



# **RICHLAND COUNTY COUNCIL**

## **ADMINISTRATION AND FINANCE COMMITTEE**

Greg Pearce	Torrey Rush	Damon Jeter (Chair)	Joyce Dickerson	Paul Livingston
District 6	District 7	District 3	District 2	District 4

**FEBRUARY 26, 2013  
6:00 PM**

**2020 Hampton Street**

### **CALL TO ORDER**

### **ELECTION OF CHAIR**

1. Election of Chair

### **APPROVAL OF MINUTES**

2. Regular Session: January 22, 2013 [PAGES 4-7]

### **ADOPTION OF AGENDA**

### **ITEMS FOR ACTION**

3. Purchase of Building and Lot for the Columbia Magistrate District Office Relocation [**PAGES 8-17**]
  
4. Acceptance of Loan Assistance Funds for Construction of Allbene Park Water Distribution System [**PAGES 18-51**]
  
5. Hospitality Tax Ordinance Distribution [**PAGES 52-62**]

**ADJOURNMENT**



# Richland County Council Request of Action

**Subject**

Election of Chair

**Reviews**

# Richland County Council Request of Action

## **Subject**

Regular Session: January 22, 2013 **[PAGES 4-7]**

## **Reviews**

**MINUTES OF**



**RICHLAND COUNTY COUNCIL  
ADMINISTRATION AND FINANCE COMMITTEE  
TUESDAY, JANUARY 22, 2012  
6:00 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**

- Member: Joyce Dickerson
- Member: Norman Jackson
- Member: Paul Livingston
- Member: Greg Pearce

Absent: Damon Jeter

**ALSO PRESENT:** Kelvin E. Washington, Sr., Bill Malinowski, Jim Manning, Seth Rose, Julie-Ann Dixon, Torrey Rush, Tony McDonald, Sparty Hammett, Roxanne Ancheta, Daniel Driggers, John Hixon, Sara Salley, Brad Farrar, Amelia Linder, Geo Price, Dale Welch, Stephany Snowden, Justine Jones, Dwight Hanna, Monique Walters, Michelle Onley

**CALL TO ORDER**

The meeting started at approximately 6:01 p.m.

**APPROVAL OF MINUTES**

**December 18, 2012 (Regular Session)** – Ms. Dickerson moved, seconded Mr. Jackson, to approve the minutes as distributed. The vote in favor was unanimous.

**ADOPTION OF AGENDA**

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

## ITEMS FOR ACTION

**Tax Increment Financing (TIF) on Broad River Road** – Ms. Dickerson moved, seconded by Mr. Pearce, to forward to Council a recommendation to approve the request to ask the City of Columbia to enter into a Tax Increment Financing (TIF) zone on Broad River Road from Sunset Drive to Piney Grove Road. A discussion took place.

The vote in favor was unanimous.

**Employee Discounts Link on the Employee Intranet** – Ms. Dickerson moved, seconded by Mr. Pearce, to forward to Council with a recommendation to approve the request to create an Employee Discounts link on the Employee Intranet. An implementation plan and ongoing maintenance process will be established and implemented after review by the Legal Department. The vote in favor was unanimous.

**Richland County's Holiday Schedule** – Mr. Pearce moved, seconded by Ms. Dickerson, to move to approve the request of the distribution of the funds with the understanding that the Administration will allocate the funds in such a manner that it does not become a permanent part of the Solicitor's or Sheriff's base budget. The vote in favor was unanimous.

**Miss South Carolina Pageant Funding Request** – Mr. Pearce moved, seconded by Ms. Dickerson, to forward to Council with a recommendation to approve the request to allocate \$25,000 in H-Tax to the Miss South Carolina Pageant. The vote in favor was unanimous.

**Consultant Services for Medicare Benefit Insurance** – Ms. Dickerson moved, seconded by Mr. Pearce, to forward to Council with a recommendation to approve the request to move forward with negotiations with AON. A discussion took place.

The vote in favor was unanimous.

**Policy to Deny Use of Outside Legal Counsel that has any current pending lawsuit against the County** – Ms. Dickerson moved, seconded by Mr. Pearce, to forward to Council without a recommendation. The vote in favor was unanimous.

**Addressing Council's Expense Accounts for District 7 and 9** – Mr. Jackson moved, seconded by Ms. Dickerson, to forward this item to Council with a recommendation for denial. The vote in favor was unanimous.

