of issuance or date of execution. In all such instances, the pledge of Net Revenues made hereunder, and the covenants and remedies hereby granted, shall be applicable and available to the Holders of such Bonds.

(c) The County may, from time to time, issue Bond Anticipation Notes upon compliance with the terms, limitations and conditions herein pertaining to the issuance of Bonds.

Section 4.3. Conditions for the Issuance of Bonds under this Ordinance Other than Refunding Bonds. Anytime and from time to time, one or more Series of Bonds (exclusive of refunding Bonds) may be issued for such purposes as may be permitted by the Act upon compliance with the provisions of Section 4.2 hereof and this Section in such principal amounts as may be determined by the Council for the purpose of paying all or part of the Costs of Acquisition and Construction of one or more Projects authorized to be financed under the Act with Bonds upon the written request of the County and upon compliance with the following conditions:

A. There shall be executed a certificate of the Chairman of County Council or the County Administrator stating (i) either (a) that no Default exists in the payment of the principal of, premium, if any, or interest on any Bonds or Junior Bonds and all mandatory sinking fund redemptions, if any, required to have been made shall have been made, or (b) that the application of the proceeds of sale of the Series of Bonds to be issued as required by the Supplemental Ordinance authorizing their issuance will cure any such Default or permit such redemptions; and (ii) either (a) that to the best of his or her knowledge, the County is not in Default in the performance of any other of its covenants and agreements contained in this Ordinance, or (b) setting forth the circumstances of each such Default known to him or her.

B. If a certificate filed pursuant to part (A) of this Section should disclose a Default or Defaults hereunder, there shall be filed with the County an opinion of Bond Counsel that, in the case of any Default disclosed in a certificate filed pursuant to part (A) of this Section, each such Default does not deprive the Bondholders of the security afforded by this Ordinance in any material aspect.

C. For the issuance of Bonds (other than the Initial Bond anticipated to be issued hereunder) to finance the Cost of Acquisition and Construction, or a portion thereof, of any Project, there shall be delivered a report from an accountant stating that the amount of the Net Revenues of the Lower Richland System for any consecutive twelve (12) month period out of the last twenty-four (24) month period (the "Test Period") is not less than 120% of the Maximum Debt Service for any succeeding Fiscal Year of Bonds then Outstanding and the Bonds then proposed to be issued, provided the amount of Net Revenues for such Test Period may be adjusted by adding the following:

- (i) in case the rates and charges for the services furnished by the Combined System, including the Lower Richland System, shall have been revised and such revised rates and charges shall have gone into effect prior to the delivery of the Bonds proposed to be issued, the additional amount of Net Revenues which would have been realized during the Test Period if such rates and charges had been in effect during such Test Period as determined by an Accountant or a Consulting Engineer; and
- (ii) in case an existing Sewer system, existing electric distribution system, or any other public utility system is to be acquired and combined or made a part of the Lower Richland System from the proceeds of the Bonds proposed to be issued, the additional amount of Net Revenues which would have been realized during the Test Period if such existing system or systems to be acquired had been a part of the Lower Richland System during such Test Period (which computation of the additional amount of Net Revenues shall be based upon the method of computing Net Revenues under this Ordinance and approved by an Accountant or a Consulting Engineer).

D. Such Bonds shall be issued to secure funds to defray the Cost of Acquisition and Construction of a Project, including any acquisition or construction of any system which shall be combined with or consolidated into the Lower Richland System pursuant to law; or to refund Junior Bonds, or any notes, bonds, or other obligations but not Bonds issued to finance or to aid in financing the acquisition, construction, improvement, enlargement or repair of the Lower Richland System or another enterprise combined with the System.

E. The Supplemental Ordinance shall provide for a deposit into any Debt Service Reserve Fund established for the Series of Bonds authorized by such Supplemental Ordinance of cash or

securities or an insurance policy, surety bond or letter of credit, as provided in Section 6.8 hereof (inclusive of any proceeds of such Series of Bonds to be deposited in the applicable Debt Service Reserve Fund) having an aggregate value not less than the Reserve Fund Requirement, if any, with respect to the applicable Series of Bonds then proposed to be issued.

F. So long as the County is indebted to the United States of America, Rural Development, the County shall not borrow money from any source, enter into any contract or agreement, or incur any other liabilities in connection with making enlargements, improvements, or extensions to, or for any other purpose in connection with, the Lower Richland System (exclusive of normal maintenance) without the prior written consent of Rural Development. This would include the issuance of any Series of Bonds issued on a parity with the Initial Bond, any Junior Bonds and any Special Facilities Bonds.

Section 4.4. Refunding Bonds. Without complying with the provisions of Section 3.3 hereof except as otherwise provided herein, the County by means of a Supplemental Ordinance enacted in compliance with the provisions of the Act and any other statutory provisions authorizing the issuance of revenue refunding bonds, including advance refunding bonds, may issue hereunder refunding Bonds as follows:

A. Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity or prior to any sinking fund installment due date, the Bonds maturing on such date (or an amount of Bonds subject to redemption from such sinking fund installments not in excess of the amount of Bonds required to be redeemed on such due date) for the payment of which sufficient Revenues are not available. Any Bonds issued for such purpose shall mature (or sinking fund installments therefor shall commence) not earlier than the latest stated maturity of any Bond not then refunded to be Outstanding after such refunding; or

B. Bonds may be issued at any time for the purpose of refunding (including by purchase) Bonds, including amounts to pay principal, redemption premium and interest to the date of redemption (or purchase) of the refunded Bonds and the Costs of Issuance; provided that (i) the aggregate Debt Service on all Bonds to be Outstanding after the issuance of the proposed Series of refunding Bonds shall not be greater than would have been the aggregate Debt Service of all Bonds not then refunded and the Bonds to be refunded; or (ii) the requirements of parts (A), (B), (C) and (E) of Section 3.3 hereof are met with respect to the refunding Series.

Section 4.5. Junior Bonds. The County may at any time issue Junior Bonds in such amount as it may from time to time determine, payable from Net Revenues, provided that such Junior Bonds are issued to secure funds to defray the cost of improving, extending, enlarging, or repairing the Lower Richland System, some part thereof, including the acquisition of any system which may be combined with or consolidated into the Lower Richland System pursuant to law, or to refund Bonds, Junior Bonds, or any notes, bonds, or other obligations issued to finance or to aid in financing the acquisition, construction, or improvement of the Lower Richland System, and provided further that the pledge of Net Revenues securing Junior Bonds shall at all times be subordinate and inferior to the pledge securing the Bonds.

Section 4.6. Special Facilities Bonds. The County shall also have the right to issue, from time to time, Special Facilities Bonds to defray the costs of acquiring or constructing Special Facilities subject to the following conditions:

A. The County shall determine that the receipts, income, revenues and other charges to be levied and collected in connection with the Special Facilities shall be at least equal to: (1) the estimated costs of operating and maintaining such Special Facilities; (2) the principal and interest requirements of the

Special Facilities Bonds; (3) the amounts to be deposited in any reserve funds with respect thereto; and (4) any other costs and expenses relating to such Special Facilities.

B. The receipts, income, revenues, fees and other charges derived from the operation of the Special Facilities shall be segregated from the Revenues of the Lower Richland System.

C. The debt service payments and other costs and expenses and reserves related to such Special Facilities shall not be paid from Revenues of the Lower Richland System.

Section 4.7. Bond Anticipation Notes. The County shall also have the right to issue, from time to time, Bond Anticipation Notes to defray the costs of Projects in anticipation of the issuance of a Bond or Bonds.

A. Bond Anticipation Notes issued hereunder and under a Supplemental Ordinance setting forth the details thereof and secured by a bond or bonds to be purchased by the USDA will be issued on a parity with any other debt issued hereunder, with the exception of Junior Bonds.

B. Bond Anticipation Notes issued hereunder and under a Supplemental Ordinance setting forth the details thereof will be junior and subordinate to any other debt issued hereunder.

ARTICLE V

THE BONDS

Section 5.1. Execution. Unless or except as is otherwise set forth in the Supplemental Ordinance providing for the issuance of a Series of Bonds, the Bonds shall be executed on behalf of the County by the Chairman of County Council by his or her manual or facsimile signature and the corporate seal of the County or a facsimile thereof shall be impressed or reproduced thereon and attested by the Clerk to County Council by his or her manual or facsimile signature.

In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, as if he had remained in office until delivery.

Section 5.2. Authentication. Upon compliance with the provisions of Section 4.3, 4.4, or 4.5 hereof, as the case may be, and upon the order of the County, the Registrar shall authenticate Bonds authorized to be issued hereunder. Only such Bonds as shall have endorsed thereon a certificate of authentication duly executed manually by the Registrar shall be entitled to any right or benefit under this Ordinance. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Registrar, and such executed certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered. The Registrar's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Registrar, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder or on all of the Bonds of a particular Series.

Section 5.3. Registration and Transfer of Bonds; Persons Treated as Holders. Unless and except as is otherwise set forth in the Supplemental Ordinance providing for the issuance of a Series of Bonds, each Bond shall be fully registered and transferable only upon the Books of Registry of the County, which shall be kept for that purpose at the office of the Registrar by the registered owner thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer

satisfactory to the Registrar, duly executed by the registered owner or his duly authorized attorney with such signature guaranteed by a participant in the Securities Transfer Agents in Medallion Program (“STAMP”) or similar program. Upon the transfer of any Bond, the County shall issue, subject to the provisions of Section 4.6 hereof, in the name of the transferee, a new Bond or Bonds of the same series and of the same aggregate principal amount, interest rate and maturity as the unpaid principal amount of the surrendered Bond.

Any Bondholder requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the Holder and absolute owner thereof for all purposes and payment of or on account of the principal, redemption premium, if any, and interest on any Bond shall be made only to or upon the order of the Bondholder thereof, or his duly authorized attorney, and neither the County nor the Registrar, shall be affected by any notice to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 5.4. Form of Bonds; Denominations; Medium of Payment. Unless or except as is otherwise provided in the Supplemental Ordinance authorizing their issuance, the Bonds: (a) shall be in fully registered form without coupons, provided, such Bonds may be issued in book-entry form; (b) shall be issued in denominations of \$5,000, or any integral multiple thereof, provided that, upon partial redemption of a Bond requiring surrender thereof and the issuance of a new Bond, such new Bond may be in the denomination of the unredeemed balance; and (c) shall be payable with respect to principal, interest, and premium, if any, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Section 5.5. Numbers, Date, and Payment Provisions. The Bonds shall be numbered and designated in such manner as the County, with the concurrence of the Registrar, shall determine. Each Bond of a Series shall bear interest from the Interest Payment Date immediately preceding the date of its authentication, unless authentication shall be upon an Interest Payment Date, in which case it shall bear interest from its authentication, or unless authentication shall precede the first Interest Payment Date for such Bond, in which case it shall bear interest as otherwise provided in the Supplemental Ordinance authorizing its issuance, provided, however, that if the date of authentication of any Bond of any Series is after a Record Date and before the corresponding Interest Payment Date therefor, such Bond shall bear interest from such succeeding Interest Payment Date; notwithstanding the foregoing, if at the time of authentication of any Bond any interest on such Bond is in default, such Bond shall bear interest from the date to which interest on such Bond has been paid or if no interest has been paid, such Bond shall bear interest from the date of delivery thereof or from its dated date, or as otherwise provided in the Supplemental Ordinance authorizing the issuance of such Bonds.

Section 5.6. Exchange of Bonds. Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Bondholder or his duly authorized attorney, may, at the option of the Bondholder thereof, and upon payment by such Bondholder of any charges which the Registrar may make as provided in Section 5.7, be exchanged for a principal amount of Bonds of the same Series and maturity of any other authorized denomination equal to the unpaid principal amount of surrendered Bonds.

Section 5.7. Regulations with Respect to Exchanges and Transfer. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the County shall execute and the Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Registrar. There shall be no charge to the Bondholder for such exchange or transfer of Bonds except that the Registrar may make a charge sufficient

to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer. Neither the County nor the Registrar shall be required (a) to exchange or transfer Bonds (i) from the Record Date to the succeeding Interest Payment Date or (ii) for a period of fifteen (15) days following any selection of Bonds to be redeemed or thereafter until after the first publication or mailing of any notice of redemption, or (b) to transfer any Bonds called for redemption.

Section 5.8. Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the Holder, the County shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the Holder thereof at his request, risk and expense a new Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event the applicant for the issuance of a substitute Bond shall furnish the County and the Registrar evidence or proof satisfactory to the County and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity as may be required by the laws of the State of South Carolina or such greater amount as may be required by the County and the Registrar. Any duplicate Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance or any Supplemental Ordinance as was the original Bond in lieu of which such duplicate Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder. Neither the County nor the Registrar nor any Paying Agent shall be required to treat both the original Bond and any duplicate Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and duplicate Bond shall be treated as one and the same.

All expenses necessary for the providing of any duplicate Bond shall be borne by the applicant therefor.

ARTICLE VI

REDEMPTION OF BONDS

Section 6.1. Redemption of Bonds. The Bonds of a Series may be subject to redemption prior to their stated maturities upon such terms and conditions and at such dates and redemption price or prices or premium or premiums as shall be set forth in the Supplemental Ordinance providing for the issuance of such Bonds, and upon the further terms and conditions as are hereinafter set forth.

Section 6.2. Selection of Bonds for Redemption. In the event of the redemption at any time of only part of the Bonds of a Series, the Bonds to be redeemed shall be redeemed in such order as is set forth in the Supplemental Ordinance providing for the issuance of such Bonds. Unless otherwise provided by Supplemental Ordinance, if less than all of the Bonds of like maturity of any Series shall be called for prior redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected at random by the Registrar in such manner as the Registrar in its discretion may deem fair and appropriate; provided, however, that the portion of any Bond of a denomination of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof, and that, in selecting portions of such Bonds for redemption, the Registrar shall treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000.

Section 6.3. Notice of Redemption. Unless or except as otherwise provided in the Supplemental Ordinance authorizing their issuance, the provisions of this Section 6.3 apply to each Series of Bonds.

In the event any of the Bonds or portions thereof are called for redemption, the Registrar shall give notice, in the name of the County, of redemption of Bonds by first-class mail, postage prepaid, to the registered owner thereof as shown on the Books of Registry of the County and to such securities depositories as the County may designate not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for the redemption thereof. Such notice of redemption shall state: (a) the title of such Bonds to be redeemed, CUSIP numbers, date of issue, the series designation (if any) thereof, the redemption date, the place or places of redemption and the redemption price or redemption premium, if any, payable upon such redemption; (b) if less than all such Bonds of a particular Series are to be redeemed, the distinctive number of such Bonds to be redeemed; (c) that the interest on such Bonds designated for redemption in such notice shall cease to accrue from and after such redemption date; and (d) that on such date there will become due and payable on each such Bond the principal amount thereof to be redeemed at the then applicable redemption price or redemption premium, if any, and the interest accrued on such principal amount to the redemption date. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, when mailed, whether or not the registered owner thereof receives the notice.

Section 6.4. Partial Redemption of Bond. In the event that only part of the principal sum of a Bond shall be called for redemption or prepaid, payment of the amount to be redeemed or prepaid shall be made only upon surrender of such Bond to the Registrar. Upon surrender of such Bond, the County shall execute and the Registrar shall authenticate and deliver to the Holder thereof, at the principal office of the Registrar, or send to such Holder by registered mail at his request, risk and expense, a new fully executed Bond or Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same Series, maturity and interest rate as, the unredeemed portion of the Bond surrendered.

Section 6.5. Effect of Redemption. If a Bond is subject by its terms to redemption prior to its stated maturity and has been duly called for redemption and notice of the redemption thereof has been duly given as hereinbefore provided and if moneys for the payment of such Bond at the then applicable redemption price or together with the then applicable redemption premium, if any, and the interest to accrue to the redemption date on such Bond are held for the purpose of such payment by the Custodian/Trustee for the series of Bonds of which such Bond is one, then such Bond so called for redemption shall, on the redemption date designated in such notice, become due and payable, and interest on the Bond so called for redemption shall cease to accrue.

Section 6.6. Cancellation. All Bonds which have been redeemed shall be canceled and either maintained or destroyed by the Registrar and shall not be reissued. A counterpart of the certificate of destruction evidencing such destruction shall be furnished by the Registrar to the County upon the request of the County.

Section 6.7. Defeasance. So long as the Federal Government or any agency thereof is the registered owner of Initial Bond, the County shall not issue any Bonds or other obligations for the purpose of defeasing or otherwise terminating the lien on the Bonds without immediately prepaying all of the Initial Bond held by the Federal Government then outstanding.

ARTICLE VII

ESTABLISHMENT OF FUNDS;
SECURITY FOR AND PAYMENT OF THE BONDS;
INVESTMENT OF MONEYS

Section 7.1. Listing of Funds and Accounts. The following are the funds created and established by this Ordinance:

- (i) Revenue Fund to be held by a bank or other financial institution designated from time to time by the County.
- (ii) Operation and Maintenance Fund to be held by a bank or other financial institution designated from time to time by the County.
- (iii) Bond and Interest Redemption Fund for each Series of Bonds to be held by the Custodian/Trustee, including an Interest Account and Principal Account.
- (iv) Debt Service Reserve Fund, if any, for each Series of Bonds to be held by the Custodian/Trustee.
- (v) Depreciation Fund and Contingent Fund to be held by a bank or other financial institution designated from time to time by the County.
- (vi) Construction Fund, if applicable, for each Series of Bonds to be held by a Custodian designated by the County.

One or more accounts may, by direction of the County or by the terms of a Supplemental Ordinance, be established within any of the above funds. It is intended by this Ordinance that the funds referred to in this Article (other than a Construction Fund) shall remain in existence for so long a time as any sum remains due and payable by way of principal of and interest on the Bonds, and that deposits and withdrawals therefrom be made in the manner herein prescribed and in the order of priority hereinafter set forth in Section 6.2 hereof.

Section 7.2. Disposition of Revenues. So long as any Bonds are Outstanding, the Revenues of the Combined System including the Lower Richland System shall be applied at the times, in the amounts and for the purposes as provided or permitted by this Ordinance, and in the following order of priority.

First, provision shall be made for the payment of Expenses of Operating and Maintaining the Lower Richland System;

Second, there shall be transferred into the respective Bond and Interest Redemption Funds, the amounts required by this Ordinance or any Supplemental Ordinance;

Third, there shall be transferred into the respective Debt Service Reserve Funds, the amounts (including any payments required under the terms of any surety bond, insurance policy or letter of credit applicable thereto) required by this Ordinance or any Supplemental Ordinance;

Fourth, provisions shall be made for the payment of any Junior Bonds;

Fifth, there shall be deposited into the Depreciation Fund the amount determined by the provisions of this Ordinance; and

Sixth, there shall be deposited into the Contingent Fund the amount determined by the provisions of this Ordinance.

Any surplus Revenues thereafter remaining after the foregoing deposits have been made shall be disposed of as the County shall determine from time to time to be for the best interest of the Combined System including the Lower Richland System.

Section 7.3. Security for and Payment of the Bonds. The Bonds, together with the interest thereon, shall be payable solely from and secured equally and ratably by a lien upon the Net Revenues of the Lower Richland System; provided, however, that all funds and accounts held by the Custodian/Trustee in the respective Bond and Interest Redemption Funds and Debt Service Reserve Funds established to secure a particular Series of Bonds are hereby pledged for the benefit only of the respective Bondholders as security for the Bonds of the Series to which such Funds relate. The Revenues shall be and hereby are irrevocably pledged to the payment of the principal of and interest on the Bonds. This provision of this Section 6.3 shall not preclude the issuance of Junior Bonds, if such Junior Bonds be issued in conformity with the provisions of Article 4.5 hereof, but the pledge herein made shall preclude the issuance of bonds payable from or secured by a pledge or lien on Net Revenues superior to that herein made to secure the Bonds.

The Bonds do not constitute an indebtedness of the County within any State Constitutional provisions (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power. The full faith, credit and taxing powers of the County are not pledged to the payment of the principal of and interest on the Bonds.

The covenants and agreements herein set forth to be performed by the County shall be for the equal and proportionate benefit, security and protection of all Holders of the Bonds without preference, priority or distinction as to payment or security or otherwise (except as to maturity) of any of the Bonds for any reason or cause whatsoever, except as expressly provided herein or in the Bonds, and, except as aforesaid, all Bonds shall rank pari passu and shall be secured equally and ratably hereunder without discrimination or preference whatsoever.

Section 7.4. Accounting Methods. The designation of the Revenue Fund, the Operation and Maintenance Fund, the Depreciation Fund and the Contingent Fund in and by this Ordinance shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of the Revenues and assets of the Lower Richland System for certain purposes and to establish certain priorities for application of such Revenues and assets as herein provided.

The cash required to be accounted for in each of the foregoing funds established herein may be deposited in a single bank account, into which only Revenues shall be deposited, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash in and deposit therein for the various purposes of such funds as provided herein.

Section 7.5. Revenue Fund. There is hereby established a Revenue Fund to be maintained by the County and into which shall be deposited all Revenues. Moneys in the Revenue Fund shall be made

use of only in the manner specified in this Article VII and in the order of priority according to Section 6.2 hereof. So long as the County maintains proper accounting records for receipts and disbursements for the Revenue Fund, the Operation and Maintenance Fund may be maintained as part of the Revenue Fund.

Section 7.6. Operation and Maintenance Fund. There is hereby established an Operation and Maintenance Fund to be maintained by the County in order to provide for the payment of all Expenses of Operating and Maintaining the Lower Richland System. So long as any of the Bonds remain Outstanding and unpaid, adequate provision shall be made by the County for the Expenses of Operating and Maintaining the Lower Richland System by depositing on or before the 15th day of the month following the month in which Bonds are delivered to the initial purchasers thereof, and not later than the 15th day of each month thereafter, in the Operation and Maintenance Fund from the Revenues of the Lower Richland System, an amount equal to the estimated Expenses of Operating and Maintaining the Lower Richland System for the next ensuing month in accordance with the Annual Budget.

Section 7.7. Bond and Interest Redemption Fund. There shall be established and maintained special funds of the County to be designated the Bond and Interest Redemption Fund for each Series of Bonds then Outstanding which shall be kept on deposit with the Custodian/Trustee, and withdrawals therefrom shall be made for the purposes provided in this Ordinance. Each Bond and Interest Redemption Fund shall bear a separate series designation as may be necessary to distinguish such Bond and Interest Redemption Fund.

The respective Bond and Interest Redemption Funds are intended to provide for the payment of the principal of, redemption premium, if any, and interest on each Series of Bonds as the same respectively fall due. Payments into such Funds shall be made in the manner prescribed by this Ordinance and all moneys in the respective Bond and Interest Redemption Funds shall be used solely to pay the principal of, redemption premium, if any, and interest on the respective Series of Bonds, and for no other purpose, and withdrawals therefrom shall be made only to effect payment of the principal of, redemption premium, if any, and interest on the respective Series of Bonds. Earnings on investments in the Bond and Interest Redemption Fund, including the accounts therein, shall be added to and become a part of such respective Funds and the accounts therein.