**Issuing Taxable General Obligation Bonds** – Mr. Jackson moved, seconded by Mr. Pearce, to forward to Council with a recommendation to approve the request the refinancing ordinance. A discussion took place.

The vote in favor was unanimous.

**Issuing Revenue Bonds Secured by Hospitality Tax Revenues; Refunding/Refinancing Outstanding Debt Secured by Hospitality Tax Revenues** – Mr. Jackson moved, seconded

by Mr. Pearce, to forward to Council with a recommendation to approve the request to enact the ordinances. The vote in favor was unanimous.

### **ADJOURNMENT**

The meeting adjourned at approximately 6:53 p.m.

Submitted by,

Damon Jeter, Chair

The minutes were transcribed by Michelle M. Onley

# Richland County Council Request of Action

**Subject**

Purchase of Building and Lot for the Columbia Magistrate District Office Relocation **[PAGES 8-17]**

**Reviews**



# Richland County Council Request of Action

**Subject:** Purchase of Building and Lot for the Columbia Magistrate District Office Relocation

**A. Purpose**

County Council is requested to approve the purchase of 3875 Lucius Road, Columbia, SC as a County-owned facility, for the purpose of permanently housing the Columbia Magistrate District office. A map and photos of the location are attached (Appendix 1).

**B. Background / Discussion**

- Since June 28, 2011 the Columbia Magistrate District office has been temporarily housed in the Central Court facility at 1400 Huger Street.
- From October 2007 until June 28, 2011 the Columbia Magistrate District office was in a rental property located at 1515 Richland Street.
- Prior to leasing the 1515 Richland Street location, the Columbia Magistrate District’s office was located at 1731 Laurel Street, Columbia, SC, also a rental property.
- It is the Columbia Magistrate District’s goal to be housed in a County-owned facility in the Magisterial District and to have adequate space for court operations and parking.

The property, 3875 Lucius Road, Columbia, SC 29201, Tax Map Number R09103-10-03, is owned by Charles E. Merriweather and Rosalyn W. Merriweather. The purchase price is \$546,750.00 plus closing costs, an amount undetermined at this time. The terms of the closing costs are outlined in number 8 of the contract which states:

**“Closing Costs, Taxes and Assessments.** Each of the parties shall pay its own attorney’s fees, arising from this transaction. Seller shall pay the transfer tax on the deed and any and all general and special assessments against the Property. Ad Valorem taxes shall be prorated on a calendar year basis. If the current year tax amount is not available, the parties shall prorate based on an estimate and either party shall be entitled to seek an adjustment of the proration based on the actual tax amount no later than March 31 of the following year.” The contract is attached (Appendix 2).

**C. Legislative / Chronological History**

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

**D. Financial Impact**

**Table 1**

Building and lot	\$546,750
Closing Costs	Unknown at this time

The purchase of the property would eliminate the need to continue leasing the current location. Additionally, the County-owned property would be maintained by the County.

**E. Alternatives**

1. Approve the request to purchase the building located at 3875 Lucius Road and the attached lot. The purchase would allow the Columbia Magistrate to vacate the Central Court facility, which is scheduled to relocate in February 2015. It would provide adequate space for Court operations and would be located within the District.
2. Do not approve the request to purchase the building located at 3875 Lucius Road and the attached lot.

**F. Recommendation**

It is recommended that Council approve the request to purchase of 3875 Lucius Road for the purpose of permanently housing the Columbia Magistrate District Office in a County-owned facility.

Recommended by: Chief Magistrate Simons      Department: Magistrate      Date: 2/14/13

**G. Reviews**

(Please replace the appropriate box with a ✓ and then support your recommendation in the Comments section before routing on. Thank you!)

Please be specific in your recommendation. While “Council Discretion” may be appropriate at times, it is recommended that Staff provide Council with a professional recommendation of approval or denial, and justification for that recommendation, as often as possible.

**Finance**

Reviewed by: Daniel Driggers      Date: 2/19/13  
 Recommend Council approval       Recommend Council denial  
 Recommend Council approval

Comments regarding recommendation: Request is a policy decision for Council on strategic planning for location and cost.

**Legal**

Reviewed by: Elizabeth McLean      Date: 2/20/13  
 Recommend Council approval       Recommend Council denial

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

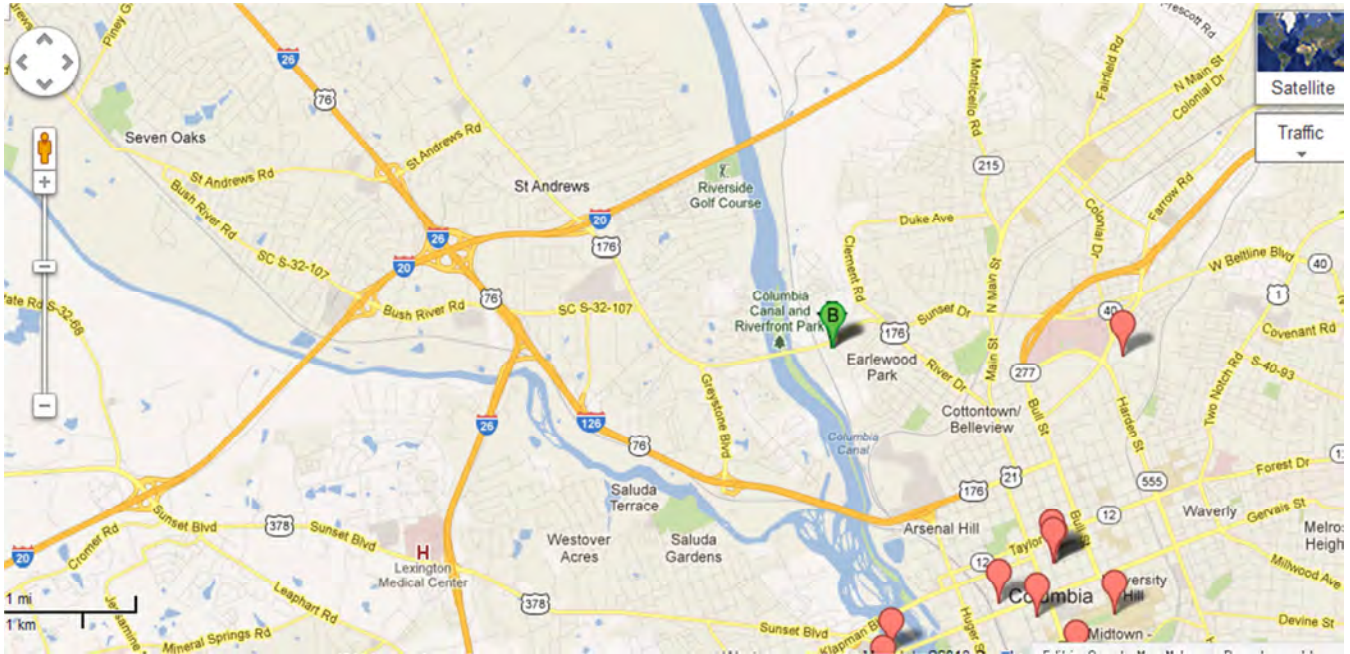
**Administration**

Reviewed by: Tony McDonald      Date: 2/20/13  
 Recommend Council approval       Recommend Council denial