There may be established in the respective Bond and Interest Redemption Funds from time to time a capitalized interest account to provide for the payment of interest on the Bonds of a particular Series as may be permitted hereunder. Any such account shall be created by a Supplemental Ordinance relating to the issuance of the Bonds of such Series. Any earnings from the investment of funds in the capitalized interest account not required to pay interest on the Bonds of any Series during the period for which interest on the Bonds of such Series is capitalized shall be paid over to the County for deposit in the Construction Fund created by the Supplemental Ordinance relating to such Bonds or, if such Construction Fund has been terminated or no such fund was created, such earnings shall be retained in the appropriate Bond and Interest Redemption Fund.

Unless and except as is otherwise set forth in the Supplemental Ordinance, not later than the 15th day of the month following the month in which each Series of Bonds are delivered to the initial purchasers thereof, and not later than the 15th day of each month thereafter, the County shall transfer or cause to be transferred to the Custodian/Trustee for deposit into the respective Bond and Interest Redemption Funds from the moneys in the Revenue Fund, the amounts hereinafter set forth.

(a) There shall be established and maintained, for the purpose of paying the interest on the respective Series of Bonds as the same becomes due and payable, an Interest Account in the respective Bond and Interest Redemption Funds. Unless and except as is otherwise set forth in the Supplemental

Ordinance, not later than the 15th day of the month following the month in which each respective Series of Bonds is delivered to the initial purchasers thereof, and not later than the 15th day of each month thereafter, the County shall transfer or cause to be transferred to the Custodian/Trustee for deposit into the respective Bond and Interest Redemption Funds for credit to the Interest Account an amount (until the moneys on deposit therein equal the amount needed) such that, if the same amount is credited to the Interest Account not later than the 15th day of each calendar month preceding the next date upon which an installment of interest falls due on the respective Series of Bonds, the aggregate of the amounts so paid and credited to the Interest Account would on such date be equal to the installment of interest then falling due on the respective Series of Bonds then Outstanding. In making any of the deposits to the Interest Account required by this paragraph (a), consideration shall be given to and allowance made for accrued interest received upon delivery of each Series of Bonds to the initial purchasers and for any other credits (including any interest earnings therein) otherwise made to such Account.

(b) There shall be established and maintained, for the purpose of paying the principal of the Bonds as they mature, whether at maturity or by mandatory sinking fund redemption, a Principal Account in the respective Bond and Interest Redemption Funds. Unless and except as is otherwise set forth in the Supplemental Ordinance, not later than the 15th day of the twelfth month prior to each date upon which an installment of principal of a respective Series of Bonds falls due or mandatory sinking fund redemption date, and on or before the 15th day of each calendar month thereafter, the County shall transfer or cause to be transferred to the Custodian/Trustee for deposit into the respective Bond and Interest Redemption Funds to the credit of the Principal Account an amount (until the moneys on deposit therein equal the amount needed) such that, if the same amount were credited to the Principal Account on or before the 15th day of each succeeding month thereafter and prior to the next date upon which an installment of principal falls due on the respective Series of Bonds or mandatory sinking fund redemption date, the aggregate of the amounts so paid and credited to the Principal Account would on such date be equal to the installment of principal or mandatory sinking fund redemption payment on the respective Series of Bonds then falling due. In making any of the deposits to the Principal Account required by this paragraph (b), consideration shall be given to and allowance made for any other credits (including any interest earnings therein) otherwise made to such Account.

(c) If, on the dates when the payments required by paragraphs (a) and (b) of this Section are to be made, the aggregate of (i) the payments required by said paragraphs (a) and (b); (ii) previous monthly payments made by the County; and (iii) the remaining payments to be made prior to the succeeding date on which principal or interest, or both, as the case may be, will be due and payable, will be less than the sum required to effect the payment of the succeeding installment of principal or interest, or both, as the case may be, moneys in the applicable Debt Service Reserve Fund shall be added to the payment to be made pursuant to said paragraphs (a) and (b).

Moneys in the respective Bond and Interest Redemption Funds shall be used and applied solely to the payment of the interest on and the retirement of the principal of and redemption premium, if any, on the respective Series of Bonds and shall be used and applied in accordance with the provisions of this Section and this Ordinance. The moneys paid into the respective Bond and Interest Redemption Fund shall be held by the Custodian/Trustee in trust solely for the purpose of paying the interest on and the retirement of the principal of and redemption premium, if any, on the respective Series of Bonds and withdrawals from such Funds shall be made by the Custodian/Trustee in order to transfer such moneys to the Paying Agent for the respective Series of Bonds. Such withdrawals shall be made so that the necessary moneys shall be available to the Paying Agent not later than one (1) Business Day prior to the day on which principal or interest or both, and redemption premium, if any, as the case may be, are payable on the Bonds.

Section 7.8. Debt Service Reserve Fund. A Supplemental Ordinance may provide for the establishment of a Debt Service Reserve Fund for any Series of Bonds. Each Debt Service Reserve Fund shall bear a separate Series designation as may be necessary to distinguish such Debt Service Reserve Fund and shall, subject to certain provisions of this Ordinance, be maintained in an amount equal to the applicable Reserve Fund Requirement, as determined pursuant to a Supplemental Ordinance so long as the applicable Series of Bonds shall be Outstanding. Each such Fund is intended to insure the timely payment of the principal of and interest on the applicable Series of Bonds and to provide for the redemption of such Series of Bonds prior to their stated maturities. The respective Debt Service Reserve Funds shall be kept on deposit with the Custodian/Trustee, and withdrawals therefrom shall be made for the purposes provided in this Ordinance.

Moneys in each Debt Service Reserve Fund shall be used for the following purposes, and for no other:

- (a) To prevent a Default in the payment of the principal of or interest on the applicable Series of Bonds, by reason of the fact that moneys in the applicable Bond and Interest Redemption Fund are insufficient for such purposes;
- (b) To pay the principal of, interest on, and redemption premium, if any, of the applicable Series of Bonds in the event that all Outstanding Bonds of such Series be redeemed as a whole;
- (c) To effect partial redemption of the applicable Series of Bonds, provided that such redemption be undertaken in accordance with the provisions of this Ordinance permitting a partial redemption of the applicable Series of Bonds and the balance remaining in the applicable Debt Service Reserve Fund following such partial redemption shall not be less than the Reserve Fund Requirement;
- (d) To effect the retirement of a Series of Bonds through purchase under the conditions herein prescribed.

Whenever the market value (determined as of the valuation date specified in Section 6.13 hereof) of the cash and securities in the applicable Debt Service Reserve Fund shall exceed the Reserve Fund Requirement, such excess may be used at the direction of the County either (i) to repurchase and retire the applicable Series of Bonds at prices not exceeding the call price first to become available or then prevailing or (ii) to transfer to the Revenue Fund or, at the option of the County, to the Construction Fund during the period of construction or acquisition of a Project. Purchases of Bonds shall be effected by the County through the Registrar, and whenever Bonds shall have been purchased pursuant to this authorization, it shall be the duty of the Registrar to cancel and destroy such Bonds and to deliver certificates evidencing such act to the County.

Whenever the aggregate value of cash and securities in any Debt Service Reserve Fund shall be less than the applicable Reserve Fund Requirement as a result of a withdrawal of funds therefrom, there shall be deposited in the applicable Debt Service Reserve Fund over the next succeeding twelve (12) months, successive equal monthly installments of the amount necessary to reestablish in the applicable Debt Service Reserve Fund its respective Reserve Fund Requirement.

In lieu of the deposit of moneys into the Debt Service Reserve Fund established with respect to any Series of Bonds to meet the Reserve Fund Requirement with respect to that Series, the County may cause to be credited a surety bond or an insurance policy payable to, or a letter of credit in favor of, the

Custodian/Trustee for the benefit of the Holders of the Bonds meeting the standard set forth in the Supplemental Ordinance authorizing that Series of Bonds. The amount of moneys required to be deposited to the Debt Service Reserve Fund shall be reduced by the amount of the surety bond, insurance policy, or letter of credit. The surety bond, insurance policy, or letter of credit shall be payable (upon the giving of notice as required thereunder) on any Interest Payment Date on which moneys will be required to be withdrawn from the Debt Service Reserve Fund and applied to the payment of the principal of or interest on any Bonds of that Series but only to the extent that withdrawals cannot be made by amounts then credited to the Debt Service Reserve Fund.

If the County obtains a surety bond, insurance policy or letter of credit in substitution for moneys deposited to the applicable Debt Service Reserve Fund as may be permitted under the applicable Supplemental Ordinance, excess moneys in the respective Debt Service Reserve Funds shall be transferred to the applicable Construction Fund, or if one does not exist, be deposited as the County deems advisable.

Section 7.9. Depreciation Fund. There is hereby established a Depreciation Fund.

On or before the 15th day of the month following the month in which Bonds are delivered to the initial purchasers thereof, and on or before the 15th day of each and every month thereafter, the County shall deposit into the Depreciation Fund 1/12th of the amount determined in the Annual Budget prepared for the Combined System including the Lower Richland System. Moneys in the Depreciation Fund shall be used to build up a reserve for the depreciation of the Lower Richland System and used for the purpose of restoring depreciated or obsolete items of the Lower Richland System. Moneys in these funds shall be used solely for such purposes, but shall be transferred to the applicable Bond and Interest Redemption Fund whenever necessary in order to prevent a default in the payment of principal or interest when due on any Bonds.

Moneys in the Depreciation Fund shall be held by a bank or other financial institution designated by the County or its designee, and withdrawals from the Depreciation Fund shall be made by or on order of the County.

Section 7.10. Contingent Fund. There is hereby established a Contingent Fund.

On or before the 15th day of the month following the month in which Bonds are delivered to the initial purchasers thereof, and on or before the 15th day of each and every month thereafter, the County shall deposit into the Contingent Fund 1/12th of the amount determined in the Annual Budget prepared for the Combined System including the Lower Richland System. Moneys in the Contingent Fund shall be used to build up a reasonable reserve for improvements, betterments, and extensions to the Lower Richland System, other than those necessary to maintain the Lower Richland System in good repair and working order. Moneys in these funds shall be used solely for such purposes, but shall be transferred to the applicable Bond and Interest Redemption Fund whenever necessary in order to prevent a default in the payment of principal or interest when due on any Bonds.

Moneys in the Contingent Fund shall be held by a bank or other financial institution designated by the County or its designee, and withdrawals from the Contingent Fund shall be made by or on order of the County.

Section 7.11. Application of Remaining Revenues. After making payment for the Expenses of Operating and Maintaining the Lower Richland System; and after making payments on the Bonds; and after making the required deposits and payments, if any, to the applicable Debt Service Reserve Fund; and after providing for the payment of Junior Bonds; and after making the deposits to the Depreciation Fund and the Contingent Fund, the Revenues of the Lower Richland System shall then be used to meet any other

obligations of the County, which are or which shall become charges, liens or encumbrances upon the Revenues of the Lower Richland System; and then disposed of by the County as it may determine from time to time to be for the best interest of the Lower Richland System.

Section 7.12. Establishment of Construction Fund. There shall be established with the Custodian a Construction Fund with respect to each Series of Bonds (other than for Bonds issued pursuant to Section 3.4 hereof, if applicable) in the Supplemental Ordinance providing for their issuance, the moneys in which shall be used to defray the cost of the Project and to pay any Costs of Acquisition and Construction with respect to the facilities so financed. On the occasion of the delivery of any Series of Bonds, the proceeds therefrom shall be paid into the Construction Fund established for such Series as set forth in a Supplemental Ordinance authorizing their issue. Withdrawals from the Construction Fund shall not be made except as provided in the Supplemental Ordinance establishing such Construction Fund.

Section 7.13. Investment of Funds. Moneys held for the credit of the respective Bond and Interest Redemption Funds shall be invested, to the fullest extent practicable and reasonable, in Permitted Investments which shall mature prior to the respective dates when the moneys held for the credit of such Fund will be required for the purpose intended. Moneys in any other funds established by this Ordinance shall be invested, to the fullest extent practicable, in Permitted Investments, maturing at such times and in such amounts as shall be required to provide moneys to make the payments required to be made from such funds. Investment instructions shall be given from time to time in writing by an authorized officer of the County to the Custodian/Trustee.

The Custodian/Trustee and the Custodian or other depository shall value on an annual basis Permitted Investments in the various funds established by this Ordinance and forward such valuation to the County. Until changed pursuant to written instructions from the County, such evaluation shall be made on June 30 of each year. If as a result of such evaluation, there is a shortage in the amount or amounts to be deposited in such fund or funds, the County shall replenish such funds to the required levels within 120 days of such shortage.

The value of Permitted Investments (except investment agreements) shall be determined by the Custodian/Trustee or the Custodian or other depository at the market value thereof, exclusive of accrued interest, provided, however, Permitted Investments in any Debt Service Reserve Fund shall be valued at cost if the maturity thereof is one year or less and shall be valued at market value and marked to market annually if the maturity thereof is longer than one (1) year.

Except as otherwise provided herein, all interest earnings when realized shall be deposited or transferred to the Revenue Fund. Expenses of purchase, safekeeping, sale and redemption and all other expenses attributable to such investments shall be operating expenses of the System.

ARTICLE VII

COVENANTS

Section 8.1. Rates and Charges. The County covenants and agrees to operate the Combined System in an efficient and economical manner and establish, levy, maintain, revise and collect such fees, rates and other charges for the use of the services and facilities furnished by the Combined System as may be necessary or proper. The County covenants and agrees to operate the Lower Richland System in an efficient and economical manner and establish, levy, maintain, revise and collect such fees, rates and other charges for the use of the services and facilities furnished by the Lower Richland System as may be necessary or proper, which fees, rates, and other charges, together with other available moneys, shall at all times be at least sufficient after making due and reasonable allowances for contingencies and for a margin of error in estimates to provide an amount equal to (a) one hundred percent (100%) of the amounts required to be deposited into the Operation and Maintenance Fund for the then current Fiscal Year; (b) one hundred twenty percent (120%) of the amounts required to be deposited into each Bond and Interest Redemption Fund for the then current Fiscal Year; (c) one hundred percent (100%) of the amounts required to be deposited into each Debt Service Reserve Fund for the then current Fiscal Year; (d) one hundred percent (100%) of the amounts required to be deposited into the Depreciation Fund for the then current Fiscal Year; (e) one hundred percent (100%) of the amounts required to be deposited into the Contingent Fund for the then current Fiscal Year; and (f) one hundred percent (100%) of the amounts required to provide for payment of any Junior Bonds for the then current Fiscal Year; and (g) the amounts necessary to comply in all respects with the terms of this Ordinance or any other contract or agreement with the Holder of a Bond (such obligation hereafter referred to as the "Rate Covenant").

Section 8.2. Statutory Lien. There is hereby created and established in accordance with Section 6-21-330 of the South Carolina Code of Laws 1976, as amended, a statutory lien upon the System in favor of the Holders from time to time of the Bonds. The Lower Richland System shall remain subject to such statutory lien until payment in full of the principal of and interest on the Bonds.

Section 8.3. To Pay Principal, Premium, and Interest on the Bonds. The County covenants and agrees to punctually pay, or cause to be paid, out of the Net Revenues pledged to such payment in Article VI hereof, the principal of, redemption premium, if any, and the interest on each and every Bond issued under the provisions of this Ordinance, at the place, on the dates and in the manner provided herein.

Section 8.4. Operation of Combined System including the Lower Richland System. The County covenants and agrees it shall at all times operate the System properly and in an efficient and economical manner and will maintain, preserve and keep the same with the appurtenances and every part and parcel thereof in good repair, working order and condition, and shall from time to time make all necessary and proper repairs and replacements so that at all times the operation of the System may be properly and advantageously conducted.

Section 8.5. Records, Accounts and Audits. The County covenants and agrees to keep proper books of records and accounts, in which complete and correct entries shall be made of all transactions relating to the Combined System including the Lower Richland System. A complete financial statement of the Combined System, including the Lower Richland System, shall be prepared in accordance with generally accepted accounting principles by an Accountant within such time limit as may established in a Supplemental Ordinance authorizing a Series of Bonds. As long as the County is indebted to the United States of America, acting through Rural Development, the County covenants to comply with reporting requirements of Rural Development, as set forth in a Supplemental Ordinance authorizing the issuance of a Series of Bonds. The County will cause to be furnished to the Custodian/Trustee and any Holder of any of the Bonds who makes written request therefor a copy of such statement. Such records shall be kept in accordance with the standards from time to time prescribed by the Governmental Accounting Standards Association or its successor. The County will cause to be furnished to any Holder of any of the Bonds, who make written request therefor, copies of financial statements certified by an Accountant. The County shall deliver to the Custodian/Trustee, annually, within sixty (60) days after the close of each Fiscal Year, a certificate demonstrating compliance with the Rate Covenant.

Section 8.6. Sale, Lease or Other Encumbrances. Other than the Bonds, Junior Bonds, Special Facilities Bonds, or obligations authorized or permitted hereby, the County covenants and agrees not to issue any bonds, notes, certificates or other obligations or evidences of indebtedness secured by a pledge of the Net Revenues. The County further covenants and agrees that it will not create or cause to be created any lien or charge on the Revenues other than the liens and charges created or permitted to be created hereby, and no part of the Lower Richland System will be sold, mortgaged, leased or otherwise disposed of or encumbered; provided, however, the County may from time to time permanently abandon the use of, sell, trade or lease any property forming a part of the System, which the County determines is no longer necessary or useful or profitable in the operation of the System, or necessary to produce or maintain the Revenues thereof, or which is to be or has been replaced by other property so as not to impair the operation of the System. Any moneys received upon a sale hereunder shall be considered Revenues.

Section 8.7. Insurance. The County covenants and agrees to make provision to maintain adequate insurance on the works, plants, facilities and properties comprising the Combined System, including the Lower Richland System, against the risks, accidents or casualties, of the kinds and in at least the amounts which are usually and customarily carried on similar plants, properties and systems which are owned and operated by a public or municipal corporation, including without limiting the generality of the foregoing, fire, extended coverage, general liability and workmen's compensation, and also all additional insurance covering such risks as may be deemed necessary or desirable by the County or recommended by a competent independent engineer or other advisor employed for the purpose of making such recommendations. The Custodian/Trustee shall not be responsible for maintaining such insurance policies or copies thereof.

Section 8.8. No Free Service. The County covenants and agrees that no free service will be furnished by the Lower Richland System to the County or to any agency, instrumentality or person. The reasonable costs and value of any services of the System rendered to the County through the operation of the System shall be charged against the County and shall be paid as the service accrues from the current funds and such funds, when so paid, shall be accounted for in the same manner as other Revenues of the System.

Section 8.9. Annual Budget. Prior to the beginning of each Fiscal Year, the County covenants and agrees to prepare an annual budget for the ensuing Fiscal Year which shall set forth in reasonable detail the estimated Revenues and Operation and Maintenance Expenses, debt service requirements, payments to the Depreciation Fund and Contingent Fund and other expenditures of the Combined System including the Lower Richland System for such Fiscal Year. Following the end of each fiscal quarter and at such other times as the County shall determine, the County shall review its estimates set

forth in the annual budget for such Fiscal Year, and in the event such estimates do not substantially correspond with actual Revenues, operation and maintenance expenses or other requirements, or if there are at any time during any such Fiscal Year extraordinary receipts or payments of unusual costs, the County may prepare an amended annual budget for the remainder of such Fiscal Year. The County also may at any time adopt an amended annual budget for the remainder of the then current Fiscal Year.

ARTICLE IX

CUSTODIAN/TRUSTEE; CUSTODIANS

Section 9.1. Custodian/Trustee. Prior to the delivery of the initial Series of Bonds, the County shall designate a Custodian/Trustee in the Supplemental Ordinance and the Custodian/Trustee shall signify its acceptance of the powers, duties and obligations conferred and imposed upon it by this Ordinance by executing and delivering to the County a written instrument of acceptance.

The Custodian/Trustee shall (a) prior to the occurrence of an Event of Default as set forth in Article XI hereof which the Custodian/Trustee has or is deemed to have notice hereunder and after the curing of all Events of Default which may have occurred, perform such duties and obligations, and only such duties and obligations, as are specifically set forth in this Ordinance, and no implied covenants or obligations shall be read into this Ordinance against the Custodian/Trustee, and (b) during the existence of any Event of Default which the Custodian/Trustee has or is deemed to have notice hereunder (which has not been cured or waived) exercise the rights and powers vested in it by this Ordinance and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provisions of this Ordinance shall be construed to relieve the Custodian/Trustee from liability for its own negligence, intentionally wrongful action or failure to act.

At all times, (1) the Custodian/Trustee shall not be liable for any error of judgment made in good faith by an officer or employee of the Custodian/Trustee unless it shall be provided that the Custodian/Trustee was negligent in ascertaining the pertinent facts; (2) the Custodian/Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority (or such lesser percentage as is specifically required or permitted by this Ordinance) in the aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting a proceeding for any remedy available to the Custodian/Trustee, or exercising any trust or power conferred upon the Custodian/Trustee under this Ordinance; (3) in the administration of the trusts of this Ordinance, the Custodian/Trustee may execute any of the trusts or powers hereof directly or through its agents or attorneys. The Custodian/Trustee may consult with counsel and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

The Custodian/Trustee may conclusively rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be protected in acting upon any note, resolution, request, consent order, certificate, report, opinion, note, or other paper or document furnished to it pursuant to any provision of this Ordinance, believed by it to be genuine and to have been signed and presented by the proper party. The Custodian/Trustee is not required to make any inquiry or investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture or other paper or document but the Custodian/Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters

as it may see fit and, if the Custodian/Trustee determines to make such further inquiry or investigation, it is entitled to examine the books, records and premises of the County, in person or by agent or attorney.

The Custodian/Trustee shall not be required to take notice or be deemed to have notice or actual knowledge of any event of default specified in Article X hereof other than a payment default described in subparagraphs A or B of Section 12.1 unless the Custodian/Trustee shall receive from the County or the Holder of any Bond written notice stating that an Event of Default hereunder has occurred and specifying the same, and, in the absence of such notice, the Custodian/Trustee may conclusively assume that there is no such Event of Default.

The Custodian/Trustee shall be entitled to payment of and reimbursement by the County for reasonable fees and expenses for its services rendered hereunder and all advances and counsel fees and expenses reasonably and necessarily made or incurred by the Custodian/Trustee in connection with such services.

The Custodian/Trustee shall not, in any event, be required to take, defend, or appear in any legal action or proceeding hereunder or to exercise any of the trusts or powers hereof unless it shall first be adequately indemnified to its satisfaction as to terms, coverage, duration, amount and otherwise against the costs, expenses, and liabilities which may be incurred thereby. Every provision of this Ordinance relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions hereof.