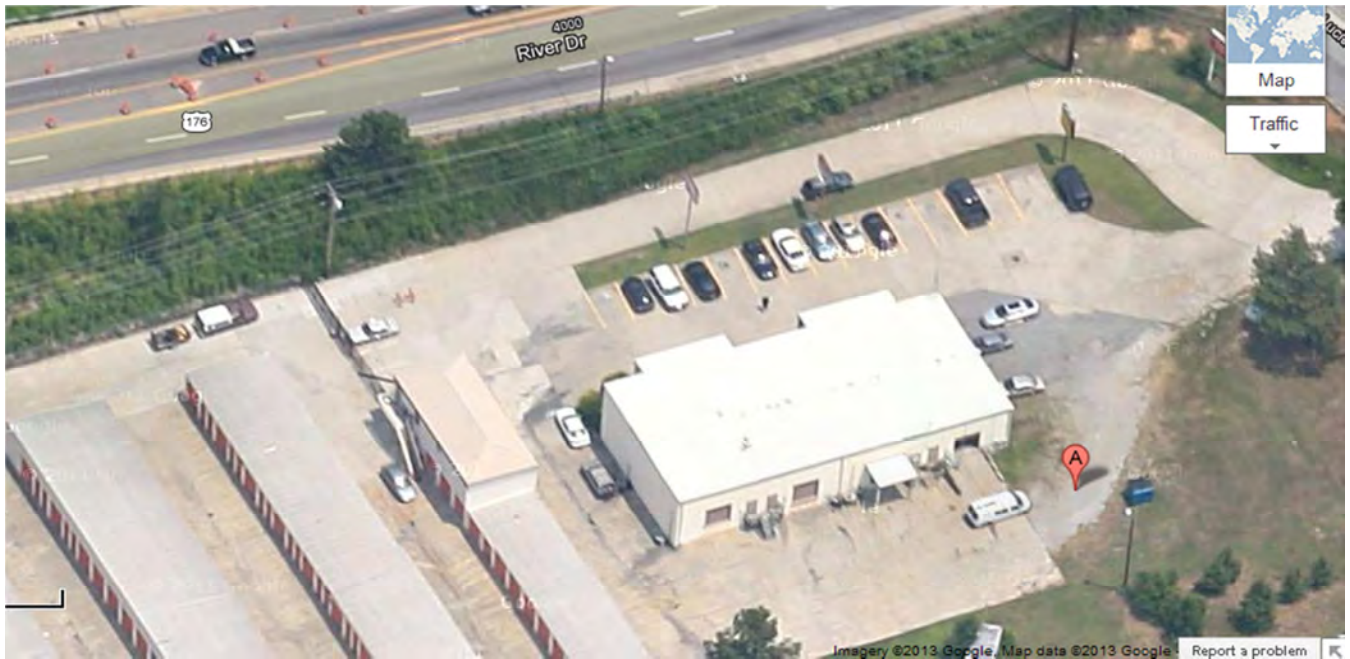
Comments regarding recommendation: The relocation of Magistrates’ offices into County-owned facilities has been a long-term goal for several years. Toward that end, the County began issuing “public safety” bonds in the amount of \$1.6 million every other year to acquire such properties and has relocated the Eastover and Dutch Fork Magistrates’ Offices, as well as co-located the Coroner’s Office and a Sheriff’s Substation on Pineview Road. Funding from these bond issues has also contributed to the Decker Center renovation project.

Funding for the purchase of the Lucius Road property is available from the most recent bond, which was issued in 2012.

# Appendix 1



Building on right with cars in front.