The Custodian/Trustee may execute any of its trusts or powers or perform any duties under this Ordinance either directly or by or through agents or attorneys, and may in all cases pay, subject to reimbursement from the County, such reasonable compensation as it deems proper to all such agents and attorneys reasonably employed or retained by it, and the Custodian/Trustee shall not be responsible for any misconduct or negligence of any agent or attorney appointed with due care by it.

The Custodian/Trustee is not required to give any bond or surety with respect to the performance of its duties or the Custodian/Trustee shall not be responsible for any misconduct or negligence of any agent or attorney appointed with due care by it.

The Custodian/Trustee is not required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Ordinance.

The Custodian/Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Ordinance shall extend to the Custodian/Trustee's officers, directors, agents, attorneys, and employees. Such immunities and protections and right to indemnification, together with the Custodian/Trustee's right to compensation, shall survive the Custodian/Trustee's resignation or removal, the discharge of this Ordinance, and the final payment of all Bonds issued hereunder.

The permissive right of the Custodian/Trustee to take the actions permitted by this Ordinance shall not be construed as an obligation or duty to do so.

Whether or not expressly so provided, every provision of this Ordinance relating to the conduct or affecting the liability of or affording protection to the Custodian/Trustee is subject to the provisions of this Section.

Section 9.2. Resignation of Custodian/Trustee. The Custodian/Trustee may resign at any time and be discharged of its duties and obligations hereunder by giving 30 days' written notice to the County and to the Holders of the Bonds by first class mail, postage prepaid, of such resignation. No resignation will become effective until a successor Custodian/Trustee has been appointed and accepts such appointment as provided below. Upon receiving notice of resignation, the County shall promptly appoint such successor Custodian/Trustee by an instrument in writing executed by order of its Council. In the event a successor Custodian/Trustee has not been appointed within 60 days of the date notice of resignation is given, the Custodian/Trustee at the County's expense, may apply to any court of competent jurisdiction for the appointment of a successor Custodian/Trustee to act until such time as a successor is appointed as provided in this Section.

Unless otherwise ordered by a court or regulatory body having competent jurisdiction, or unless required by law, any successor Custodian/Trustee shall, if there is such an institution willing, qualified and able to accept the trust upon reasonable or customary terms, be a bank, bank holding company or trust company or wholly-owned subsidiary of a bank holding company or trust company in good standing, qualified to act hereunder, and having a capital and earned surplus of not less than \$25,000,000.

Any successor Custodian/Trustee appointed as provided in this section, shall execute, acknowledge and deliver to the County and its predecessor Custodian/Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Custodian/Trustee shall become effective, the predecessor Custodian/Trustee shall immediately be discharged and released from all duties and obligations hereunder and such successor Custodian/Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor of the trust hereunder. Upon the request of any such successor Custodian/Trustee, the County shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Custodian/Trustee all such rights, powers and duties. Upon acceptance of appointment by a successor Custodian/Trustee, the County shall notify the registered owner of each Bond then Outstanding by first-class mail, postage prepaid.

The predecessor Custodian/Trustee shall execute any and all documents necessary or appropriate to convey all interest it may have to the successor Custodian/Trustee. The predecessor Custodian/Trustee shall promptly transfer all funds to the successor Custodian/Trustee and deliver all records relating to the trust or copies thereof and communicate all material information it may have obtained concerning the trust to the successor Custodian/Trustee.

Any corporation or association into which the Custodian/Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger, or any corporation or association succeeding to the business of the Custodian/Trustee, shall be the successor of the Custodian/Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto.

Each, every and all funds and accounts held by the Trustee shall be impressed with a trust for the benefit of the Holders of the Bonds, under the provisions of this Ordinance and of the Act.

Section 9.3. Removal of Custodian/Trustee. Upon 30 days' written notice, the County, with the consent and approval of the Holders of not less than 50% of the Bonds then Outstanding, provided that an Event of Default shall not have occurred and be continuing, may remove the Custodian/Trustee. The removal of the Custodian/Trustee under this Section 9.3 shall not be effective until a successor Custodian/Trustee has been appointed and has accepted the duties of Custodian/Trustee.

The Holders of a majority in aggregate principal amount of the Bonds at the time outstanding may, upon 30 days' written notice to the Custodian/Trustee and the County, remove the Custodian/Trustee and appoint a successor Custodian/Trustee by instrument or instruments in writing signed by such Holders of the Bonds.

Section 9.4. Custodians. The Construction Fund shall be held by a bank, a trust company, a national banking association or a national association as Custodian under this Ordinance or a Supplemental Ordinance.

Section 9.5. Duties and Obligations of Custodian/Trustee and Custodians. The recitals of fact made in this Ordinance and in the Bonds shall be taken as statements of the County, and neither the Custodian/Trustee nor Custodian shall be deemed to have made any representations whatsoever as to the correctness of the same or as to the validity or sufficiency of this Ordinance or of the Bonds issued hereunder. Nor shall the Custodian/Trustee or any Custodian be under any responsibility or duty with respect to the issuance of the Bonds or the application of the proceeds thereof, except to the extent provided for herein, or in a Supplemental Ordinance. Nor shall the Custodian/Trustee or any Custodian be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in response to this Ordinance, or to the Bonds issued hereunder, or to advance any of its own moneys, unless properly indemnified to its satisfaction. Nor shall the Custodian/Trustee or any Custodian be liable in connection with the performance of its duties hereunder, except for its own negligence or misconduct.

Section 9.6. Custodian/Trustee and Custodians Protected in Relying upon Resolutions, etc. The Custodian/Trustee and all Custodians shall at all times be protected in acting upon any notice, resolution, request, consent, order, certificate, statement, opinion, bond, or other paper or document believed to be genuine and to have been signed by the proper party or parties.

ARTICLE X

AMENDMENTS OR SUPPLEMENTS TO ORDINANCE

Section 10.1. Amendments or Supplements to Ordinance. The County shall not amend this Ordinance except in accordance with the provisions of this Article.

A. The County may, from time to time and without the consent of any Holder of the Bonds enact an ordinance amendatory hereof or supplemental thereto (a) for the purpose of providing for the issuance of Bonds pursuant to the provisions of Article IV hereof, or (b) (i) making any amendments or modifications hereto which may be required to permit this Ordinance to be qualified under the Trust Indenture Act of 1939, as amended; (ii) making any modification or amendment to this Ordinance not inconsistent herewith required for the correction of language or to cure any ambiguity or defective provisions, omission, mistake or manifest error herein contained; (iii) making any amendments or supplements hereto to grant to or confer upon the Holders additional rights, remedies, power and authority, or to grant to or confer upon any Holders, committee or trustee for the Holders any additional rights, power or authority; or (iv) to add to the security of the Holders of the Bonds.

B. From time to time the Holders of 66-2/3% in principal amount of the Bonds then Outstanding, by an instrument or instruments in writing signed by such Holders and filed with the County and the Custodian/Trustee, shall have power to assent to and authorize any modification or amendment to the provisions of this Ordinance that may be proposed by the County or of the rights and obligations of the County and of the Holders of Bonds issued hereunder; and any action herein authorized to be taken with the assent and authority given as aforesaid of the Holders of 66-2/3% in principal amount of the Bonds at the

time Outstanding shall be effective and binding upon all of the Holders of Bonds issued hereunder; and any action herein authorized to be taken with the assent and authority given as aforesaid of the Holders of 66-2/3% in principal amount of the Bonds at the time Outstanding shall be effective and binding upon all of the Holders of Bonds Outstanding and upon the County as fully as though such action were specifically and expressly authorized by the terms of this Ordinance; provided always, that without the consent of the Holder of each Bond affected thereby, no such modification shall be made which will (a) extend the time of payment of principal of or the interest on any Bond, or reduce the principal amount thereof or the rate of interest thereon or the premium payable upon the redemption thereof, or (b) give to any Bond or Bonds any preference over any other Bond or Bonds, or (c) authorize the creation of any pledge prior to or, except as provided herein for the issuance of Series of Bonds, on a parity with the pledge afforded by this Ordinance, or (d) reduce the percentage in principal amount of the Bonds required to assent to or authorize any such modification to this Ordinance. For the purpose of computations required by this paragraph, Bonds directly or indirectly owned or controlled by the County shall be disregarded.

Any modification or amendment or supplement to the provisions of this Ordinance or of any Supplemental Ordinance supplemental hereto shall be set forth in an ordinance to be enacted by the County.

ARTICLE XI

EVENTS OF DEFAULT

Section 11.1. Events of Default. With respect to the Bonds, the following shall constitute “Events of Default”:

A. If payment of the principal of any Bond, whether at maturity or by proceedings for redemption, by declaration as provided in Article XII hereof, or otherwise, is not made by the County after the same has become due and payable; or

B. If payment of any installment of interest on any Bond is not made by the County as the same becomes due and payable; or

C. If the County shall fail in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds or in this Ordinance or in any Supplemental Ordinance on the part of the County to be performed, and such failure continues for 30 days after written notice specifying such failure and requiring the same to be remedied has been given to the County by the Custodian/Trustee, or the Holders of not less than 20% in principal amount of the Bonds then Outstanding or any trustee or committee therefor; or

D. If any proceedings are instituted, with the consent or acquiescence of the County, for the purpose of effecting a composition between the County and its creditors and if the claim of such creditors is in any circumstance payable from any of the Revenues or any other moneys pledged and charged in this Ordinance or any Supplemental Ordinance for the payment of the Bonds, or any such proceedings are instituted for the purpose of adjusting the claims of such creditors, pursuant to any Federal or State statute now or hereafter enacted; or

E. If an order or decree is entered (a) with the consent or acquiescence of the County, appointing a receiver or receivers of the Lower Richland System or any of the facilities thereof; or (b) without the consent or acquiescence of the County, appointing a receiver or receivers of the Lower Richland System

or any of the facilities thereof and if, in either case, such order or decree having been entered is not vacated or discharged or stayed on appeal within 60 days after the entry thereof; or

F. If, under the provisions of any law for the relief or aid of debtors, any court of competent jurisdiction assumes custody or control of the Lower Richland System or any of the facilities thereof, and such custody or control is not terminated within 90 days from the date of assumption of such custody or control; or

G. If the County is for any reason rendered incapable of fulfilling its obligations hereunder in any material respect.

Subject to the provisions, limitations and conditions of Sections 12.1 and 12.2 of Article XII hereof, insofar as the remedies provided in said provisions are concerned, nothing in Section 21.3 of Article XII hereof or in this Article, and particularly nothing in paragraph C of this Section 11.1, shall prohibit or limit, or be construed as prohibiting or limiting any Holder of a Bond from enforcing the duties of the County, or any of the officers thereof, under any provisions of this Ordinance (including, without limiting the generality of the foregoing, the duties imposed by or referred to in Section 12.3 hereof) by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction, even though the failure of the County or any of the officers thereof to perform any such duty may not then constitute an “Event of Default” as defined in this Article.

ARTICLE XII

REMEDIES UPON EVENT OF DEFAULT

Section 12.1 Declaration of Principal and Interest as Due. Upon the occurrence of an Event of Default, and at any time thereafter while such Event of Default continues, then and in each and every case the Custodian/Trustee in its own name and as trustee of an express trust, on behalf and for the benefit and protection of the Holders of all Outstanding Bonds, may proceed, and upon the written request of the Holders of not less than 25% in principal amount of the Bonds then Outstanding, shall proceed to declare the principal of all Bonds then Outstanding, together with all accrued and unpaid interest thereon, if not already due, to be due and payable immediately, and upon any such declaration the same shall become and be due and payable immediately, anything contained in this Ordinance or any Supplemental Ordinance hereto or in any of the Bonds to the contrary notwithstanding. This provision is also subject, however, to the condition that, if at any time after the principal of the Bonds, together with the accrued and unpaid interest thereon and other moneys secured hereby, have been so declared due and payable and before any further action has been taken (other than the making of the above declaration), the principal amount of all Bonds which have matured either according to the maturity date or dates otherwise specified therein (except as a result of such declaration) and all arrears of interest upon all Bonds, except interest accrued but not yet due on said Bonds, have been paid or caused to be paid, and all other Events of Default, if any, which have occurred have been remedied, cured or secured, then and in each and every such case the Holders of 25% in principal amount of the Bonds then Outstanding, by notice in writing delivered to the Custodian/Trustee and the County, may waive such Default and its consequences and rescind and annul such declaration. No such waiver or rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power related to such subsequent Default.

Section 12.2. Appointment of a Receiver. Upon the occurrence of an Event of Default described in paragraphs A and B of Section 11.1 hereof, and at any time thereafter while such default continues, the Custodian/Trustee or the Holders of not less than 25% in principal amount of the Bonds then Outstanding or any custodian/trustee therefor, may apply to a court of competent jurisdiction for the

appointment of a receiver. Any receiver so appointed shall (a) enter into and upon and take possession of the Lower Richland System, to the exclusion of the County if such court so directs; (b) have, hold, use, operate, manage and control the Lower Richland System as such receiver may deem best; and (c) exercise all rights and powers of the County with respect to the Lower Richland System as the County itself may do. In addition, the receiver shall (a) maintain, restore and insure the Lower Richland System and from time to time make all necessary and proper repairs to the Lower Richland System as such receiver may deem expedient; (b) establish, levy, maintain and collect such fees, rentals and other charges in connection with the Lower Richland System as such receiver may deem necessary or proper and reasonable; and (c) collect and receive all revenues, deposit such revenues in a separate account and apply such revenues so collected and received in such manner as the court shall direct.

Notwithstanding anything contained in this Ordinance or the Act, such receiver shall have no power to sell, assign, mortgage or otherwise dispose of any assets of whatever kind or character of the County and useful to the Lower Richland System, other than in the ordinary course of Lower Richland System business.

Section 12.3. Suits at Law or in Equity and Mandamus. In case any one or more of the Events of Default shall happen and be continuing, then and in every such case, but subject to the provisions, limitations and conditions of Sections 12.1 and 12.2 of this Article so far as the remedies provided in said provisions are concerned, the Holder of any Bond at the time Outstanding, or Custodian/Trustee therefor, may, for the equal benefit and protection of all Holders of the Bonds similarly situated,

- (a) by mandamus or other suit, action or proceedings at law or in the equity, enforce such Bondholder's right against the County and require and compel the County to perform and carry out its duties and obligations under the Act and this Ordinance, and to perform and carry out its covenants and agreements with the Bondholders;
- (b) by action or suit in equity require the County to account as if such County were the trustee of an express trust;
- (c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders; or
- (d) bring suit upon the Bonds.

Section 12.4. Remedies Not Exclusive; Effect of Waiver of Default; Effect of Abandonment of Proceedings or Adverse Determination. The Holders from time to time of the Bonds shall be entitled to all the remedies and benefits of this Ordinance as are and as shall be provided by law, and, subject to the provisions of Sections 12.1 and 12.2 of this Article, nothing herein shall be construed to limit the rights or remedies of any such Holders under any applicable statute that may now exist or be enacted thereafter. No remedy conferred by the Act and this Article upon any Holder of any Bond is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by the Act and this Article or by any other law now or hereafter existing. Every substantive right and remedy conferred upon the Holders of the Bonds may be enforced and exercised from time to time and as often as may be deemed expedient.

No waiver of any default or breach of duty or contract by any Holder of any Bond shall extend to or affect any subsequent default or breach of duty or contract, or shall impair any rights or remedies

thereon. No delay or omission of any Holder of a Bond to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.

In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, or shall be determined adversely to Holders of the Bonds then and in every such case, the County and such Holders shall be restored to their former positions and rights and remedies as if no suit, action or proceeding had been brought or taken.

Section 12.5. Restrictions on Bondholder's Action.

A. No Holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Ordinance or the execution of any trust under this Ordinance or for any remedy under this Ordinance unless such Holder shall have previously given to the Custodian/Trustee written notice of the happening of an Event of Default and the Holders of at least twenty-five percent (25%) in principal amount of the Bonds then Outstanding shall have filed a written request with the Custodian/Trustee and shall have offered the Custodian/Trustee reasonable opportunity, either to exercise the powers granted in this Ordinance or by the laws of the State or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Custodian/Trustee adequate security and indemnity against the costs, fees (including reasonable attorneys' fees), expenses and liabilities to be incurred therein or thereby, and the Custodian/Trustee shall have refused to comply with such request for a period of 60 days after receipt by it of such notice, request an offer of indemnity, it being understood and intended that no one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Ordinance, or to enforce any right under this Ordinance, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of this Ordinance shall be instituted, had and maintained in the manner provided in this Ordinance and for the equal benefit of all Holders of the Outstanding Bonds.

B. Nothing in this Ordinance or in the Bonds contained shall affect or impair the obligation of the County, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of (and redemption premium, if any) and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

Section 12.6. Application of Revenues and Other Moneys After Default. During the continuance of an Event of Default, all moneys received by the Custodian/Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings taken in efforts to collect such moneys and of the fees, expenses and advances incurred or made by the Custodian/Trustee with respect thereto, including reasonable attorneys fees, be deposited in the respective Bond and Interest Redemption Funds, and all amounts held by the Custodian/Trustee hereunder shall be applied as follows (provided if more than one Bond and Interest Redemption Fund has been established, such amounts shall be paid ratably):

A. Unless the principal of all Outstanding Bonds shall have become or have been declared due and payable:

First: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds in the order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the

payment thereof ratably, according to the amounts due thereon to the person entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal amounts or redemption premium, if any, of any Bonds which shall have become due (other than Bonds previously called for redemption in accordance with the provisions hereof), whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the principal amounts or redemption premium, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

B. If the principal amounts of all Outstanding Bonds shall have become or have been declared due and payable, to the payment of the principal amounts and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal amounts and interest, to the persons entitled thereto without any discrimination or preference.

C. If the principal amounts of all Outstanding Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal amounts of all Outstanding Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (A) of this Section.

Whenever moneys are to be applied by the Custodian/Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Custodian/Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Custodian/Trustee shall apply such moneys, it shall fix the date (which shall be a Bond payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the principal amounts to be paid on such dates shall cease to accrue. The Custodian/Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Custodian for appropriate endorsement of any partial payment or for cancellation if fully paid.

Whenever all Bonds and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Custodian/Trustee have been paid, any balance remaining shall be paid to the person entitled to receive the same; if no other person shall be entitled thereto, then the balance shall be paid to the County or as a court of competent jurisdiction may direct.

ARTICLE XIII

MISCELLANEOUS

Section 13.1. Benefits of Ordinance Limited to the County, the Custodian/Trustee and Holders of the Bonds. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Ordinance or the Bonds is intended or should be construed to confer upon or give to any person other than the County, the Custodian/Trustee and the Holders of the Bonds, any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Ordinance and all of

the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the County, the Custodian/Trustee and the Holders from time to time of the Bonds as herein and therein provided.

Section 13.2. Ordinance Binding Upon Successors or Assigns of the County. All the terms, provisions, conditions, covenants, warranties and agreements contained in this Ordinance shall be binding upon the successors and assigns of the County and shall inure to the benefit of the Custodian/Trustee, its successors or substitutes in trust and assigns, and the Holders of the Bonds.

Section 13.3. No Personal Liability. No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the County contained in this Ordinance or the Bonds, against any member of the County, any officer or employee, as such, in his or her individual capacity, past, present or future, of the County, either directly or through the County, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly agreed and understood that this Ordinance and the Bonds are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer or employee as such past, present or future, of the County, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the County and the Custodian/Trustee or the Bondholder or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such member, officer and employee is, by the adoption of this Ordinance and the execution of the Bonds, and as a condition of, and as a part of the consideration for, the adoption of this Ordinance and the execution of the Bonds, expressly waived and released. The immunity of members, officers and employees of the County under the provisions contained in this Section 13.3 shall survive the termination of this Ordinance.

Section 13.4. Effect of Saturdays, Sundays and Legal Holidays. Whenever this Ordinance requires any action to be taken on a Saturday, Sunday, legal holiday or bank holiday in the State of South Carolina, such action shall be taken on the first Business Day occurring thereafter. Whenever in this Ordinance the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday, legal holiday or bank holiday, in the State of South Carolina, such time shall continue to run until midnight on the succeeding Business Day.

Section 13.5. Partial Invalidity. If any one or more of the covenants or agreements or portions thereof provided in this Ordinance on the part of the County or the Custodian or any Paying Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and agreements and portions thereof provided in this Ordinance and the invalidity thereof shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds, but the Holders of the Bonds shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

If any provisions of this Ordinance shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because of conflicts with any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstance, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 13.6. Law and Place of Enforcement of Ordinance. This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina and all suits and actions arising out of this Ordinance shall be instituted in a court of competent jurisdiction in said State.

Section 13.7. Effect of Article and Section Headings and Table of Contents. The headings or titles of the several Articles and Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Ordinance.

Section 13.8. Repeal of Inconsistent Ordinances and Resolutions. All ordinances and resolutions of the County, and any part of any ordinance or resolution, inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section 13.9. Effectiveness of Ordinance. This Ordinance shall become effective upon its enactment; provided, however, that it shall not be necessary for the County to establish the funds and accounts created in Article VII hereof prior to the issuance of any Bonds.

Section 13.10. Notices. All notices, certificates, or other communications hereunder or under this Ordinance shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, or given when dispatched by telegram addressed as follows:

Richland County
Post Office Box 192
Columbia, South Carolina 29202-0192
Attn: County Administrator

The County and the Custodian/Trustee, may, by notice given to the other parties, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 12.11. Codification. This Ordinance shall be forthwith codified in the Code of County Ordinances in the manner required by law and the name shall be indexed under the general heading "Ordinance Lower Richland Sewer System Revenue Bonds."

Enacted this ____ day of _____, 2013.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Kelvin Washington, Chairman
Richland County Council

(SEAL)

ATTEST THIS ____ DAY OF

_____, 2013:

Michelle Onley, Interim Clerk to County Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

Date of First Reading:
Date of Second Reading:
Date of Third Reading:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
FIRST SUPPLEMENTAL ORDINANCE NO. _____

AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF A SEWER SYSTEM IMPROVEMENT REVENUE BOND ANTICIPATION NOTE, SERIES 2013 (LOWER RICHLAND SEWER SYSTEM PROJECT PHASE I), OR SUCH OTHER APPROPRIATE SERIES DESIGNATION OF RICHLAND COUNTY, SOUTH CAROLINA, IN AN AMOUNT NOT TO EXCEED \$9,359,000; AUTHORIZING THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS RELATING TO THE NOTE; PROVIDING FOR FORM AND DETAILS OF THE NOTE; PROVIDING FOR THE PAYMENT OF THE NOTE; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

Pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

Section 1. Findings and Determinations. The County Council (the "Council") of Richland County, South Carolina (the "County"), hereby finds and determines:

(a) Pursuant to Section 4-9-10, Code of Laws of South Carolina, 1976, as amended (the "Code"), the Council/Administrator form of government was selected and the Council constitutes the governing body of the County.

(b) In the exercise of the powers vested in the County by the Constitution and statutes of the State of South Carolina, and in conformity with the provisions thereof, the County, pursuant to the favorable results of a referendum heretofore duly held on November 7, 1978, is authorized and empowered to acquire, construct and operate a Sewer system or systems in any of the unincorporated areas of the County.

(c) The Lower Richland System was created pursuant to General Bond Ordinance No. ____ -13HR enacted by the County Council on _____, 2013 and is administered as a division of the Combined Sewer System (as defined in the General Bond Ordinance).

(d) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended, provides that a county may incur indebtedness payable solely from a revenue-producing project which source does not involve revenues from any tax or license.

(e) Title 11, Chapter 17, Code of Laws of South Carolina 1976, as amended ("Title 11"), provides that any borrower (the definition of which includes the County) whenever authorized by general or special law to issue bonds, may, pending the sale and issuance thereof, borrow in anticipation of the receipt of the proceeds of such bonds.

(f) The County has made general provision for the issuance from time to time of Sewer system revenue bonds (the "Bonds") of the County through the enactment of Ordinance No. ____-13HR entitled "An Ordinance Providing For The Issuance Of Lower Richland Sewer System Revenue Bonds Of Richland County, South Carolina" (the "General Bond Ordinance").

(g) The Phase I project involves providing sewer service to the Lower Richland neighborhood, Hopkins Middle School, Hopkins Elementary School, and Franklin Park Subdivision, as well as the acquisition of existing customers on Garners Ferry Road (the "Project").

(j) The total cost of the Project is estimated to be \$12,937,700 to be financed with a loan from the Federal Government in the amount of \$9,359,000, a grant from the Federal Government in the amount of \$2,279,800, tap fee/applicant contribution of \$723,900, and an State Revolving Fund Authority Fund loan in the amount of \$575,000.

(k) The Government will, upon compliance by the County with the terms and conditions set forth in a letter dated January 30, 2013, to the Chairman of the County Council of the County, purchase a sewer system improvement revenue bond of the County in the maximum amount of \$9,359,000.

(l) It is in the best interest of the County to authorize the issuance and sale of a revenue bond pursuant to the Revenue Bond Act for Utilities, the General Bond Ordinance and a Supplemental Ordinance in the principal amount of not exceeding \$9,359,000 for the purpose of defraying a portion of the costs and expenses of the Project.

(m) Pending the issuance and sale of such revenue bond, it is in the best interest of the County to provide for the issuance of a Sewer system improvement revenue bond anticipation note in a principal amount not exceeding \$9,359,000 (the "BAN") in anticipation of the issuance of the aforesaid revenue bond and the receipt of the proceeds thereof.

Section 2. Delegation of Authority. The Council hereby delegates to the County Administrator the authority to offer the BAN by private sale at such time as deemed to be in the best interest of the County and to cause to be prepared and distributed an appropriate Notice of Sale. The County Administrator is hereby authorized and empowered to determine the principal amount of the BAN and to award the sale of the BAN to the bidder whose bid is in the best interest of the County in accordance with the terms of the Notice of Sale for the BAN, provided the net interest cost of the BAN does not exceed 6% per annum.

Section 3. Authorization of Bonds. Pursuant to the provisions of the Revenue Bond Act, there is hereby authorized to be issued, and the Council irrevocably obligates and binds itself to effect the issuance of, a Sewer system improvement revenue bond (the "Bond") of the County in the principal amount of not exceeding \$9,359,000, the proceeds of which will be used to pay the principal of the BAN. Prior to the issuance and sale of the Bond, the Council shall enact an ordinance setting forth the form and details of the Bond, provided such details shall be within the limitations contained in the Revenue Bond Act.

Section 4. Authorization of Bond Anticipation Note. Pending the issuance and delivery of the Bond authorized by Section 3 hereof, and pursuant to the provisions of Title 11, Chapter 17 of the Code, and for the purpose of paying a portion of the cost of the improvements described in Section 1(g) and other costs incidental to the Project including, but without limiting the generality of such costs, engineering, financial and legal fees, there is hereby authorized to be issued the BAN in a principal amount of not exceeding \$9,359,000 in anticipation of the receipt of the proceeds of the Bond.

The BAN shall be in fully-registered form, registered as to principal and interest in the name of the Bank; shall be dated as of the date of its issuance; shall mature not later than twelve (12) months from the date of its issuance; shall be of the denomination of not exceeding \$9,359,000, or such lesser amount as may be paid from time to time for the BAN; and shall bear interest on the respective principal amounts of the BAN advanced to the County from time to time at the rate reflected thereon.

The County shall have the right to prepay the principal of or interest on the BAN in whole without penalty.

Both the principal of and interest on the BAN shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts at such place as may be agreed upon with the Bank. The County shall serve as the Registrar/Paying Agent for the BAN.

If payment for the BAN is made in installments, the amount and date of each payment shall be endorsed on the BAN in the space provided therefor by the County Administrator of the County. Interest shall accrue on the amount paid for the BAN from the date of payment thereof.

The BAN shall be executed on behalf of the County by the manual or facsimile signature of the County Administrator and the corporate seal of the County or a facsimile thereof shall be impressed or reproduced thereon and attested by the Clerk to County Council by his or her manual or facsimile signature.

Section 5. Registration of BAN. The BAN shall be registered as to principal and interest in the name of the registered owner thereof at the office of the Clerk to Council on registry books to be kept for that purpose, after which no transfer of such BAN shall be effectual unless made on said books by the registered holder in person, or by his duly authorized legal attorney.

Section 6. Form of Note. The BAN shall be issued in substantially the form attached hereto as Exhibit A and incorporated herein by reference.

Section 7. Covenants of the County. The County hereby covenants with the Bank as follows:

(a) The County covenants that as long as the BAN shall be outstanding under the provisions of this Ordinance and except as is otherwise permitted in this Ordinance, it will not sell, trade or lease or otherwise dispose of or encumber the Lower Richland System or any part thereof. The County may, however, from time to time, sell or dispose of any property, real or personal, which in the judgment of the Council of the County is no longer necessary or useful or profitable in the operation of the Lower Richland System or necessary to produce and maintain the revenues thereof, or which is to be or has been replaced by other property so as not to impair the operations of the Lower Richland System. Amounts received from such sale or disposition shall be deposited to the credit of the Revenue Fund established in the General Bond Ordinance.

(b) The County covenants that it has not issued, nor will it cause to be issued, any notes or certificates of indebtedness of any type in anticipation of the issuance of the Bond, except the BAN.

(c) The County hereby covenants and agrees with the Bank that it will not take any action which will, or fail to take any action which failure will, cause interest on the BAN to become includable in the gross income of the Bank for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the BAN. The County further covenants and agrees with the Bank that no use of the proceeds of the BAN shall be made which, if such use had been reasonably expected on the date of issue of the BAN, would have caused the BAN to be an "arbitrage bond," as defined in Section 148 of the Code, and to that end the County hereby shall:

(i) comply with the applicable provisions of Sections 103 and 141 through 150 of the Code and any regulations promulgated thereunder so long as the BAN is outstanding;

(ii) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States; and

(iii) make such reports of such information at the time and places required by the Code.

Section 8. Payment of BAN. For the payment of the principal of and interest on the BAN as the same respectively mature, there are hereby pledged the proceeds of the Bond authorized in Section 3 hereof. Title 11 provides that the County may also, at its option, utilize any other funds available therefor for the payment of the principal of and interest on the BAN, and in accordance therewith, the County also hereby pledges the Revenues of the Lower Richland System for the payment of such principal and interest on the BAN.

The proceeds of the BAN shall be applied for the purpose for which the Bond is to be issued. Upon the delivery of the Bond in anticipation of which the BAN is authorized to be issued, a sufficient amount of the proceeds of the Bond shall be applied by the County to meet the payment of the principal of and, to the extent available, interest on the BAN.

Section 9. Tax Exemption. Both the principal of and interest on the BAN shall be exempt, in accordance with the provisions of Section 12-2-50 of the Code of Laws of South Carolina, 1976, from all State, County, municipal, school district, and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise. It should be noted, however, that Section 12-11-20, Code of Laws of South Carolina, 1976, as amended, imposes upon every bank engaged in business in the State of South Carolina a fee or franchise tax computed on the entire net income of such bank which would include interest paid on the BAN to any such bank.

Section 10. Events of Default. The following shall constitute "Events of Default":

(a) If payment of the principal of the BAN is not made after the same has become due and payable; or

(b) If payment of interest on the BAN is not made after the same has become due and payable; or

(c) If the County fails or refuses to comply in any material respect in the due and punctual performance of the covenants, conditions, agreements and provisions contained in the BAN or in this Ordinance, and such failure continues for thirty days (30) after written notice specifying such failure and requiring the same to be remedied has been given to the County by the registered owner of the Note; or

(d) If any order or decree is entered (i) with the consent or acquiescence of the County, appointing a receiver of the Lower Richland System or of any of the revenues of the Lower Richland System (the "Revenues") or other moneys pledged and charged in the Ordinance for the payment of the BAN, or (ii) without the consent or acquiescence of the County, appointing a receiver of the Lower Richland System or any of the Revenues or other moneys pledged and charged in the Ordinance for the payment of the BAN and, in either case, such order or decree having been entered is not vacated or discharged or stayed on appeal within sixty days (60) after the entry thereof; or

(e) If any proceedings are instituted, with the consent or acquiescence of the County, for the purpose of effecting a composition between the County and its creditors and if the claim of such creditors is in any circumstance payable from the Revenues or other monies pledged and charged in the Ordinance for the payment of the BAN, or any such proceedings are instituted for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted; or

(f) If the County is for any reason rendered incapable of fulfilling its obligations hereunder in any material respect.

Nothing in this section shall prohibit the registered owner of the BAN from enforcing the duties of the County by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction, even though the failure of the County to perform any such duty may not then constitute an Event of Default.

Section 11. Remedies Upon Event of Default. Upon the occurrence of an Event of Default and at any time thereafter while such Event of Default continues, the registered owner of the BAN may, upon notice in writing delivered to the County, declare the entire unpaid principal and interest on the BAN, as the case may be, then outstanding due and payable, and thereupon the entire unpaid principal of and interest on such BAN shall immediately be and become immediately due and payable.

The provisions of this Section are subject to the condition that if at any time after the entire principal of the BAN shall have been so declared due and payable and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the County shall pay to, or shall deposit with a trustee for payment to, the registered owner of the BAN a sum sufficient to pay principal on the BAN and interest upon the BAN, then the registered owner of the BAN may, by written notice to the County, rescind and annul such declaration and its consequences. No such rescission and annulment shall, however, extend to or affect any subsequent Event of Default.

Upon the occurrence of an Event of Default, the Bank (in addition to the power granted to it above) may proceed to protect and enforce its rights with respect to the BAN by any suit, action or special proceeding in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable remedy, as the trustee may deem most effective to protect and enforce any of its rights or interests under the BAN.

No waiver of any Event of Default, by the registered owners of the BAN shall extend to or shall affect any subsequent Event of Default or other default or shall impair any rights or remedies consequent thereto.

No delay or omission to exercise any right or power occurring upon any Event of Default or other default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or other default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No remedy conferred upon or reserved to the registered owner of the BAN is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the registered owner of the BAN.

In case the registered owner of the BAN shall have proceeded to enforce any right or exercise any power under this Ordinance and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the registered owner of the BAN, then and in every case the County and the registered owner of the BAN shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the registered owner of the BAN shall continue as if no such proceedings had been taken.

Section 12. Construction Fund. All payments for the Note shall be deposited in a separate special fund of the County to be designated “Richland County Construction Fund (Sewer System Improvements – Lower Richland System), Interim Financing, 2013” (the “Construction Fund”), which fund shall be held by the bank designated by the County. The moneys deposited in the Construction Fund shall be disbursed for and applied to the payment of the costs and expenses of the Project and shall be made in the manner withdrawals from other funds of the County are made and in accordance with applicable rules and regulations of the Government.

The County Administrator is authorized to make disbursements from the Construction Fund to pay the costs and expenses of the Project. As each such payment is made, the County shall furnish the registered owner of the Note with a certificate duly executed by an authorized representative of the engineers for the Project and the County Administrator of the County, certifying that the sums to be paid are to pay costs and expenses incident to the construction of those aspects of the Project which will be reimbursed with the proceeds of the Bond, that such costs and expenses have been duly incurred by reason of work performed or materials furnished, and that no part of the items to be paid have been previously paid. Each certificate shall be approved in writing by an authorized representative of the Government and shall state that the disbursement is to pay costs and expenses of the Project that will be reimbursed with proceeds of the Bond. Copies of such certificates shall be made available, upon request, to the registered owner of the BAN.

Section 13. General Authorization. The County Administrator of the County and the County Attorney are hereby authorized and directed to take any and all such further actions as shall be deemed necessary or desirable in order to effectuate issuance of the BAN and to carry out the intentions of this Ordinance. Council hereby retains McNair Law Firm, P.A., as bond counsel, in connection with the issuance of the BAN.

Section 14. Invalidity of Sections, Paragraphs, Clauses or Provisions. If any section, paragraph, clause or provision of this Ordinance is held invalid or unenforceable under any circumstances, such holding shall not affect the validity or enforceability thereof under other circumstances or the validity or enforceability of this Ordinance as a whole or of any other section, paragraph, clause or provisions of this Ordinance.

Section 15. Repeal of Conflicting Ordinances. All orders, ordinances and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the BAN are, to the extent of such conflict, hereby repealed from and after its passage and approval.

Section 16. Effective Date. This Ordinance shall be in full force and effect from and after its enactment as provided by law.

Enacted this _____ day of September, 2013.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Kelvin Washington, Chairman
Richland County Council

(SEAL)

ATTEST THIS _____ DAY OF

_____, 2013:

Michelle Onley
Interim Clerk to County Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

Date of First Reading:
Date of Second Reading:
Date of Third Reading:

(FORM OF NOTE)

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
RICHLAND COUNTY
SEWER SYSTEM IMPROVEMENT REVENUE
BOND ANTICIPATION NOTE, SERIES 2013
(LOWER RICHLAND PROJECT)

_____, 2010

\$ _____

KNOW ALL MEN BY THESE PRESENTS that Richland County, South Carolina (the "County"), is justly indebted and, for value received, hereby promises to pay to the order of _____ in _____, South Carolina (the "Bank"), or its registered assigns, the principal sum of _____ Dollars (\$ _____), or such lesser amount as has been advanced hereunder as shown on the Certificate of Advances attached hereto, on the Note (unless this Note shall be prepaid at an earlier date). This Note shall bear interest on the principal amounts advanced hereunder as shown on the Certificate of Advances from the date or dates of such advances at the rate of ____% per annum.

Both the principal of and interest on this Note are payable upon presentation and surrender of this Note at the principal office of the Bank, in _____, South Carolina, in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts.

The County shall have the right to prepay this Note in whole without penalty.

This Note is issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Title 11, Chapter 17, Code of Laws of South Carolina, 1976, as amended (the "Act"), General Bond Ordinance No. _____ duly enacted on _____; and Ordinance No. _____ duly enacted on _____ (the "Ordinances"), by the Council of the County, in anticipation of the issuance of a Sewer system improvement bond (the "Bond") to be issued by the County pursuant to Title 6, Chapter 21, Code of Laws of South Carolina, 1976, as amended. The proceeds of this Note shall be used, pending issuance of the Bond, to provide funds to defray a portion of the costs of the Project (as defined in the Ordinances).

This Note is payable, both as to principal and interest, from the proceeds of the Bond. This Note is a special obligation of the County, and there is hereby pledged to the payment of the principal hereof and interest hereon the proceeds of the Bond. The Act provides that the County may also, at its option, utilize any other funds available therefor for the payment of the principal of and interest on this Note, and in accordance therewith the County also hereby pledges the revenues of the Lower Richland System for the payment of such principal and interest.

This Note has been initially registered in the name of the Bank as to principal and interest at the office of the County on registry books to be kept for such purpose, such registration to be noted hereon. After such registration, the principal of and interest on this Note shall be payable only to the registered owner hereof. No transfer shall be valid unless made on such books by the registered owner, or by its legal representative, and similarly noted on this Note.

This Note and the interest hereon are exempt from all State, County , municipal, school district, and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise. It should be noted, however, that Section 12-11-20, Code of Laws of South Carolina, 1976, as amended, imposes upon every bank engaged in business in the State of South Carolina a fee or franchise tax computed on the entire net income of such bank which would include any interest paid on this Note to any such bank.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen, and to be performed precedent to or in the issuance of this Note exist, have happened and have been done and performed in regular and due time, form and manner as required by law, and that the County has irrevocably obligated itself to issue and sell, prior to the stated maturity hereof, the Bond in anticipation of which this Note is issued.

In witness whereof, Richland County, South Carolina, has caused this Note to be executed in its name by the manual or facsimile signature of the County Supervisor and Chairman of County Council and attested by the manual or facsimile signature of the Clerk to County Council under the seal of the County.

RICHLAND
COUNTY, SOUTH CAROLINA

Chairman, County Council

(SEAL)

ATTEST:

Clerk to County Council

REGISTRATION

This Note has been registered in the name of _____ in _____, South Carolina, on registry books kept by Richland County, South Carolina.

Dated this _____ day of _____, 2013.

Clerk to County
Council, Richland County,
South Carolina



United States Department of Agriculture
Rural Development
State Office
Columbia, South Carolina

DRAFT

Richland County
Mr. Kelvin Washington, Chairman
2020 Hampton Street
Columbia, SC 29202

Dear Mr. Washington:

This letter will establish conditions which you must understand and agree to before further consideration may be given to your application. The State and Area staff of USDA, Rural Development (RD) will administer the loan and grant on behalf of the Rural Utilities Service (RUS). You must report any changes in project cost, source of funds, scope of services, or any other significant changes in the project to USDA, Rural Development for review and approval. A written amendment to this letter will be prepared for any changes approved. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

The scope of the project consists of the Lower Richland County Sewer System Project Phase I. This Phase includes providing sewer service to the Lower Richland neighborhood, Hopkins Middle School, and Hopkins Elementary School, Franklin Park Subdivision, as well as the acquisitions of existing customers on Garners Ferry Road. Wastewater will be transported for treatment at the County's Wateree WWTF.

This letter is not to be considered as loan approval or as representation to the availability of funds. The RD proposed funding is not to exceed \$9,359,000 of loan funds and \$2,279,800 of grant funds.

You may be required to refinance (graduate) the unpaid balance of its RD loan, in whole or in part, upon the request of RD if at any time it shall be determined the authority is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time.

Extra copies of this letter are being provided for use by your engineer, attorney, bond counsel and accountant. All parties may access our web-site located at www.usda.gov/rus/water/ for the following:

- a. RD Instruction 1780
- b. RUS Bulletin 1780-13, "Agreement Between Owner and Contractor"
- c. RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Standard Documents on Water and Waste Projects with RUS Financial Assistance"

Strom Thurmond Federal Building • 1835 Assembly Street • Suite 1007 • Columbia, SC 29201
Phone: (803) 765-5163 • Fax: (803) 765-5633 • TDD: (803) 765-5697 • Web: <http://www.rurdev.usda.gov/sc>

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).

- d. RUS Bulletin 1780-30, "Water Programs Audit Guide and Compliance Supplement"
- e. RUS Bulletin 1780-31, "Water Programs Compliance Supplement For OMB Circular A-133 Audits"

The enclosures listed below are attached to your copy of this letter as noted. Enclosed are the following:

Form RD 442-7 - "Operating Budget"
Government Auditing Standards (Revision 2007) available on line at
<http://www.gao.gov/govaud/ybk01.htm>
Form RD 442-3, "Balance Sheet"
Form RD 442-2, "Statement of Budget, Income and Equity" (Accountant
Copy for all three of these attachments)

The conditions referred to above are as follows:

1. **Project Budget** – Funding from all sources has been budgeted for the estimated expenditures as follows:

Project Costs:

Construction	\$9,481,700
Legal Fees	25,000
Basic	\$587,900
Insp.	\$275,000
Engineering Fees (Total)	862,900
Land & Rights	92,000
City of Columbia Fees	845,600
Interest	682,300
Project Contingency	948,200
TOTALS	\$12,937,700

2. **Project Funds** - The project funding is planned in the form of a loan and grant from the following sources and amounts:

<u>Project Funding Source:</u>	<u>Funding Amount:</u>
RD Loan	\$9,359,000
RD Grant	\$2,279,800
Tap Fee/Applicant Contribution	\$ 723,900
Other Fund(SRF Loan)	\$ 575,000
Total Project Funding (All Sources):	\$12,937,700

Any changes in funding sources following obligation of RD funds must be reported to the processing official. You must assure that all project funds are

expended only for the eligible items included in the project budget of this letter of conditions or as amended by RD in writing at a later date.

Any applicant contribution shall be considered as the first funds expended, unless other funding are not available at the start of project construction, other funds can be prorated and/or used when funding becomes available during the construction period. After providing for all authorized costs, any remaining RD project funds will be considered to be RD grant funds and refunded to RD. If the amount of unused RD project funds exceeds the RD grant, that part would be RD loan funds and applied as an extra payment.

Prior to advertisement for construction bids, you must provide evidence of applicant contributions and approval of the other funds. This evidence should include a copy of any other funds awarded. An agreement should be reached with all funding sources on how funds are to be disbursed before the start of construction.

3. **Disbursement of Funds** - The RD funds or interim financing will be advanced as they are needed in the amount(s) necessary to cover the RD proportionate share of any disbursements required of your entity, over 30 day periods. Funds will be disbursed by electronic transfer of funds. Interim financing will be used for the RD loan if it is available at reasonable rates and terms. You must provide RD with a copy of the tentative agreement reached in connection with interim financing for review and approval.

You must establish a separate fund, to be known and hereafter referred to as the Construction Account, with a participating 31 CFR Part 202 collateral depository, federal agency, or Federal Reserve Bank acting as a fiscal agent in the United States. All project funds will be deposited into this account. The account shall be used solely for the purpose of paying authorized costs of the project as outlined in the project budget. Once the funds are deposited into the construction account, they become your responsibility. Financial institutions or depositories accepting deposits of public funds and providing other financial agency services to the Federal Government are required to pledge adequate, acceptable securities as collateral. General requirements for designating depositories and regulations governing the pledging of collateral are identified in 31 CFR Part 202 (“Depositaries and Financial Agents of the Federal Government”). Treasury’s current acceptability and valuation requirements are identified in 31 CFR Part 380 (“Collateral Acceptability and Valuation”) and specific eligibility and valuation guidance is provided in Treasury’s procedural instructions and on Treasury’s Bureau of the Public Debt website at www.publicdebt.treas.gov. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the Construction Account at any one time.

Any RD grant funds not disbursed immediately upon receipt must be deposited in an interest bearing account except as follows:

- a. Federal grant awards (includes all federal funding sources) are less than \$120,000 per year.
- b. The best available interest bearing account would not be expected to earn in excess of the following:

Public Bodies

Interest earned on grant funds in excess of \$100 per year will be submitted to RD at least quarterly as required in 7CFR3016.

- c. The depository would require a minimum balance so high that it would not be feasible.

4. **Security** – (Revenue Bonds - Public Body) The loan will be evidenced by a waterworks and Sewer System Improvement Bond secured by a pledge of revenue and a statutory lien on the waterworks and sewer system. The pledge of water and sewer revenue and the statutory lien on the waterworks and sewer system will be on parity with the bonds previously issued to Rural Development.

A pledge of the system's revenues and other agreements between you and RD as set forth in the bond ordinance. Additional security requirements are contained in RUS Bulletin 1780-12 and RUS Bulletin 1780-27 which are mentioned later.

The services of a recognized bond counsel are required. The bond counsel will prepare the form of ordinance to be used, in accordance with Subpart D of RUS Instruction 1780. You should immediately provide your bond counsel with a copy of this letter of conditions and its enclosures.

5. **Loan Repayment** – (Monthly Installments) The loan will be scheduled for repayment over a period of 40 years. The payments due the first 2 year(s) will consist of interest only. Payments for the remaining 38 years will be equal amortized monthly installments. For planning purposes use a 2.50% interest rate and a monthly amortization factor of 3.40, which provides for a monthly payment of \$31,821.

The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing, whichever is less, unless you choose otherwise. Should the interest rate be reduced, the payment will be recalculated to the lower amount. The payment due date will be established as the day that the loan closes, but no later than the 28th of each month. Interest only payments during the 24 month deferral period will be advanced to you from the RD loan project funds as agreed to by RD.

You will be required to complete SF-5510, Authorization Agreement for Preauthorized Payments, if you participate for all new and existing indebtedness to RD. It will allow for your payment to be electronically debited from your account on the day your payment is due.

6. **Reserves** – Reserves must be properly budgeted to maintain the financial viability of any operation. Reserves are important to fund unanticipated emergency maintenance and repairs, and assist with debt service should the need arise. Reserves can also be established and maintained for the anticipated and expected expenses including but not limited to operation and maintenance, customer deposits, and depreciation of short-lived assets.

It has been determined as part of this funding proposal that you have sufficient funds to establish reserves for the following purposes and amounts:

Operation and Maintenance	\$ 82,181
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As a part of this RD loan proposal you must establish and fund monthly a debt service reserve fund equal to 10% of the monthly payment each month over the life of the loan until you accumulate one annual installment. This reserve is required to establish an emergency fund for maintenance and repairs and debt repayment should the need arise. Ten percent of the proposed loan installment would equal \$3,183.00 per month.

7. **Users** – This letter of conditions is based upon you providing evidence or a certification that there will be at least 1,197 bona fide residential equivalent users (REUs) on the existing system when construction has been completed. If a number less than 1,197 is certified, Richland County shall adjust user rates to provide an equivalent revenue to match that which would be provided by 1,197 REUs at the initial user rate as established in the proposed rate schedule below. Evidence or certification must be provided on the final number of bona fide REUs and the associated final user fee when construction is complete.

Before RD can agree to the project being advertised for construction bids, you must provide evidence or a certification of the total number of bona fide users are currently using the system or signed up to use the system. You must provide evidence or a certification to show those users will actually be connected to the system when the project is completed and that the monthly sewage volume projected for each by the engineer is reasonable. In the event any of the large volume users discontinue the offered service, you must obtain enough additional revenue (i.e., increase in user rates, sign up of an adequate number of other users, reduction in project scope to reduce debt service and O&M, etc.) to make up the projected income that would be lost by not having those users on the system.

8. Proposed Rate Schedule:

Users and Rate Schedule: Before the loan and grant can be closed, you must provide that Richland County has 1,197 REUs signed up for connection to the system when construction is complete or that action has been taken to adjust the monthly user fee to produce an equivalent revenue with a lesser number of REUs. The users are as follows:

	Residential	Commercial	Bulk
Sewer	1187	8	2

With 1,197 REUs signed up, the initial monthly user fee shall be established at \$37.60 per REU. If a number less than 1,197 is certified, Richland County shall adjust user rates to provide equivalent revenue to match that which would be provided by 1,197 REUs at the initial monthly user fee rate of \$37.60. The County must always maintain a rate schedule that provides adequate revenue to meet the requirements of operation and maintenance, debt service, reserves, short lived assets and fund contingency and depreciation accounts.

9. **Income Available** – You must maintain a rate schedule that provides adequate income to meet the minimum requirements for operation and maintenance, debt service, and reserves.

10. **Delayed Payment Penalty**

An enforceable use agreement with a penalty clause and reconnection charges are required except for users presently receiving service or where mandatory use of the system is required. RUS Bulletin 1780-9 can be used.

11. **Operation and Maintenance Expenses** – O&M expenses must be properly budgeted to determine the financial viability of any operation. For planning purposes, we have projected O&M expenses based on the information provided in the preliminary engineering report and other financial information provided which should be representative of a typical year. This information is utilized to determine loan repayment and is reflected in the operating budget. It is expected that O&M will change over each successive year and user rates will need to be adjusted for the need.

12. **Proposed Operating Budget and User Rate Structure** - You will be required to submit a copy of your proposed annual operating budget and rate analysis to this office which supports the proposed loan repayment prior to loan approval and updated to current status prior to this agency giving you written authorization to proceed with the bidding phase. The operating budget should be based on a typical year cash flow subject to completion of this project in the first full year of operation. The rate analysis will be required to show the number of users, their

average consumption based on a twelve month consecutive average, and rate structure to support the necessary revenue to make the operating budget cash flow. Form RD 442-7 - "Operating Budget", or similar form may be utilized for this purpose. Separate budgets should be prepared for your water and sewer systems.

13. **Insurance and Bonding Requirements** - Prior to loan closing or start of construction, whichever occurs first, you must acquire the types of insurance and bond coverage shown below. The use of deductibles may be allowed providing you have the financial resources to cover potential claims requiring payment of the deductible. RD strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of RD to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained.
- a. General Liability Insurance – Include vehicular coverage.
 - b. Workers' Compensation - In accordance with appropriate State laws.
 - c. Position Fidelity Bond(s) - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. You should have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The minimum coverage acceptable to RD will be for each position to be bonded for an amount at least equal to one annual installment on your loan(s). The coverage may be increased during construction of this project based on the anticipated monthly advances. The amount of coverage should be discussed and approved by RD.
 - d. National Flood Insurance - In addition to meeting the requirements for the type of assistance requested, the following requirements must be met for financial assistance for acquisition and/or construction in designated special flood or mudslide prone areas:
 - (1) If flood insurance is available, you must purchase a flood insurance policy at the time of loan closing.
 - (2) Applicants whose buildings, machinery or equipment are to be located in a community which has been notified as having special flood or mudslide prone areas will not receive financial assistance where flood insurance is not available.
 - e. Real Property Insurance – Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines and other structures if such structures are not normally insured and subsurface lift stations except for the value of electrical and pumping equipment. Prior to the acceptance of the

facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.

- 14. Accounting Services** - If you have both water and sewer facilities you should maintain accounting records in such a manner that will allow the operation of each to be reported separately. You may be required to obtain the services of an independent licensed Certified Public Accountant (CPA). When permitted by state statutes or with the approval of RD, a state or Federal auditor may perform the audit in lieu of a CPA. A CPA will be considered independent if the CPA:
- a. Meets the standards for independence contained in the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct in effect at the time the CPA's independence is under review;
 - b. Does not have any direct financial interest or any material indirect financial interest in the borrower during the period covered by the audit; and
 - c. Is not, during the period of the audit, connected with the borrower as a promoter, underwriter, trustee, director, officer or employee.

Audit Agreement: You must enter into a written audit agreement with the auditor and submit a copy to RD prior to advertisement of bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the following:

1. A statement that the auditor will perform and document the audit work in accordance with Generally Accepted Government Auditing Standards, (GAGAS), as outlined in the attached booklet, "Government Auditing Standards (Revised 1994)", and the professional standards of the AICPA;
2. A statement that the auditor will submit the completed audit and accompanying letters to your governing body 30 days prior to the date the audit is due to RD;
3. A statement that the auditor will make all audit-related documents, including work papers, available to RD or its representatives, upon request; and
4. A statement that the auditor will immediately report, in writing, all irregularities and illegal acts to your governing body and the Agency.

Prior to the advertisement for bids, your accountant must certify to you and RD that the accounts and records as required by your bond [resolution] [ordinance] have been established and are operational.

Quality Review Requirement: As required by GAGAS, the auditor must belong to and participate in an external quality review program and provide you with a copy of the most recent quality review report. These reviews are performed every 3 years by an independent organization to determine if the auditor is following established audit procedures and applicable auditing standards.

Audit Requirements: The following management data will be required from you on an annual basis and be submitted to RD as specified below:

1. A borrower that expends \$500,000 or more in Federal financial assistance per fiscal year shall submit an audit performed in accordance with the requirements of OMB Circular A-133. As described above, the total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Projects financed with interim financing are considered federal expenditures. OMB Circular A-133 audits shall be submitted no later than 9 months after the end of the fiscal year. In addition to submitting two (2) copies of the audit report to RD, the borrower is also required to submit copies of OMB Circular A-133 audits, accompanying audit letters (the “reporting package”), and the Data Collection Form to the Federal clearinghouse designated by OMB to retain as an archival copy. The Federal clearinghouse address is: Federal Audit Clearinghouse, Bureau of the Census, 1201 E. 10th Street, Jeffersonville, Indiana 47132. RUS Bulletin 1780-31, outlines the requirements of OMB Circular A-133 audits.
2. A borrower that expends less than \$500,000 in Federal financial assistance per fiscal year and an outstanding RUS loan balance of \$1,000,000 or more, shall submit an audit performed in accordance with Water and Waste audit requirements (i.e., a GAGAS audit). These audits shall be submitted to RD no later than 150 days after the end of the fiscal year. Two (2) copies of the audit report are required by RD. An audit performed in accordance with Water and Waste audit requirements should not be submitted to the Federal clearinghouse. RUS Bulletin 1780-30, outlines the requirements for Water Programs Audits.
3. A borrower that expends less than \$500,000 in Federal financial assistance per fiscal year and has an outstanding RD loan balance of less than \$1,000,000 may submit a management report in lieu of an audit report unless notified by RD otherwise. Management reports shall be submitted to RD no later than 60 days after the end of the fiscal year. A year-end management report shall consist of: Form RD 442-3, “Balance Sheet”, and Form RD 442-2, “Statement of Budget, Income and Equity”, or forms that provide the information in a similar format. Form RD 442-2 should have Schedule 1, all Columns completed on page 1, and page 2. Schedule 2 is not required for year end reports. An annual audit report must be submitted in lieu of Forms RD 442-2 and 442-3. The audit report must be submitted no later than 150 days after the end of the borrower’s fiscal year.

Compensation for preparation of the A-133 audit or your annual audit is not included in project funds and should be paid from the operational revenues generated from your system operation.

Annual Budget and Projected Cash Flow: Thirty days prior to the beginning of each fiscal year, you will be required to submit an annual budget and projected

cash flow to this office. You should submit two copies of Form RD 442-2, Statement of Budget, Income and Equity, Schedule 1, page 1; and Schedule 2, Projected Cash Flow. The only data required at this time on Schedule 1, page 1, is Columns 2 & 3. All of Schedule 1, page 2 and Schedule 2, Projected Cash Flow will be required. With the submission of the annual budget, you will be required to provide a current rate schedule, a current listing of the Board or Counsel members and terms.

15. **Legal Services** – You must obtain a legal services agreement with your attorney for providing legal services for your project. It is suggested that Rural Development guides be used in preparing this agreement. It is also suggested that ten percent of the cost be retained until the loan is closed and construction of the project is complete. This agreement is subject to the approval of the Rural Development Community Programs Director.

Prior to loan and grant closing, the attorney must provide this office with a certification as to judgments and/or litigation of the County. A similar certification must also be furnished Rural Development for each advance of loan funds from the Finance Office and before loan and grant closing instructions can be issued.

The closing instructions for this loan and grant will be issued by the approving official and the Office of the General Counsel of the Department of Agriculture. A determination that loan and grant closing instructions can be met must be made prior to loan and grant closing or the issuance of a commitment for interim financing.

A preliminary title search shall be made by your attorney to determine that the County will have fee simple title to properties on which its sewer system is located. After the loan and grant are closed, a final title opinion shall be prepared by your attorney indicating that the County does have fee simple title to these properties. These opinions are to be recorded on Forms RD 1927-9 and 1927-10.

Your documents concerning the creation and legal existence of your entity are administratively acceptable; however, the documents will be reviewed further by our Office of the General Counsel at the time your file is forwarded for closing instructions. Any changes required by our Office of the General Counsel will be included in the closing instructions.

16. **Property Rights** - Prior to advertisement for construction bids, you must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Relocation and Real Property Acquisition Act. Such evidence must be in the following form:

- a. Evidence of adequate, continuous, and valid rights-of-way must be provided as follows:
 1. Form RD 442-21, "Right-of-Way Certificate," with two copies of right-of-way map attached.
 2. Form RD 442-22, "Opinion of Counsel Relative to Right-of-Way."
 3. A right-of-way map showing the location of all structures, pipelines, ditches, etc. The map should show that rights-of-way are continuous, and any rights-of-way acquired by use or adverse possession will be shown by some distinctive color. This map will bear the written signatures of the "Applicant's representative" and "Applicant's engineer."
- b. Preliminary Title Work - A copy of deeds, contracts or options for any lands needed other than rights-of-way, along with a preliminary title opinion covering such lands. A separate Form RD 1927-9, "Preliminary Title Opinion" may be used for each property to be acquired.

In the case of your existing system or where you have already acquired real property (land or facilities), a preliminary title opinion(s) concerning all such property(s) will be provided.

A narrative opinion from your attorney concerning all permits, certificates, licenses and other items necessary to show that all legal requirements can be met and stating how they will be met.

- c. Final Title Work - On the day of loan closing, your attorney must furnish a separate final title opinion on all existing land(s) and those to be acquired on the day of loan closing. Form RD 1927-10, "Final Title Opinion" Form RD 442-21 "Right-of-Way Certification" should be used with two copies of the right of way map attached.

A certification and legal opinion relative to title to rights-of-way and easements. Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way," should be used. This form must be provided showing no exceptions.

17. **Engineering Services** – RD must approve any agreements or modifications to agreements for professional design services.
18. **Resident Inspector** – Resident inspection is required for this project in accordance with the RD approved engineering agreement. This service is to be provided by the consulting engineer or other arrangements as approved by RD. Prior to the pre-construction conference, a resume of qualifications of the resident inspector(s) will be submitted to the owner and RD for review and approval. The owner will provide a letter of acceptance for all proposed inspectors to the

engineer and RD. The resident inspector(s) must also attend the pre-construction conference.

19. Environmental Requirements

- a. Mitigation - At the conclusion of the proposal's environmental review process, specific actions were negotiated with environmental regulatory officials to avoid or minimize adverse environmental impacts. The following list of action(s) are required for successful completion of the project and must be adhered to during project design and construction:

Mitigation for Land Use/Important Farmlands/Formally Classified Lands

Land Use / Important Farmland. The gravity sewers and force mains will be buried immediately upon completion of installation. Every effort will be made to complete the installation of the facilities in a timely manner to minimize the temporary impacts during installation. Construction of the facilities along the roadway rights-of-way will require Encroachment Permits from the South Carolina Department of Transportation (SCDOT) and the Richland County Roads Department. The encroachment permits should have conditions and restrictions that will lessen temporary impacts. This will be required in and enforced through the contractor's contract documents.

Richland County Planning and Development Services Department has in place a land development review process to ensure the zoning regulations are complied with. No building or other structure shall be erected, moved, added to, or structurally altered without a land development permit being issued by the County. In addition, a land development permit is also required for expansions of existing uses as well as for a change of use. Therefore any potential indirect and cumulative impacts discussed above will be addressed. Portions of the Richland County Land Development Code which address zoning are included in the Maps/Exhibits Section. Included are copies of the zoning maps with the project highlighted, "Article V. Zoning Districts and District Standards," Sec. 26-86. RU Rural District, and "Table 26-V-2 Table of Permitted Uses, Permitted Uses with Special Requirements, and Special Exceptions."

Formally classified lands. Installations under streams will be installed by boring and other best management practices will be utilized during construction to minimize possible erosion and sedimentation that has the potential to impact Congaree National Park. These practices include, but are not limited to, utilizing silt fencing and straw bales to prevent siltation, backfilling trenches with the topsoil originally removed from the trenched area, returning the elevation to the pre-existing grade, and re-establishing vegetation as quickly as is feasible after construction. Every effort will be made to complete the installations of the sewers and force mains in a timely manner to minimize the impact. This will be required in and enforced through the contractor's contract documents.

Richland County Planning and Development Services Department has in place a land development review process to ensure the zoning regulations are complied with.

Wild and Scenic Rivers / Nationwide Rivers Inventory

The increased volume of effluent discharge to the Wateree River will require revision of the current NPDES permit; a process overseen by the South Carolina Department of Health and Environmental Control (SCDHEC). The National Park Service staff at the Congaree National Park must be provided the opportunity to view the environmental document and they reserve the option/right to comment on the NPDES permit through SCDHEC. When environmental assessment is reviewed and a Notice of Availability issued, Congaree National Park must be contacted regarding the availability.

The expansion of the treatment facility will be designed to meet regulatory requirements and will also have to be permitted by SCDHEC prior to construction. Once in operation the effluent will be monitored by SCDHEC which will also conduct annual inspections of the facility. Any violations of limits will be addressed through the existing SCDHEC enforcement program to ensure that any and all problems are corrected.

The replacement of the various existing discharges and malfunctioning septic tanks with a newly upgraded treatment facility designed to meet current requirements will improve the overall water quality in the region. Mitigation should not be required because the discharge will result in a net improvement of water quality in the region.

Richland County Planning and Development Services Department has in place a land development review process to ensure the zoning regulations are complied with.

Mitigation for Floodplains

To prevent possible erosion and sedimentation during construction, best management practices will be utilized to minimize temporary impacts. These practices include but are not limited to, utilizing silt fencing and straw bales to prevent siltation, backfilling trenches with the topsoil originally removed from the trenched area, returning the elevation to the pre-existing grade, and re-establishing vegetation as quickly as is feasible after construction. Every effort will be made to complete the installations of the sewers and force mains in a timely manner to minimize the impact. These practices and actions will be required in and enforced through the contractor's contract documents.

Richland County Planning and Development Services Department has in place a land development review process to ensure the regulations are complied with. No building or other structure shall be erected, moved, added to, or structurally altered without a land development permit being issued by the County. In addition, a land development permit is also required for expansions of existing uses as well as for a change of use. Therefore any potential indirect and cumulative impacts discussed above will be addressed. The Land Development Code requires that a floodplain development permit be requested for any development activities in the FP Overlay District to ensure compliance with all regulations concerning floodplain development. The County flood coordinator reviews all applications for floodplain development permits for danger to life, damage to property, safe access, among other considerations. A land disturbance permit will be required for all development and will not be issued until an approved SWPPP for the work is in place.

Mitigation for Wetlands

To avoid direct impacts on wetlands, the pipelines will be bored under the stream crossings and wetlands adjacent to existing roadways. Determination of the limits of the

wetlands will be accomplished and drawings showing the locations of bore entrance and exit points will be provided to the USACE to allow a final determination of the necessity of permitting to be made. A complete Jurisdictional Determination package will be submitted to the USACE during design.

To prevent possible erosion and sedimentation during construction, best management practices will be utilized to minimize impacts. These practices include but are not limited to, utilizing silt fencing and straw bales to prevent siltation, backfilling trenches with the topsoil originally removed from the trenched area, returning the elevation to the pre-existing grade, and re-establishing vegetation as quickly as is feasible after construction. Every effort will be made to complete the installations of the force mains in a timely manner to minimize the impact. These practices and actions will be required in and enforced through the contractor's contract documents.

Richland County Planning and Development Services Department has in place a land development review process to ensure the regulations are complied with. No building or other structure shall be erected, moved, added to, or structurally altered without a land development permit being issued by the County. In addition, a land development permit is also required for expansions of existing uses as well as for a change of use. Therefore any potential indirect and cumulative impacts discussed above will be addressed. The Land Development Code requires that all submissions for SWPPP approval include wetlands maps and that all sediment and erosion control plans show locations of all waters of the U.S. and State (including wetlands). The County reviews all submittals to ensure requirements are met before approval. A land disturbance permit will be required for all development and will not be issued until an approved SWPPP for the work is in place.

Mitigation for Cultural Resources

The contracts will specify that if any previously unknown cultural and/or historical resources are located during construction, all construction activities in the immediate and adjacent areas will cease immediately and the proper authorities will be notified. The authorities to be notified will be the SHPO, Rural Development, all three Tribal Contacts, and Richland County. Construction in the area will not resume until concurrence is obtained from these entities.

Mitigation for Water Quality Issues

To prevent possible erosion and siltation during construction, Best Management Practices will be utilized to minimize impacts. These practices include but are not limited to, utilizing silt fencing and straw bales to prevent siltation, backfilling trenches with the topsoil originally removed from the trenched area, returning the elevation to the pre-existing grade, and re-establishing vegetation as quickly as is feasible after construction. Every effort will be made to complete the installations of the facilities in a timely manner to minimize impacts. These practices and actions will be required in and enforced through the contractor's contract documents.

Mitigation for Air Quality

There may be temporary impacts due to the emissions of heavy equipment during construction. Every effort will be made to complete construction in a timely manner to minimize these impacts. Fugitive dust may be controlled by application of water from appropriate spray devices. Contractors will be required to control fugitive dust if construction occurs during dry periods. Construction and installation of the force mains along the roadway rights-of-way will require encroachment permits from the South Carolina Department of Transportation (SCDOT) and Richland County. The encroachment permits should have conditions and restrictions that should address safety issues from dust clouds. Compliance with these conditions and restrictions will be required in and enforced through the contractor's contract documents.

Mitigation for Solid and Hazardous Waste

Contractors will be required to dispose of solid waste in a manner that meets all state and federal requirements. This will be required in and enforced through the contractor's contract documents.

Mitigation for Transportation

Installation of the sewers and force mains will be conducted in as quick and as efficient a manner as possible to minimize the time of impact to transportation. Construction and installation of the facilities along the roadway rights-of-way will require encroachment permits from the South Carolina Department of Transportation (SCDOT) and Richland County. The encroachment permits should have conditions and restrictions that should address issues such as obstruction of traffic.

Mitigation for Noise

Construction and installation of the gravity sewers and force mains along the roadway rights-of-way will require encroachment permits from the South Carolina Department of Transportation (SCDOT) and Richland County. The encroachment permits should have conditions and restrictions that address issues such as noise. Such restrictions could include limiting construction to daylight hours, limiting construction to weekdays, and using appropriate sound reduction devices such as mufflers on all equipment for which such devices are intended to be used. Other mitigation will not be required because impacts will be minimal and temporary. Compliance with these conditions and restrictions will be required in and enforced through the contractor's contract documents.

- b. Project Modifications – The project as proposed has been evaluated to be consistent with all applicable environmental requirements. If the project or any project element deviates from or is modified from the original approved project, additional environmental review may be required.

**20. Vulnerability Assessment and Emergency Response Plans
Requirements serving populations less than 3300:**

The Public Health Security and Bioterrorism Preparedness and Response Act of 2002, Public Law 107-188 (Bioterrorism Act) amended the Safe Drinking Water Act (SDWA) to require all medium-sized and large-sized community water systems (serving populations greater than 3300) to assess vulnerability to terrorist attack and develop emergency plans for and response to such attacks. The Environmental Protection Agency (EPA) maintains responsibility for vulnerability assessments (VAs) and emergency response plans (ERPs) under the Bioterrorism Act. Rural Development (RD) and EPA share the objective of ensuring safe, reliable and affordable drinking water and wastewater for residents of rural areas. Protection of rural America's water and wastewater systems will be enhanced through the implementation of the RD Water and Environmental Program Homeland Security Initiative. RD will assist systems, especially those servicing populations of less than 3300, in completing VAs and ERPs. The County will provide Rural Development with the certifications on VA and ERP or other documentation that the system has taken appropriate steps to ensure public safety. The VA and ERP should not be offered and will not be accepted by Rural Development.

21. **Civil Rights & Equal Opportunity** - You should be aware of and will be required to comply with other federal statute requirements including but not limited to:

Section 504 of the Rehabilitation Act of 1973 – Under section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving RD financial assistance.

Civil Rights Act of 1964 – All borrowers are subject to, and facilities must be operated in accordance with, title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*) and subpart E of part 1901 of this title, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by paragraph 1901.202(e) of this title.

Prior to the closing of the loan and grant or the beginning of construction, whichever occurs first, it will be necessary that our Rural Development Area Office conduct a user certification and compliance review. The user Certification will include the review of the user agreements, collected tap fees and service declination statements. Your office's full cooperation will be necessary in accomplishing this certification and review. At the time of the review, it will be necessary for your office to furnish to the representative of the Rural Development Area Office evidence that the County has the users and has adopted the rate schedules required in item #8 of this letter. During the review, the representative of the Rural Development Area Office will complete and execute Form RD 400-8, "Compliance Review." So as to assist the Rural Development

Area Office with the Compliance Review, you will need to have available a **numerical breakdown** of your required users into the following categories:

- | | |
|---|---|
| <p>RESIDENTIAL USERS
<u>Ethnicity:</u>
<input type="checkbox"/> Hispanic or Latino
<input type="checkbox"/> Not Hispanic or Latino
<u>Race:</u>
<input type="checkbox"/> White
<input type="checkbox"/> Black or African American
<input type="checkbox"/> American Indian or Alaskan Native
<input type="checkbox"/> Native Hawaiian or Other Pacific Islander
<input type="checkbox"/> Asian</p> | <p><input type="checkbox"/> COMMERCIAL USERS</p> <p><input type="checkbox"/> INDUSTRIAL USERS</p> |
|---|---|

The same breakdown data will be needed for applications of persons wishing to become users and for the County's water/sewer employees and Board.

The nondiscrimination poster, "And Justice For All," is to be displayed at your offices and facilities.

The Americans with Disabilities Act (ADA) of 1990 – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications. Title II of the Act applies to facilities operated by State and local public entities which provides services, programs and activities. Title III of the Act applies to facilities owned, leased, or operated by private entities which accommodate the public.

Age Discrimination Act of 1975 – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

RD financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap.

22. **Permits** - Copies of all permits needed for the project must be provided for review prior to advertisement for construction bids. Such permits may include but are not limited to the following:
 - SC Department of Health and Environmental Control
 - Corps of Engineers

23. **Contract Documents, Final Plans and Specifications**
 - a. The contract documents should consist of the EJCDC Construction Documents as indicated in RUS Bulletin 1780-26 or other approved form of

agreement.

- b. The contract documents and final plans and specifications must be submitted to RD for approval.
 - c. The project must be designed in compliance with Section 504 of the Rehabilitation Act of 1973.
24. **Bid Authorization** - Once all the conditions outlined in this letter have been met, RD may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide RD with (a) bid tabulation, and (b) your engineer's evaluation of bids and recommendations for contract awards. If RD agrees that the construction bids received are acceptable, adequate funds are available to cover the total project costs, and all the administrative conditions of loan approval have been satisfied, loan closing instructions will be issued to you setting forth any further requirements that must be met before the loan can be closed. Obligated loan and grant funds not needed to complete the proposed project will be deobligated prior to construction. Any reductions will be applied to grant funds first.

When all parties agree that the closing requirements can be met, a mutually acceptable date for the loan closing will be scheduled.

25. **The Central Contractor Registration (CCR)**

Beginning October 1, 2010 financial assistance grant recipients must have a Dun and Bradstreet Data Universal Numbering System (DUNS) numbers and maintain current registrations in the Central Contractor Registration (CCR) database. The CCR requirement will also apply to loans obligated after October 1, 2011. The CCR requirement is new for grants effective October 1, 2010 (and loans and loan guarantees starting on October 1, 2011). Completing the CCR registration process takes up to five business days.

The CCR registration must remain active, with current information, at all times during which an entity has an application under consideration by an agency or has an active Federal Award. To remain registered in the CCR database after the initial registration, **you are required to review and update on an annual basis from the date of initial registration or subsequent updates in the CCR database to ensure it is current, accurate and complete. You will have an expiration date and it is your responsibility to ensure that you keep the CCR registration current.**

Central Contracting Registration (CCR) is now using the new System for Award Management (SAM), Phase 1.

What Does SAM Include?

SAM Phase 1 includes the capabilities previously included in the following

“legacy” systems: Central Contractor Registration (CCR), Federal Agency Registration (FedReg), Online Representations and Certifications Application (ORCA), and the Excluded Parties List System

Where Can I Find SAM?

SAM is online at <http://sam.gov>. The legacy systems will redirect users to this address.

Where Can I Get Help?

SAM.gov contains quick start guides, webinars, a User Guide and other materials that provide all the information you need to get started using SAM. For other questions, beginning Monday, July 30, the help desk for SAM will be the Federal Service Desk (FSD). You can reach them at <http://fsd.gov>.

You as the recipient must maintain the currency of your information in the CCR. This requires that you review and update the information at least annually after the initial registration.

26. **Cost Overruns** – Cost overruns must be due to high bids or unexpected construction problems that cannot be reduced by negotiations, redesign, use of bid alternatives, rebidding or other means prior to consideration by Rural Development for subsequent funding. Such requests will be contingent on the availability of funds. Cost overruns exceeding 20% of the development cost at time of loan or grant approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date.
27. **Use of Remaining Funds** – Applicant contributions, in the form of waived tap fees for LMI homes, will be considered the first funds expended in the project. Tap fees collected by the applicant must be contributed towards the project but will not be required until the system is operational and the tap fee has been paid by the customer. Remaining funds may be considered in direct proportion to the amounts obtained from each source and handled as follows:
- Remaining funds may be used for eligible loan and grant purposes, provided the use will not result in major changes to the original scope of work, the request is made within 60 days of project completions, and the purpose of the loan and grant must remain the same.
 - RD loan funds that are not needed will be applied as an extra payment on the RD indebtedness unless other disposition is required by the bond ordinance, resolution, or State statute.
 - Grant funds not approved for authorized purposes will be cancelled within 60 days of project completion. Prior to actual cancellation, you and your attorney and engineer will be notified of RD’s intent to cancel the remaining funds and given appropriate appeal rights.
28. **Processing Forms** - At a properly called meeting, you must adopt and properly

Execute the following forms, and minutes showing the adoption must be provided:

RD Binding Covenant

Form RD 400-1 - "Equal Opportunity Agreement"

Form RD 400-4 - "Assurance Agreement"

Form AD 1047 - "Certification Regarding Debarment, Suspension and other Responsibility Matters"

Form AD 1049 - "Certification Regarding Drug-Free Workplace Requirements"

Form RD 1910-11 - "Applicant Certification, Federal Collection Policies"

RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans"

Standard Form LLL - "Disclosure of Lobbying Activities" (If Applicable)

RUS Bulletin 1780-22, "Eligibility Certification"

RUS Bulletin 1780-27 - "Loan Resolution (Public Bodies)"

RUS Bulletin 1780-12 - "Water or Waste System Grant Agreement"

Form RD 1940-1 - "Request for Obligation of Funds"

Please complete and return the enclosed Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire further consideration be given your application.

The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you.

Attached is a copy of RUS Bulletin 1780-12, "Water and Waste System Grant Agreement," for your review. You will be required to execute a completed form at the time of grant closing.

29. Special Requirements

Any public information events are to be coordinated in advance with Rural Development through our Public Information Coordinator in our State Office. These events are to be planned in order for the public to be aware of this project and Rural Development's participation in the project.

If the conditions set forth in this letter are not met within 12 months from the date of this letter, RD reserves the right to discontinue processing of the application. In the event the project has not advanced to the point of loan closing within 12 months and it is determined the applicant still wishes to proceed, it may be necessary to review the conditions outlined in this letter. If during that review, it is determined the conditions outlined are no longer adequate, RD reserves the right to require that the letter of conditions be revised or replaced.

We believe the information in this letter clearly sets forth the conditions which must be complied with; however, this letter does not relieve you from meeting the requirements of RD Instruction 1780. If you have any questions, please do not hesitate to contact me.

Mr. Kelvin Washington, Chairman
Richland County

21

Sincerely,

MICHELE J. CARDWELL
Acting Community Programs Director

Attachments

LOAN RESOLUTION
(Public Bodies)A RESOLUTION OF THE County CouncilOF THE Richland CountyAUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A
PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS
Sewer

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Richland County
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

NINE MILLION THREE HUNDRED FIFTY-NINE THOUSAND AND XX / 100 DOLLARS (9,359,000.00)pursuant to the provisions of Revenue Bond Act for Utilities as amended; and**WHEREAS**, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:**NOW THEREFORE**, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Agriculture, Clearance Officer, OIRM, Room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0575-0015), Washington, DC 20503.

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the Richland County

hereby certify that the County Council of such Association is composed of _____ members, of whom _____ constituting a quorum, were present at a meeting thereof duly called and held on the _____ day of _____, _____ that the foregoing resolution was adopted at such meeting by the vote shown above. I further certify that as of _____, the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this _____ day of _____.

of Richland County

Richland County Council Request of Action

Subject

An Ordinance Amending the Richland County Code of Ordinances, Chapter 23, Taxation; Article VI, Local Hospitality Tax; Section 23-69, Distribution of Funds, so as to clarify and revise the language therein **[PAGES 189-195]**

Notes

First Reading: November 5, 2013

Second Reading:

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-13HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 23, TAXATION; ARTICLE VI, LOCAL HOSPITALITY TAX; SECTION 23-69, DISTRIBUTION OF FUNDS, SO AS TO CLARIFY AND REVISE THE LANGUAGE THEREIN.

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE RICHLAND COUNTY COUNCIL:

SECTION I. The Richland County Code of Ordinances; Chapter 23, Taxation; Article VI. Local Hospitality Tax; Section 23-69. Distribution of Funds, is hereby amended to read as follows:

Sec. 23-69. Distribution of funds.

(a) (1) The county shall distribute the Local Hospitality Tax collected and placed in the "Richland County Local Hospitality Tax Revenue Fund" to each of the following agencies and purposes ("Agency) in the following amounts during fiscal year 2003-2004:

Columbia Museum of Art	\$650,000
Historic Columbia	\$250,000
EdVenture Museum	\$100,000
County Promotions	\$200,000

(2) The amounts distributed to the Columbia Museum of Art, Historic Columbia, and EdVenture Museum shall be paid quarterly beginning October 1, 2003. The amount distributed to organizations receiving County Promotions shall be paid to the organization as a one-time expenditure beginning in Fiscal Year 2008-09.

(3) As a condition of receiving its allocation, the Columbia Museum of Art, Historic Columbia, and EdVenture Museum must annually submit to the County an affirmative marketing plan outlining how the agency will use its hospitality tax allocation for tourism promotion in the upcoming fiscal year. The plan shall include a detailed project budget which outlines the agency's proposed use of hospitality tax funds. The marketing plan shall also outline how the agency will promote access to programs and services for all citizens of Richland County, including documentation of "free" or discounted services that will be offered to Richland County residents. In addition, each Agency shall demonstrate a good faith effort to expand programs and events into the unincorporated areas of Richland County. The annual marketing plan shall be due to the County Administrator no later than March 1 of each year. If an Agency fails to comply with these requirements, its portion of the Local Hospitality Tax shall be retained in the Richland County Local Hospitality Tax Revenue Fund and distributed as provided in subsection (f) below.

(4) For the amounts distributed under the County Promotions program, funds will be distributed with a goal of seventy-five percent (75%) dedicated to organizations and projects that generate tourism in the unincorporated areas of Richland County and in municipal areas where Hospitality Tax revenues are collected by the county. These shall include:

- a. Organizations that are physically located in the areas where the county collects Hospitality Tax revenues, provided the organization also sponsors projects or events within those areas;
- b. Organizations that are not physically located in the areas where the county collects Hospitality Tax Revenues; however, the organization sponsors projects or events within those areas; and
- c. Regional marketing organizations whose primary mission is to bring tourists to the region, including the areas where the county collects Hospitality Tax Revenues.

(5) In the event Local Hospitality Tax Revenues are not adequate to fund the Agencies listed above in the prescribed amounts, each Agency will receive a proportionate share of the actual revenues received, with each Agency's share to be determined by the percentage of the total revenue it would have received had the revenues allowed for full funding as provided in subsection (a)(1) above.

(b) In each of fiscal years 2004-2005 and 2005-2006, the Local Hospitality Tax shall be distributed to each Agency named above in the same amounts and on the same terms and conditions, together with a three percent (3%) increase in each of fiscal year 2004-2005 and 2005-2006.

(c) In fiscal year 2006-2007, the amount of Local Hospitality Tax to be distributed annually to each Agency named above shall be established in the County's FY 2006-2007 Budget Ordinance.

(d) In fiscal years 2007-2008 and 2008-09, the amount of Local Hospitality Tax to be distributed annually to each Agency named above shall be increased based on the revenue growth as determined by trend analysis of the past three years, but in any event not more than 3%.

(e) Beginning in fiscal year 2009-2010 and continuing thereafter, the amount of Local Hospitality Tax to be distributed ~~annually~~ to each Agency named above shall be **as determined by County Council annually during the budget process or whenever County Council shall consider such distribution or funding.** ~~increased based on the projected revenue growth rate from the previous year, but in any event not more than 3%. If projected revenues shall decrease from the previous year, the amount distributed to each Agency named above shall be decreased proportionately. In each of the fiscal years 2009-2010 and 2010-2011, during which time the local hospitality tax shall be temporarily reduced in the unincorporated area of the county, the projected growth rates referenced in this subsection shall be based on the projected revenue as if the temporary reduction was not in effect.~~

(f) All Local Hospitality Tax revenue not distributed pursuant to subsections (a) through (e) above shall be retained in the Richland County Local Hospitality Tax Revenue Fund and distributed as directed by County Council for projects related to tourism development, including, but not limited to, the planning, development, construction, promotion, marketing, operations, and financing (including debt service) of the State Farmer's Market (in lower Richland County), Township Auditorium, a new recreation complex (in northern Richland County), recreation capital improvements, Riverbanks Zoo, and other expenditures as provided in Article 7, Chapter 1, Title 6, Code of Laws of South Carolina 1976 as amended.

(Ord. No. 025-03-HR, § I, 5-6-03; Ord No. 081-06HR, § I, 9-12-06; Ord. No. 001-08HR, § I, 1-8-08; Ord. No. 069-08HR, § I, 12-2-08; Ord. No. 016-09HR, § II, 7-1-09; Ord. No. 077-09HR, § I, 12-15-09; Ord. No. 059-10HR, § I, 9-21-10)

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be enforced from and after _____, 2013.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin E. Washington, Sr., Chair

ATTEST this the ____ day of _____, 2013.

Michelle Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading:
Second Reading:
Public Hearing:
Third Reading:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-13HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 23, TAXATION; ARTICLE VI, LOCAL HOSPITALITY TAX; SECTION 23-69, DISTRIBUTION OF FUNDS, SO AS TO CLARIFY AND REVISE THE LANGUAGE THEREIN.

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(e) Beginning in fiscal year 2009-2010 and continuing thereafter, the amount of Local Hospitality Tax to be distributed to each Agency named above shall be as determined by County Council annually during the budget process or whenever County Council shall consider such distribution or funding.

(f) All Local Hospitality Tax revenue not distributed pursuant to subsections (a) through (e) above shall be retained in the Richland County Local Hospitality Tax Revenue Fund and distributed as directed by County Council for projects related to tourism development, including, but not limited to, the planning, development, construction, promotion, marketing, operations, and financing (including debt service) of the State Farmer's Market (in lower Richland County), Township Auditorium, a new recreation complex (in northern Richland County), recreation capital improvements, Riverbanks Zoo, and other expenditures as provided in Article 7, Chapter 1, Title 6, Code of Laws of South Carolina 1976 as amended.

(Ord. No. 025-03-HR, § I, 5-6-03; Ord No. 081-06HR, § I, 9-12-06; Ord. No. 001-08HR, § I, 1-8-08; Ord. No. 069-08HR, § I, 12-2-08; Ord. No. 016-09HR, § II, 7-1-09; Ord. No. 077-09HR, § I, 12-15-09; Ord. No. 059-10HR, § I, 9-21-10)

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be enforced from and after _____, 2013.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin E. Washington, Sr., Chair

ATTEST this the ____ day of
_____, 2013.

Michelle Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading:
Second Reading:
Public Hearing:
Third Reading:

DRAFT

Richland County Council Request of Action

Subject

Request for Fuel Cell Collaboration [**PAGES 196-200**]

Notes

November 26, 2013 - The Committee approved the request to further research alternative fuel vehicles, cost savings, grants, etc.

Richland County Council Request of Action

Subject: Request for Fuel Cell Collaboration

A. Purpose

County Council has requested that Richland County consider a partnership with the Fuel Cell Collaborative and the Center for Hydrogen Research to advance the efforts to commercialize fuel cell vehicles.

B. Background / Discussion

Chairman Washington made a motion at the October 15th, 2013 County Council meeting during the Report of the Chairman to consider a partnership with the Fuel Cell Collaborative and the Center for Hydrogen Research.

Cars and trucks are the number one mobile source of smog-forming pollution in Richland County. Fuel cells do not release harmful air pollutants, such as nitrogen oxides (NOx) and volatile organic compounds (VOCs) that form ozone, commonly known as smog, that contribute to an area's compliance with the Clean Air Act. Fuel cells generate electrical power quietly and efficiently, without pollution. Unlike power sources that use fossil fuels, the by-products from an operating fuel cell are heat and water. Fuel cells are an excellent way to reduce carbon emission and greenhouse gases (South Carolina Department of Health and Environmental Control).

The South Carolina Fuel Cell Vehicle Collaboration submitted a white paper which is attached as Appendix 1.

C. Legislative / Chronological History

Chairman Washington made a motion at the October 15th, 2013 County Council meeting during the Report of the Chairman to consider this partnership.

D. Financial Impact

Considering a partnership with the Fuel Cell Collaborative and the Center for Hydrogen Research to advance the efforts to commercialize fuel cell vehicles will have no direct financial impacts. However, leasing a fuel cell vehicle will be approximately \$600 / a month or \$7,200 annually per vehicle. This is based on the retail value of that vehicle between \$50,000 and \$60,000. Additionally, fueling cost must be considered. Columbia has a hydrogen fueling station that is operated by the City. This station is not currently a public fueling station. Fuel cost is unknown but is estimated to be comparable to the price of gasoline.

E. Alternatives

1. Approve the request to partner with the Fuel Cell Collaborative and the Center for Hydrogen Research.
2. Do not approve the request to partner with the Fuel Cell Collaborative and the Center for Hydrogen Research.

F. Recommendation

It is recommended that Council approve the request to partner with the Fuel Cell Collaborative and the Center for Hydrogen Research.

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/5/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommendation is for approval however I would recommend that the approval be contingent upon the County Fleet Manager redirecting currently approved budget dollars for fleet replacement vehicles and fuel cost in order to have program participation without any additional cost to the County.

Sustainability

Reviewed by: Anna Lange

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

I agree with Mr. Driggers and would also recommend considering researching other alternative fuel vehicles including compressed natural gas (CNG), electric power, and biofuels.

Support Services - Fleet

Reviewed by: John Hixon

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

This is a policy decision of Council, but I completely agree that the County should move forward and work with the Fuel Cell Collaborative and the Center for Hydrogen Research with respect to sharing information and look to future opportunities to include Hydrogen vehicles in our fleet that already consists of the Sheriffs electric security vehicles, full use hybrid electric/gas, and Biofuel capable vehicles. As we continue to research the role Compressed Natural Gas (CNG) vehicles will play in our area and our ability to fit them into our fleet, we are of the opinion that the hydrogen technology is the best of all the options, in areas where it can be utilized.

I also support the ability to have one of the hydrogen vehicles to use and test as long as a different funding strategy could be identified other than the one recommended by the Finance Director.

My concerns with Mr. Driggers concept of using currently approved budget funds to move forward with an actual lease consists of:

- Our fleet replacement plan for this current year addressed only the worst vehicles of the County Fleet and most of the replacements are in the Procurement process with some delivered. Diverting any remaining approved funds would leave vehicles in the fleet that have been identified as necessary to replace because the lease cost is much greater than the purchase cost of our normal fleet vehicles. The funds required for the three year lease

as described in this ROA would be equivalent to purchasing a new replacement vehicle that would remain in our inventory for ten years; effectively we would lose a vehicle for a seven year period for the same funding amount.

- I am also concerned that we do not know the cost of the fuel, should funding be identified to lease one or more of the vehicles. We did attempt to retrieve this information from the City when the ROA reached us and the County Fleet Manager spoke with the City Fleet manager and he, City Fleet Manager, did feel that their site would be open to the County to receive fuel although the cost was unknown.

Procurement

Reviewed by: Rodolfo Callwood

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Brad Farrar

Date: 11/7/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Warren Harley

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

I agree with Ms. Lange that we should evaluate this and other alternative fuel vehicles.

Appendix 1

Proposed South Carolina Fuel Cell Vehicle Collaboration (as submitted by Engenuity in a white paper):

South Carolina has consistently ranked as one of the top five states for advancing efforts to commercialize fuel cell technologies. However, South Carolina's lack of large, concentrated population centers and zero-emission vehicle mandates makes the state non-competitive in attracting initial fuel cell vehicle deployments with GM, Toyota, Honda, and BMW. Hyundai is attempting to position itself as a strong competitor in the fuel cell vehicle market, and has indicated a willingness to consider vehicle deployments in South Carolina providing a small fleet of vehicles can be placed on lease and have access to fueling. A partnership between the Center for Hydrogen Research and the Fuel Cell Collaborative has been proposed to gather commitments for placing 20 vehicles in the Midlands and Aiken. To support this opportunity, the Fuel Cell Collaborative is looking to identify organizations and individuals in the Midlands who would be willing to lease a vehicle for approximately \$600 / month. Service and support for all vehicles as part of this effort would be coordinated by a local Hyundai dealership.

Community Opportunities and Objectives:

1. Demonstrate Columbia's and South Carolina's leadership in deploying hydrogen-powered vehicles, reaffirm the viability of the hydrogen economy "ecosystem" within the state, and leverage previous investments in fueling infrastructure
2. Establish Columbia as a center for fuel cell vehicle servicing within South Carolina
3. Attract additional fuel cell research, investments, and deployments based on existing infrastructure and human capital

Goals:

1. Identify 12 or more partners in the greater Columbia area who will commit to leasing a fuel cell vehicle
2. Collaborate with the Center for Hydrogen Research in Aiken to propose a South Carolina deployment to Hyundai based upon over 20 vehicle lease commitments between Columbia and Aiken

Partner Opportunities:

1. Enhance Green Energy initiatives with technologies that emphasize the competitive advantage of fuel cell innovation in the Midlands
2. Demonstrate a commitment to technology transfer and market transformation for fuel cell technologies with a company that has funded fuel cell research in the Midlands
3. Leverage vehicle deployments to educate and train workforce members on commercial fuel cell systems

Richland County Council Request of Action

Subject

Bible Way Church of Atlas Road Funding Request [**PAGES 201-205**]

Notes

November 26, 2013 - The Committee unanimously recommended forwarding the request to Council without a recommendation.

Richland County Council Request of Action

Subject: Bible Way Church of Atlas Road Funding Request

A. Purpose

County Council is requested to fund Bible Way Church of Atlas Road’s “Year of Jubilee” 50th Anniversary Banquet.

B. Background / Discussion

On October 15, 2013, Council member Washington brought forth the following motion: “Bible Way Church of Atlas Road’s ‘Year of Jubilee’ 50th Anniversary Banquet Sponsorship Request”.

This event will take place November 8, 2013 and will be held at the Columbia Metropolitan Convention Center. 2013 marks the 50th anniversary of the Bible Way Church and their service to the community. This organization is requesting sponsorship at one of the following levels and their request letter is attached.

- Corporate Platinum Sponsor - \$2,500
- Corporate Gold Sponsor - \$2,000
- Corporate Silver Sponsor - \$1,500

This organization did not apply for funds during the FY14 budget process as they are a religious organization. It is stated in the guidelines for Accommodations Tax, Hospitality Tax and Discretionary guidelines that Richland County does not fund religious organizations.

C. Legislative / Chronological History

Motion by Kelvin Washington on October 15, 2013.

D. Financial Impact

Allocating funds to this organization will cause a financial impact and will require a budget amendment. A source of funding will need to be identified.

E. Alternatives

1. Approve the motion to fund Bible Way Church of Atlas Road’s ‘Year of Jubilee’ 50th Anniversary Banquet sponsorship request.
2. Do not approve the motion to fund Bible Way Church of Atlas Road’s ‘Year of Jubilee’ 50th Anniversary Banquet sponsorship request.

F. Recommendation

This recommendation was made by Mr. Washington. This is a policy decision for Council.

Recommended by: Kelvin Washington Department: County Council Date: 10/15/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommendation is based on request being out of funding cycle and no funding source identified and not the merits of the program. Additionally would recommend that the agency be referred to the FY15 budget process for future request to be considered through the normal process.

Approval as submitted would require the identification of a funding source.

Grants

Reviewed by: Sara Salley

Date: 11/4/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

This is an out of cycle request. This organization did not apply for FY14 funding through the grant process.

Legal

Reviewed by: Brad Farrar

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council subject to determination of whether funding is or would be for the primary purpose of advancing a religious organization.

Administration

Reviewed by: Roxanne Ancheta

Date: November 5, 2013

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend denial of this request as it is an out-of-cycle funding request. An FY 14 application was not submitted via the normal grants process. Staff will continue to remind these event organizers, as well as other organizations, to submit funding requests in the normal grants process so that the requests may be evaluated and scored competitively along with all other funding requests.

Further, Legal brings up the policy decision of determining if the funding is or would be for the primary purpose of advancing a religious organization.

BIBLE WAY CHURCH

OF ATLAS ROAD

The Honorable Kelvin Washington *To know God, to love and to serve*
Richland County Council

Dear Mr. Washington:

The Bible Way Church of Atlas Road, in Columbia, South Carolina is celebrating a major milestone this year. 2013 marks our 50th year of Christian service to the entire Columbia community.

Bishop Andrew Charles Jackson, founding pastor, issued a clarion call in 1963 and 13 adult men and women embarked on this Christian journey. Our ministry has witnessed phenomenal growth, with more than 12,000 individuals whose membership is with this church. The founding principle of the Bible Way Church is to win the hearts of men and women to Christ.

Our church's mission: To know God, to love, and to serve, is reflected in our outreach efforts, which extend beyond our church walls and directly into the life of our community. Bible Way is making a difference in the lives of people in the Columbia community. With the help of supporters like you we will be able to touch more lives and meet the needs of more families.

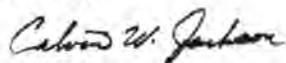
2013 has been declared "The Year of Jubilee" for the Bible Way Church of Atlas Road. This yearlong celebration and campaign will culminate on November 8, 2013 with a 50th Year Celebration Banquet held at the Columbia Metropolitan Convention Center. We invite you as a major sponsor to be our guest at this occasion. You will have reserved seating. You will also receive special recognition and be featured in our program, our souvenir journal and inside the Banquet Hall. A full page color advertisement, honoring your support of this ministry will be in our souvenir journal and on our website. Please review the sponsorship levels and submit the completed Sponsorship Form with your camera-ready advertisement.

- **Corporate Platinum Sponsor - \$2,500**
- **Corporate Gold Sponsor - \$2,000**
- **Corporate Silver Sponsor - \$1,500**

I have enclosed a brochure with some highlights of the outreach work we are doing. You will see from the brochure that Bible Way is a wholistic ministry and though this list is not all inclusive, it demonstrates the level of our involvement in the community. We also invite you to visit our website, www.bwcar.org for more information.

Thank you for your willingness to recognize the high level of work going on in your community and for your desire to want to be a part of this great humanitarian effort.

Sincerely,



Calvin W. Jackson, Chairman
50th Anniversary Planning Committee



To know God, to love and to serve

50th Anniversary Souvenir Journal

Corporate Sponsorship Form

Corporate Platinum Sponsor - \$2,500 - A full page color advertisement will be placed in the souvenir journal. Reserved seating for eight will be made available, and the organization will receive recognition at the banquet.

Corporate Gold Sponsor - \$2,000 - A full page color advertisement will be placed in the souvenir journal. Reserved seating for six will be made available, and the organization will receive recognition at the banquet.

Corporate Silver Sponsor - \$1,500 - A full page color advertisement will be placed in the souvenir journal. Reserved seating for four will be made available, and the organization will receive recognition at the banquet.

Company Name _____
Address _____
City _____ State _____ Zip Code _____
AD Size _____
(NOTE: Provide camera-ready ad copy. Acceptable formats are: PDF, EPS, TIFF, JPEG)-Email to cjackson@bwcac.org
Contact Person _____
Telephone () _____ Email _____

Checks should be made payable to the Bible Way Church of Atlas Road.

Mail to: Bible Way Church of Atlas Road
Calvin Jackson, 50th Year Anniversary Committee Chair
Post Office Box 90309
Columbia, SC 29290

Richland County Council Request of Action

Subject

Famously Hot New Year Celebration [**PAGES 206-209**]

Notes

November 26, 2013 - The Committee unanimously recommended forwarding the request to Council without a recommendation.

Richland County Council Request of Action

Subject: Famously Hot New Year Celebration

A. Purpose

County Council is requested to fund the Columbia Famously Hot New Year Celebration at \$75,000.

B. Background / Discussion

On October 15, 2013, Council member Washington brought forth the following motion:
“Famously Hot New Year’s Celebration Sponsorship Request”

This event will take place December 31, 2013 on Columbia’s Main Street. The City of Columbia’s request is attached. The City states that last year’s celebration was attended by over 25,000 people and had representation from more than 29 states and 4 countries.

In FY13, Richland County provided \$25,000 to this event in Hospitality Tax funds. Neither the City of Columbia, nor their fiscal agent applied for FY14 Hospitality Tax dollars.

C. Legislative / Chronological History

Motion by Kelvin Washington on October 15, 2013.

D. Financial Impact

Allocating \$75,000 to this organization will cause a financial impact and will require a budget amendment. A source of funding will need to be identified.

E. Alternatives

1. Approve the motion to sponsor Famously Hot New Year Celebration at \$75,000
2. Do not approve the motion to sponsor Famously Hot New Year Celebration at \$75,000.

F. Recommendation

This recommendation was made by Mr. Washington. This is a policy decision for Council.

Recommended by: Kelvin Washington Department: County Council Date: 10/15/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/1/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommendation is based on request being out of funding cycle and no funding source identified and not the merits of the program. Additionally would recommend that the agency be referred to the FY15 budget process for future request to be considered through the normal process.

Approval as submitted would require the identification of a funding source.

Grants

Reviewed by: Sara Salley

Date: 11/4/13

 Recommend Council approval Recommend Council denial

Comments regarding recommendation:

This is an out of cycle request. This organization received “out of cycle” FY13 funding through the Hospitality Tax Grant. They were encouraged to apply for FY14 funds, but did not submit an application.

Legal

Reviewed by: Brad Farrar

Date:

 Recommend Council approval Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Roxanne Ancheta

Date: November 4, 2013

 Recommend Council approval Recommend Council denial

Comments regarding recommendation: Recommend denial of this request as it is an out-of-cycle funding request. The event received out-of-cycle funding last fiscal year (FY 13), and event organizers were encouraged to apply for FY 14 funds in the normal grants process. An FY 14 application was not submitted via the normal grants process. Staff will continue to remind these event organizers, as well as other organizations, to submit funding requests in the normal grants process so that the requests may be evaluated and scored competitively along with all other funding requests.



CITY OF COLUMBIA
SOUTH CAROLINA
OFFICE OF THE MAYOR

October 14, 2013

Chairman Kelvin Washington
Richland County Council
553 Adams Scott Road
Gadsden, SC 29052

Dear Chairman Washington:

This previous New Year's Eve, we continued our progress in an exciting new era that has brought growth and new opportunities of engagement for the talented men and women who live and work in our community.

The second annual Famously Hot New Year celebration, which was held on Main Street, the heart of South Carolina, allowed for our community to showcase and celebrate the unique energy and optimism that makes our community such a special place to call home. The celebration allowed our citizens and visitors to enjoy good food, music, and entertainment.

Overall, the celebration was a resounding success, with over 25,000 revelers filling Main Street from more than 29 states and 4 countries, doubling our most optimistic attendance projections. The celebration brings a \$1.2 million economic impact in one night and draws national attention from publications like *U.S. Airways Magazine* and the *Wall Street Journal*.

With such an enormous success we cannot help but to look forward to the upcoming year and the possibilities that this celebration holds. Events like this help set community, region, and state apart. It shows that we have all the benefits of a modern, 21st Century metropolis but with the heart of an old fashioned southern town.

I am writing on behalf of the Famously Hot New Year celebration to request Richland County's financial support for the celebration in the amount of \$75,000. Your support is vital as we continue to grow and seek to highlight our community as a bright light in the southeast and the country.

Sincerely,

Sam P. Johnson
Special Assistant to the Mayor
Columbia, SC

CC: Mr. Tony McDonald

Richland County Council Request of Action

Subject

The Sustainers: Builders and Preservers of Civil Rights Sites in the US Funding Request **[PAGES 210-224]**

Notes

November 26, 2013 - The Committee unanimously recommended forwarding the request to Council without a recommendation.

Richland County Council Request of Action

Subject: The Sustainers: Builders and Preservers of Civil Rights Sites in the US Funding Request

A. Purpose

County Council is requested to fund “The Sustainers: Builders and Preservers of Civil Rights Sites in the United States” in the amount of \$20,000.

B. Background / Discussion

On October 15, 2013, Council member Washington brought forth the following motion:
“The Sustainers: Builders and Preservers of Civil Rights Sites in the United States Funding Request”

This event, hosted by the Diachronic Research Foundation and Tnovsa, will occur on October 23-24, 2013 at the Columbia Metropolitan Convention Center and Hilton Columbia Hotel. It is being held in conjunction with the 50th anniversary commemorating civil rights events that took place in 1963 and Columbia. They projected that 2,000 would attend the two day event and would book approximately 100 hotel rooms.

This organization is requesting \$20,000 and did not apply for County funding in FY14.

C. Legislative / Chronological History

Motion by Kelvin Washington on October 15, 2013.

D. Financial Impact

Allocating \$20,000 to this organization will cause a financial impact and will require a budget amendment. A source of funding will need to be identified.

E. Alternatives

1. Approve the motion to sponsor The Sustainers: Builders and Preservers of Civil Rights Sites in the United States funding request at \$20,000.
2. Do not approve the motion to sponsor The Sustainers: Builders and Preservers of Civil Rights Sites in the United States funding request at \$20,000.

F. Recommendation

This recommendation was made by Mr. Washington. This is a policy decision for Council.

Recommended by: Kelvin Washington Department: County Council Date: 10/15/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/1/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommendation is based on request being out of funding cycle and no funding source identified and not the merits of the program. Additionally would recommend that the

agency be referred to the FY15 budget process for future request to be considered through the normal process.

Approval as submitted would require the identification of a funding source.

Grants

Reviewed by: Sara Salley

Date: 11/4/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

This is an out of cycle request. This organization did not apply for funds in the FY14 grant cycle.

Legal

Reviewed by: Brad Farrar

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Roxanne Ancheta

Date: November 4, 2013

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend denial of this request as it is an out-of-cycle funding request, and the event has already occurred (October 23-24, 2013). An FY 14 application was not submitted via the normal grants process. Staff will continue to remind these event organizers, as well as other organizations, to submit funding requests in the normal grants process so that the requests may be evaluated and scored competitively along with all other funding requests.

Information for Funding Request to Richland County, October 15, 2013
Submitted by Catherine Fleming Bruce, allsimkins@yahoo.com, 803-464-4149

Project Title: 'The Sustainers-Builders and Preservers of Civil Rights Sites in the United States'

Project Funding Request: \$20,000

Current sponsors: Nelson Mullins, South Carolina Conference of Black Mayors, University South Caroliniana Society. **Requested sponsors:** City of Columbia, International Paper.

Project dates: Wednesday, October 23 and Thursday October 24, 2013

Project venues: Columbia Metropolitan Convention Center and Hilton Columbia Hotel.

Project Sponsor: Diachronic Research Foundation (fiscal agent pass-through for Tnovsa)

Projected number of attendees: 2000

Projected number of tourists (people taking trips outside their home communities for any purpose, except daily commuting to and from work) 800

Projected number of hotel rooms: 100

Projected overnight stays: 2

Project description:

This event is held in conjunction with the 50th anniversary commemorating civil rights events that took place in 1963, cities holding events: Columbia, SC; Selma and Montgomery, Alabama; Memphis, TN, Washington DC and Jackson, Mississippi. This event, held at in Columbia, will bring together individuals who led efforts to tell the civil rights story by sustaining and protecting buildings connected to the civil rights movement and allow them to share those stories with the public.

We believe that this project is innovative in that we are bringing together people close to famous civil rights sites, with Columbia sites included, and Columbia serving as the host site. It is innovative in that the public visiting these sites are often focused on the civil rights events and people, while this event will focus on the motivation and the means that individuals and communities used to transform these historic sites into permanent places for interpreting and understanding Civil Rights. Historic sites were selected from each of the cities participating in 1963 celebrations. The variety of these sites will make the presentations more interesting and

make this event a must for tourists: historic houses, a bus station, a national trail, a motel. All are connected with well-known civil rights events and persons, and as such, will have great local, state and regional appeal.

Objectives:

Our objectives are to make Columbia and Richland County a centerpiece for conversation and knowledge about sustaining Civil Rights sites throughout the South. In addition to showcasing our own civil rights sites, we are inviting other builders and sustainers to come to Columbia to tell the story of how they made sure these stories remained strong in their communities. We are contributing to the effort to ensure that Columbia and Richland County are part of the national civil rights narrative.

Our objective is to tell this story as far and as wide as we can.

Activities:

In order to meet these objectives, we will:

Organize and present a two day event that will showcase the story of creating civil rights sites in Columbia, and invite those who can tell the stories of civil rights site creation in Alabama, Tennessee and Mississippi to come here to Richland County to join us.

Market and promote this event to all 46 South Carolina counties, and to all of the Southern states who will send participants

Create local, state and regional partnerships in promoting and carrying out the event that will result in increased tourism levels in Columbia.

Enlist the cooperation of area hotels, restaurants and other hospitality organizations in promoting history and culture during that week, encouraging tourists to choose these hotels.

October 23

Welcome reception

October 24

Civil Rights Sites Presentations (See attachment)

BENEFIT TO TOURISM:

This event will generate great interest and tourists from across several states.

It will help connect Richland County sites to the national civil rights tourism map

It will help increase attendance and revenue at individual sites

It will increase the number of hotel stays and meals purchased in unincorporated areas of the state

One of the primary benefits we see is the contribution to the expansion of civil rights tourism to include Columbia, which currently bypasses us for other Southern cities. We expect that this event, in addition to published documents coming out of the event, will continue to generate increased tourism activity for Columbia.

We will reach out to all tourism and hospitality organizations to help us promote this event, and to encourage them to create incentives for our event participants to stay in with them. We will invite their partnership in the success of the event by communicating with tourists who are staying with them.

We will provide lists of hotels in unincorporated and incorporated areas of Columbia and Richland County to our target audience, and direct them to these hotels.

We have partnered with local organizations, including the University South Caroliniana society and the USC Department of community engagement to further the success of the event.

We will partner with those organizations who have joined together to form the Columbia 63 year-long set of activities, including the City of Columbia, the South Carolina African American Heritage Commission, and others, to benefit from promotion of this event on their website.

We have noted that our site, the Visanska Starks site, is in the Top 20 most viewed Richland County sites on the Historical Marker online Database. This event offers more exposure to this and other Richland County offerings, and will increase our ranking overtime, attracting more tourists.

In summary, benefits include contributions to an increased awareness of Columbia and Richland county offerings, increased visibility for Richland County in the national civil rights tour industry and increased tourism for Richland County.

BENEFIT TO COMMUNITY:

We expect the audience to come from around the state, and from outside the state. This is a year of many commemorations, and we can take advantage of the high level of excitement and interest to bring people to Columbia and show them what we have here, from sites in Lower Richland to downtown sites like the Historic Waverly District.

Hotels and restaurants will benefit from this event, as we will encourage people to use hotels and restaurants in unincorporated areas.

MARKETING PLAN

Radio and television ad buys in regional markets

Invitations created and sent to local, state and regional historical, cultural and civil rights figures.

Website created, for promotion and event registration

Social media promotion, purchasing ads on Facebook, targeting Facebook pages and groups promoting history, culture, civil rights, African American history, tourism and South Carolina history

We will work in partnership with the City of Columbia's 1963 effort, and place information on its website, and will do the same with the other seven cities. We will also work with the Convention and Visitor's Bureau and the hotels to make sure tourists have promotional material about the event. Many of the participants have national and international profiles, and we believe that the national press will pick up news on the event.

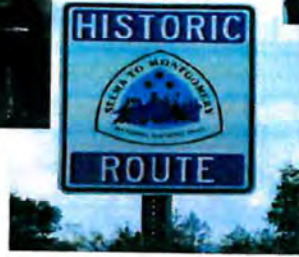
Registration done with an on-line process will provide the tracking mechanism for both attendance and cities of origin.

MANAGEMENT CAPACITY:

Tnovsa has presented a number of successful events over the years through work with local and statewide organizations. We also partner with organizations that can support fiscal accountability and additional management capacity to the project.



National Civil Rights Museum



Medgar Evers House

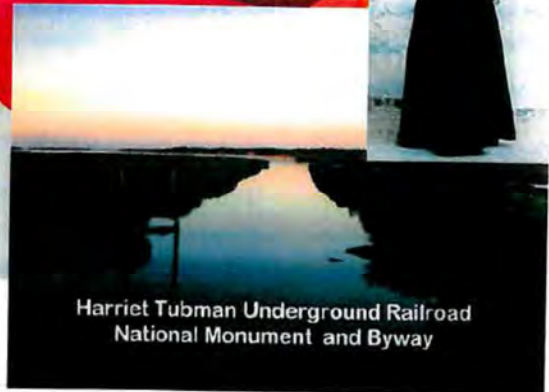


Sustainers:

**BUILDERS
AND PRESERVERS OF
CIVIL RIGHTS SITES
IN THE UNITED STATES**



**October 23-24, 2013
Columbia Metropolitan
Convention Center
Columbia, South Carolina**



Harriet Tubman Underground Railroad National Monument and Byway



Freedom Riders Museum

This landmark event brings together builders and founders to tell the stories of how the nation's most famed civil rights site developed. The public is often focused on the events and people connected to the site, but the stories behind the transformation of historic sites into permanent places for interpreting and understanding Civil Rights often go untold. Be a part of this unprecedented storytelling in Columbia, South Carolina in 2013!

Nelson Mullins.
Nelson Mullins Riley & Scarborough LLP



SCCBM
South Carolina Conference of Black Ministers
Page 33 of 110

University South Caroliniana Society



THE SUSTAINERS
 Builders, Preservers of Civil Rights Sites in the US

Presenters, Left to Right:
 Gerard Esterhold
 D'Army Bailey
 National Civil Rights Museum
 Memphis, Tennessee;
 Barbara Tagger
 Selma to Montgomery Trail
 Selma, Alabama;
 Harriet Tubman National Monument Park, Maryland;
 Ray Arsenault
 Freedom Rider Bus Museum
 Montgomery, Alabama
 Minnie White Watson
 Medgar Evers House Museum
 Jackson, Mississippi
 Vernon Burton
 Scholar, 'Age of Lincoln'
 Catherine Fleming Bruce
 Visanska Starks House
 Columbia, South Carolina



Join leaders from the educational and business communities; travel and tourism industries; historical, museum and preservationist communities, and other community actors for a major Southeastern event. Our special guests include Harriet Tubman descendants and nationally recognized historian **Vernon Burton**.

THE SUSTAINERS

Builders and Preservers of Civil Rights Sites in the United States

Presenters



Gerard Eisterhold has been president, principal designer and project director of EAI since its inception in 1980. His wide ranging expertise includes a thorough understanding of interactive technology and its application in an interpretive environment. Civil Rights projects that EAI have completed include the National Civil Rights Museum, the International Civil Rights Center & Museum, the Rosa Parks Museum and the Rosa Parks Children's Wing, and the Civil Rights Memorial Center in Montgomery. EAI projects also include the Southern Poverty Law Center, the Department of the Interior and Federal Reserve Banks, and Truman Presidential Museum. He will note the contributions of the late **Benjamin Lawless**, who worked with Eisterhold Associates Inc., since 1983.



Judge D'Army Bailey joined Wilkes & McHugh, P.A. after retiring from his position as a Circuit Court Judge in Memphis, Tennessee. In 1991, he founded the National Civil Rights Museum at the Lorraine Motel, the site of Dr. Martin Luther King Jr.'s assassination. He is the author of *Mine Eyes Have Seen: Dr. Martin Luther King Jr.'s Final Journey*, and *The Education of a Black Radical: A Southern Civil Rights Activist's Journey, 1959 - 1964*, released in October 2009 by LSU Press. Judge Bailey is a member of the Tennessee Bar Association, the Arkansas Bar Association and State Bar of California. He practiced law in San Francisco, and served on the Berkeley, California, City Council from 1971 to 1973. He returned to Memphis in 1974, where he opened a law practice with his brother, Walter Lee Bailey, Jr. In 1990, he was elected to the position of Circuit Court Judge. Judge Bailey has lectured at several law schools, been a guest analyst on Court TV, and published legal articles in scholarly journals at the law schools of the University of Toledo, Washington and Lee, Howard, and Harvard.



Vernon Burton is Creativity Professor of Humanities at Clemson University. From 2008-2010, he was the Burroughs Distinguished Professor of Southern History and Culture at Coastal Carolina University. He was the founding Director of the Institute for Computing in Humanities, Arts, and Social Science (ICHASS) at the University of Illinois, where he is emeritus University Distinguished Teacher/Scholar and Professor of History, African American Studies, and Sociology. At the University of Illinois, he chairs the ICHASS advisory board and is a Senior Research Scientist and Associate Director of Humanities and Social Sciences at the National Center for Supercomputing Applications (NCSA). Burton served as interim president of the Board of Directors of the Congressional National Abraham Lincoln Bicentennial Foundation, and is currently vice-chair. He has 16 authored or edited books and more than two hundred articles. *The Age of Lincoln* (2007) won the Chicago Tribune Heartland Literary Award for Nonfiction. Burton's research interests include the American South, especially race relations and community, and the intersection of humanities and social sciences. He is currently president-elect of the Southern Historical Association. Among his honors are fellowships and grants from the Rockefeller Foundation, the National Endowment for the Humanities, the Pew Foundation, the National Science Foundation, the American Council of Learned Societies, the U.S. Department of Education, and the Carnegie Foundation.



Minnie White Watson serves as assistant archivist and curator of the Medgar Wiley Evers Historic (House) Museum and registrar for the Tougaloo Art Colony at Tougaloo College. Her professional career includes Program Assistant/Payroll Officer, Southern Association of Community Health Center (SACHC); and Assistant to Executive Director of Economic Development Corporation, Tougaloo College. Ms. Watson is a community activist, serving as board member of the Bailey Avenue Renewal Coalition, a group charged with revitalizing its main community corridors, including the historic Medgar Evers Boulevard, and the Hinds County Human Resource Agency. Other memberships include National Council of Negro Women, National Association for the Advancement of Colored People (NAACP), and Educators United for Global Awareness, an organization of educators that provides scholarships to young men and women of South Africa.

THE SUSTAINERS

Builders and Preservers of Civil Rights Sites in the United States

Presenters



Barbara Tagger is Site Manager for the National Park Service Selma to Montgomery National Historic Trail. For more than 30 years, she has served as a National Park Service research historian and historic preservationist, participating in the creation, development, and management of the Martin Luther King, Jr. National Historic Site; the Selma to Montgomery Voting Rights March National Historic Trail; the Tuskegee Airmen National Historic Site; the National Underground Railroad Network to Freedom Program; and the Harriet Tubman Underground Railroad National Monument, established in 2013. She served as acting superintendent for the Tuskegee Institute National Park and the Tuskegee Airmen National Historic Site. In 2007, the Maryland Department of Natural Resources, Maryland Park Service recruited Barbara to act as interim project manager for the Harriet Tubman Underground Railroad State Park Initiative. She was the public face for the state project, assisting with planning and development of interpretive exhibits; oversight of interpretive publications; programming, educational activities, and multimedia programs. Among her honors are the 2013 Harriet Tubman Lifetime Achievement Award presented by the Baltimore African American Tourism Council in Maryland, and the 2002 William C. Everhart award for sustained achievements within the National Park Service. She has taught and lectured in many venues, and has presented on C-Span.



Catherine Fleming Bruce is Principal at TNOVSA, focused on media, preservation and global projects. She is restoring the Visanska Starks House, a site combining histories of Antebellum whites, immigrant Jews and African Americans. The Visanska Starks House story aired on HGTV's 'If Walls Could Talk'. Bruce led restoration and preservation efforts of the Modjeska Simkins House, a National Register site and home of the "Matriarch of the South Carolina Civil Rights Movement". Bruce's documentary "A Perfect Equality: Conflicts and Achievements of Historic Black Columbia", won state and national honors. She is historian for Waverly District, an African American National Register of Historic Places District significant to Civil Rights history in South Carolina and the nation, recognized by Congress during its Centennial anniversary celebration in 2013. Bruce is pursuing her doctorate at the University of South Carolina, studying international communication systems and global governance. Her global work includes presentations for USC's Walker Institute; at Les Instituts d'Etudes Politiques (IEP) in France, and serving as UN World Summit for the Information Society observer. She held positions with several statewide organizations, including South Carolina ETV, Claflin University and the South Carolina Humanities Council.



Ray Arsenault is the John Hope Franklin Professor of Southern History at the University of South Florida, St. Petersburg, where he has taught since 1980. A specialist in the political, social, and environmental history of the American South, he has also taught at the University of Minnesota, Brandeis University, the University of Chicago, and the Universite d'Angers, in France, where he was a Fulbright Lecturer in 1984-85. Arsenault is the author or editor of seven books, including Crucible of Liberty: 200 Years of the Bill of Rights (1991); and Freedom Riders: 1961 and the Struggle for Racial Justice (2006, Abridged Edition 2011). Freedom Riders was named an Editor's Choice by the New York Times Book Review, a Best Books of 2006 selection by the Washington Post Bookworld, and an Honorable Mention Best Book of 2006 by the Gustavus Myers Center for the Study of Bigotry and Human Rights. The abridged edition of Freedom Riders, published earlier this year, is the companion volume to the PBS Emmy Award winning American Experience documentary film, Freedom Riders (2011), directed by Stanley Nelson. Arsenault is currently writing a biography of the legendary African-American tennis star Arthur Ashe.

THE SUSTAINERS

Builders and Preservers of Civil Rights Sites in the United States

Program Agenda

WEDNESDAY, OCTOBER 23

6:00 pm

Presenter reception (invitation only)

THURSDAY, OCTOBER 24

9:00 am

Dr. Vernon Burton

Clemson University

Scholar, 'Age of Lincoln'

Opening Remarks: "Steps to freedom" leading from the end of Slavery to the Civil Rights movement."

10:30 am

Minnie White Watson

Medgar Evers House Museum

Jackson, Mississippi

11:45 am

Remarks from Geraldine Copes and Rita Daniels

family members of Harriet Tubman 'Moses of her People'

Free time: "50 Years Forward" national Civil Rights traveling exhibit,
displays of local research on related civil rights themes

1:30

Catherine Fleming Bruce

Visanska Starks House: antebellum, Jewish, and Black—intertwining contributions to the Civil Rights Movement
Columbia, South Carolina

2:30

Gerard Eisterhold, Eisterhold Associates

The Honorable D'Army Bailey

Lorraine Motel, National Civil Rights Museum Memphis, Tennessee

3:30

Dr. Ray Arsenault

Freedom Rider Bus Museum Montgomery, Alabama

4:30

Barbara Tagger

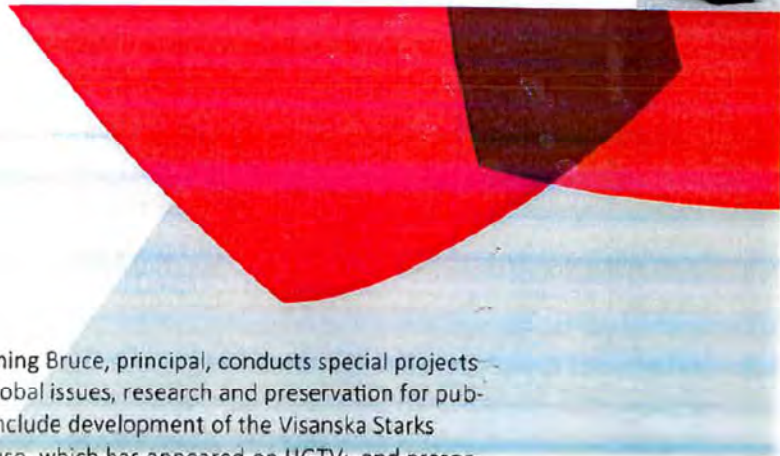
Selma to Montgomery Trail Selma, Alabama

Harriet Tubman National Monument Park, Maryland



Sustainers:

***BUILDERS
AND PRESERVERS OF
CIVIL RIGHTS SITES
IN THE UNITED STATES***



What is TNOVSA?

TNOVSA, Catherine Fleming Bruce, principal, conducts special projects in media, technology, global issues, research and preservation for public audiences. Projects include development of the Visanska Starks House and Carriage House, which has appeared on HGTV; and preservation in Waverly Historic District in Columbia, South Carolina, which has received recognition from Congress.

What is the Diachronic Research Foundation?

The **Diachronic Research Foundation** is a non-profit corporation dedicated to the study of South Carolina's past and people. The Foundation pursues this goal using archaeology, history, technology, geography, geology, folklore, and more, working together under the overall umbrella of anthropology. The Foundation is partnering with Tnovsa on historical, cultural and archaeological projects.



Sustainers:

*EXPANDING COMMUNITY
THROUGH COLLABORATION*



◇ **EVENT SPONSORS and PARTNERS**

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Jam**
Harriet Tubman family
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Diachronic
Research
Foundation

L. Bakari Middleton



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Office of Student Engagement



For further information on joining our sponsors and partners for this first ever gathering of builders of civil rights sites from across the nation in South Carolina, contact Tnovsa by OCTOBER 17th: allsimkins@yahoo.com or 803-464-4149.

Richland County Council Request of Action

Subject

Benedict College Funding Request for High School Championship Events **[PAGES 225-231]**

Notes

November 26, 2013 - The Committee unanimously recommended forwarding the request to Council without a recommendation.

Richland County Council Request of Action

Subject: Benedict College Funding Request for High School Championship Events

A. Purpose

County Council is requested to fund Benedict College for High School Championship Events in the amount of \$25,000.

B. Background / Discussion

Benedict College will host the SC Independent High School Championships as well as the Class A and Class AA High School Football Championships at Charlie W. Johnson Stadium in November and December of this year. In past years, these events have drawn over 20,000 people to the Columbia area. Information and a letter of request are attached.

Benedict College applied for FY14 funding through the Accommodations and Hospitality grant programs but was not selected for funding.

C. Legislative / Chronological History

Council forwarded this request to the A&F Committee at the November 5, 2013 Council meeting.

D. Financial Impact

Allocating \$25,000 to this organization will cause a financial impact and will require a budget amendment. A source of funding will need to be identified.

E. Alternatives

1. Approve the motion to fund the high school championship events at Benedict College at \$25,000.
2. Do not approve the motion to fund the high school championship events at Benedict College at \$25,000.

F. Recommendation

This request was forwarded to the A&F Committee by Council with no recommendation.

Recommended by: County Council

Date: 11/5/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/6/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommendation is based on request being out of funding cycle and no funding source identified and not the merits of the program. Based on the ROA, the request was reviewed during the FY14 process but not recommended by the committee.

Additionally, it is recommend that the agency be referred to the FY15 budget process for future requests to be considered through the normal process.

Approval as submitted would require the identification of a funding source

Grants

Reviewed by: Sara Salley

Date: 11/7/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

This is an out of cycle request. This organization applied for both Accommodations Tax and Hospitality Tax grants this fiscal year, but were not recommended for funding.

Legal

Reviewed by: Brad Farrar

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Roxanne Ancheta

Date: November 7, 2013

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend denial of this request as it is an out-of-cycle funding request. Hospitality Tax and Accommodations Tax FY 14 grant applications were submitted for these events via the normal grants process, but neither were recommended for funding.



BENEDICT COLLEGE

1600 Harden Street

COLUMBIA, SOUTH CAROLINA 29204

November 5, 2013

Richland County Government
2020 Hampton Street
P.O. Box 192
Columbia, SC 29202

Dear Sir/Madam

The purpose of this letter is to ask the committee of the Richland County Council to reconsider Benedict College's applications for the Hospitality and Accommodations Tax grant. The application was submitted for the 2013-14 fiscal year, but was denied based on the fact of not having a signature from the Board of the College. For the 2011-2012 year, the county awarded Benedict College \$7,290 in Accommodation Tax and \$6,877 in Hospitality Tax. The application for the 2012-13 fiscal year was not submitted.

Benedict College was chosen to host the South Carolina Independent High School Championships as well as the Class A, and Class AA High School Football Championships. The events are scheduled to be held November 23, 2013, November 29, 2013, and December 7, 2013. The events will take place at the Charlie W. Johnson Stadium, 2046 Two Notch Road.

Based on verified numbers from the SCHSL and the SCISA, these events drew over 20,000 fans to Columbia, South Carolina. While in Columbia, the fans stay in the local hotels, eat in the restaurants in Richland County and shop at our malls. The Class A Championships will be held on one of the largest shopping weekends (Thanksgiving Weekend), so fans stay and shop right here in Richland County.

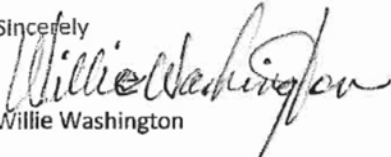
In order to have a successful championship, Benedict College will need assistance in absorbing some of the cost of the games. Attached is a budget that was prepared to show the cost of hosting these championship games.

With the assistance from Richland County Government and Benedict College, we will be able to produce an environment that is safe and entertaining for the fans that will come to support the teams.

For these reasons, we are requesting \$25,000.00 to help offset some the cost. (please see attached budget).

Thank you in advance for your continued support, if you have any questions, please feel free to contact me at 803-269-1636.

Sincerely


Willie Washington

Equal Opportunity in Education and Employment
Without Regards to Race, Sex, Color, National Origin, Religion or Disability

Athletic Director, Benedict College

Tentative Budget
SC Independent High School Championship
SC High School Championship

Stadium Rental	\$24,000.00
Ticket Sellers/Takers	\$1,800.00
Benedict College Public Safety Officers	\$8,000.00
City of Columbia Police Officers	\$4,100.00
Columbia Protection Agency	\$ 880.00
Fire Marshalls	\$ 380.00
Ken's Tents	\$1,200.00
Ems/First Aid	\$1,800.00
Clock Operator	\$ 400.00
Injury Ice	\$ 380.00
Meals for Press Box	\$1,200.00
Custodial/Grounds Services/Trash Removal	\$16,160.00
Port-A-Jon (Branhills Plumbing)	\$ 1,100.00
Radio Broadcasting (Commercials)	\$ 5,000.00
Printing (Booklets, Brochure, Tickets)	\$ 1,000.00
Stadium Supervisor	\$ 600.00
Bathroom Supplies	\$1,000.00
Sideline Set Up	\$1,500.00
Field Marking and Maintenance	\$ 300.00
Grand Total	<u>\$70,800.00</u>

BENEDICT COLLEGE
CHARLIE W. JOHNSON STADIUM

		2012	
HIGH SCHOOL CHAMPIONSHIPS	DATES	ATTENDANCE TOTALS	ESTIMATED ATTENDANCE
INDEPENDENT HIGH SCHOOL CHAMPIONSHIP	NOVEMBER 23, 2013	5500	6050
SOUTH CAROLINA HIGH SCHOOL CHAMPIONSHIPS			
			ESTIMATED ATTENDANCE
IA CHAMPIONSHIP	NOVEMBER 29, 2013	4405	4845
			ESTIMATED ATTENDANCE
2AA CHAMPIONSHIP	DECEMBER 6, 2013	7092	7801

BENEDICT COLLEGE
CHARLIE W. JOHNSON STADIUM

**INDEPENDENT HIGH SCHOOL
CHAMPIONSHIPS – NOVEMBER 23, 2013**

GAME TIMES

12:00 PM // 3:30 PM // 7:30 PM

SC HIGH SCHOOL LEAGUE
CHAMPIONSHIPS

1A – FRIDAY, NOVEMBER 29, 2013

GAME TIMES

12:00 PM // 3:30 PM

2AA – SATURDAY, DECEMBER 6, 2013

GAME TIMES

5:30 PM // 8:30 PM

Richland County Council Request of Action

Subject

Fiscal Reports for Entities Requesting County Funds [**PAGES 232-234**]

Notes

November 26, 2013 - The Committee unanimously recommended forwarding the request to Council without a recommendation.

Richland County Council Request of Action

Subject: Fiscal Reports for Entities Requesting County Funds

A. Purpose

County Council is requested to approve the process of requesting annual reports from all entities requesting County funds that show funding sources and uses inclusive of in-kind contributions.

B. Background / Discussion

On November 5, 2013, Council member Malinowski brought forth the following motion:

“All entities who submit annual budget requests to Richland County and receive funding based on that request will submit an annual report prior to the budget meetings that show additional funds received that year from all other sources, including in-kind contributions. The purpose of this motion is to have every agency receiving budget funds from taxpayer monies being treated equal.”

Additional reporting requirements can be added for the FY15 budget process for outside agencies and county departments, however, further direction will be needed to ensure that the desired information is captured accurately and in a useful format. The FY15 budget process will occur during FY14, so consideration should be given to the fact that FY13 is the latest year of audited financial data for the county.

C. Legislative / Chronological History

Motion by Councilman Malinowski at the November 5, 2013 Council Meeting.

D. Financial Impact

There is no direct financial impact.

E. Alternatives

1. Approve the motion to require an annual report from all entities requesting County funds that show all funding sources and uses inclusive of in-kind contributions.
2. Do not approve the motion to require an annual report from all entities requesting County funds that show all funding sources and uses inclusive of in-kind contributions.

E. Recommendation

This recommendation was made by Mr. Malinowski. This is a policy decision for Council.

Recommended by: Bill Malinowski

Department: County Council

Date: 11/5/13

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 11/18/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Grants

Reviewed by: Sara Salley

Date: 11/18/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Brad Farrar

Date: 11/19/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision of Council.

Administration

Reviewed by: Tony McDonald

Date: 11/20/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Approval of this motion will ensure that the County is receiving consistent and complete financial information from all agencies it funds.

Richland County Council Request of Action

Subject

- a. Authorizing the expansion of the boundaries of the I-77 Corridor Regional Industrial Park jointly developed with Fairfield County to include certain real property located in Richland County; the execution and delivery of a credit agreement to provide for special source revenue credits to [Project Warehouse]; and other related matters **[FIRST READING BY TITLE ONLY] [PAGE 235]**

- b. Authorizing the execution and delivery of an Inducement and Millage Rate Agreement and Memorandum of Understanding by and between Richland County, South Carolina and a company known as Project Aquarius and other matters related thereto **[EXECUTIVE SESSION] [PAGES 236-238]**

AUTHORIZING THE EXPANSION OF THE BOUNDARIES OF THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK JOINTLY DEVELOPED WITH FAIRFIELD COUNTY TO INCLUDE CERTAIN REAL PROPERTY LOCATED IN RICHLAND COUNTY; THE EXECUTION AND DELIVERY OF A CREDIT AGREEMENT TO PROVIDE FOR SPECIAL SOURCE REVENUE CREDITS TO [PROJECT WAREHOUSE]; AND OTHER RELATED MATTERS.

RESOLUTION

AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AND MILLAGE RATE AGREEMENT AND MEMORANDUM OF UNDERSTANDING BY AND BETWEEN RICHLAND COUNTY, SOUTH CAROLINA AND A COMPANY KNOWN AS PROJECT AQUARIUS AND OTHER MATTERS RELATED THERETO

WHEREAS, Richland County, South Carolina (“County”), acting by and through its County Council (“County Council”) is authorized and empowered under and pursuant to the provisions of Title 4, Chapter 9, Code of Laws of South Carolina, 1976, as amended, to make and execute contracts;

WHEREAS, the County is negotiating with a company known as Project Aquarius (“Company,” together with the County, “Parties,” each, a “Party”) regarding a potential, significant investment by the Company in the County (“Investment”);

WHEREAS, the commitments of each Party regarding the Investment are set forth in a confidential Inducement and Millage Rate Agreement and Memorandum of Understanding (“Agreement”) by and between the Parties; and

WHEREAS, the terms of the Agreement relating to the County have been negotiated by the County’s Economic Development Director, and County Council has been advised regarding the terms of the Agreement in executive session.

NOW, THEREFORE, BE IT RESOLVED by the County Council in meeting duly assembled:

1. In the name of and on behalf of the County, the Chairman of the County Council (“Chairman”), or the County Administrator (“Administrator”), is authorized and directed to execute the Agreement. The Clerk of the County Council is authorized to and directed to attest to the Agreement, and the Chairman or the Administrator is authorized and directed to deliver the Agreement to the Company. The Chairman or the Administrator may approve and execute modifications and amendments to the Agreement, which, after consultation with counsel and the County’s Economic Development Director, do not substantially modify the terms of the Agreement as presented to County Council in executive session.

2. The County Council and the duly elected or appointed officials of the County shall take any and all further action as may be reasonably necessary to attract the Investment and effect the intent of this Resolution and the Agreement.

3. All resolutions, and parts thereof in conflict with this Resolution are, to the extent of such conflict, hereby repealed.

4. Should any part, provision, or term of this Resolution be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such finding or determination shall not affect the rest and remainder of the Resolution or any part, provision or term thereof, all of which is hereby deemed separable.

DONE AND PASSED this 3rd day of December, 2013.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Chairman, Richland County Council

ATTEST:

Clerk, Richland County Council

Richland County Council Request of Action

Subject

- a. Move to privatize ALL Public Work operations. The RFP process will be completed before the March 18, 2014 Council meeting **[WASHINGTON]**
- b. With the upcoming meeting with City officials regarding the relocation of the Richland County Judicial Center. I move that the County Administrator arrange to have the building appraised as soon as possible **[PEARCE]**

Richland County Council Request of Action

Subject

Must Pertain to Items Not on the Agenda