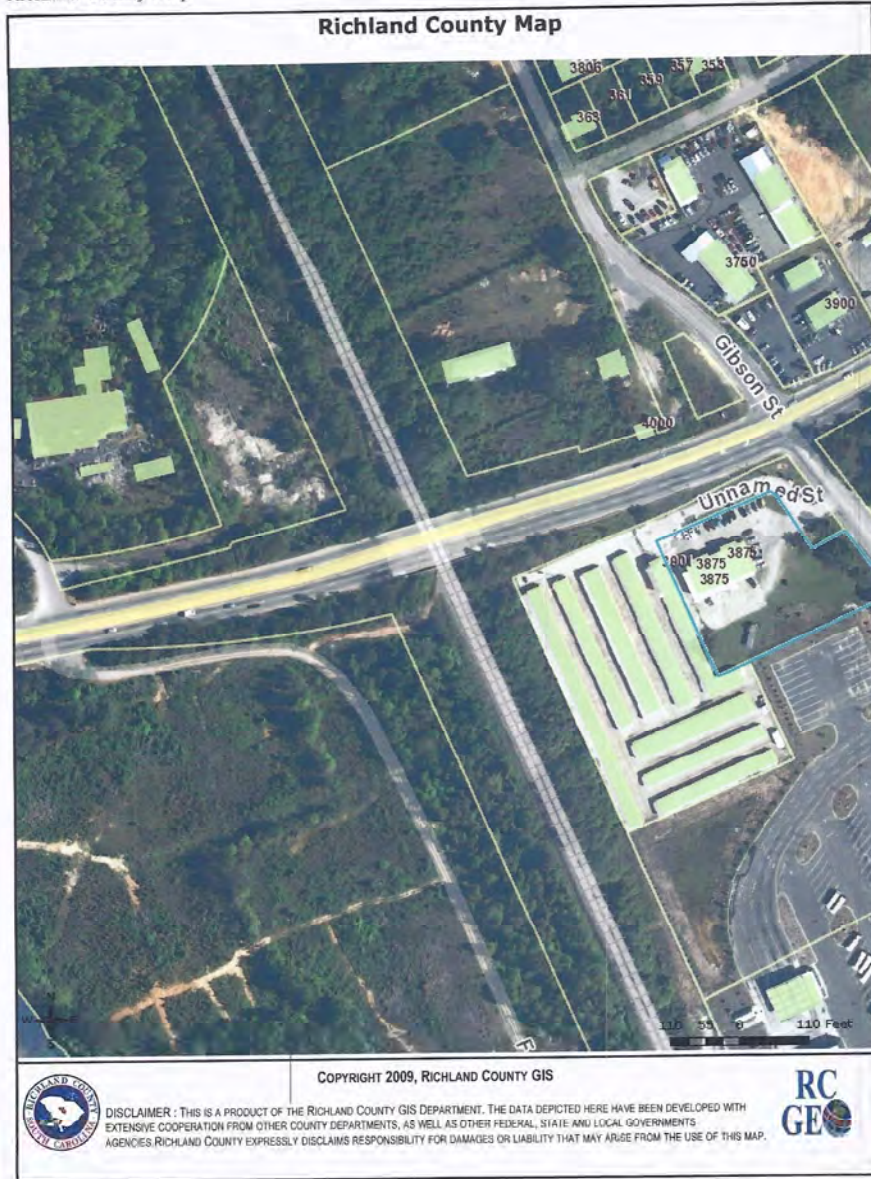
Item# 3

Attachment number 1  
Page 4 of 9



Item# 3

Attachment number 1  
Page 5 of 9



<http://www3.richlandmaps.com/rcgeoportal/defaultPrint.htm>

2/15/2013

AA  
Item# 3

Appendix 2

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made this 30 day of JANUARY, 2013, by and between CHARLES E. MERRIWETHER & ROSALYN W. MERRIWETHER (hereinafter "Seller"), whose address is 631 HICKLIN DRIVE ROCK HILL S.C. 29732, and RICHLAND COUNTY, SOUTH CAROLINA (hereinafter "Purchaser"), whose address is Attention: Anthony McDonald, County Administrator, 2020 Hampton Street, Room 4058, Columbia, South Carolina 29201.

In consideration of the mutual covenants contained herein, the parties agree as follows:

- Property.** Seller agrees to sell and transfer and Purchaser agrees to purchase and accept, upon the terms and conditions hereinafter set forth, that certain parcel of land, together with improvements thereon, situate, lying and being on 3875 LUCIUS ROAD COLUMBIA S.C. 29201 in (or near) the City of Columbia, Richland County, South Carolina, Richland County Tax Map Parcel R09103-10-03, a copy of such map or sketch and building plans/spec's being attached hereto as Exhibit A and made a part hereof (the "Property").
- Purchase Price.** The purchase price shall be Five Hundred Forty Six Thousand, Seven Hundred Fifty Dollars,00 (\$546,750.00) (the "Purchase Price") and shall be payable at closing by Purchaser to Seller by bank wire transfer or by cashier's check or attorney escrow check.
- Feasibility Study.** Any provision hereof to the contrary notwithstanding, Purchaser shall have until thirty (30) days after County Council Chair's signature date (the "Feasibility Period") to perform development studies, financial analyses, feasibility studies, inspections, utility studies, storm drainage analyses, soil tests, surveys, appraisals, environmental studies and such other tests, evaluations and examinations of the Property as Purchaser may desire. In the event the results of Purchaser's tests, evaluations and analyses are not satisfactory to Purchaser in its sole discretion or if for any other reason Purchaser elects not to purchase the Property, Purchaser may on or before the last day of the Feasibility Period terminate this Agreement by written notice to Seller. In such event, this Agreement shall be deemed terminated, and Purchaser shall have no obligation to purchase the Property.
- Subject to County Council Approval.** This Agreement is being executed by the County Council Chair Person subject to the condition that this Agreement and the appropriation of funds to close must be approved by Richland County Council.
- Title and Survey.** Seller shall satisfy all mortgage liens and all other liens on the Property at Closing. Seller will convey the Property by general warranty deed subject to easements and restrictions of record and matters of survey, provided that such are acceptable to Purchaser. If any of such matters are not acceptable to Purchaser, Purchaser may terminate this Agreement and receive a refund of any monies paid to Seller.

6. **Closing.** Closing shall be held on or before July 30, 2013 and shall take place at the offices of Starkes Law Firm 1817 Hampton Street Columbia S.C. 29202 or at such other place as the parties may otherwise agree. Both parties agree to discuss extending the closing date if necessary.

7. **Closing Documents.** Seller shall execute and deliver the following to Purchaser at Closing:

(a) **Deed.** A general warranty deed, subject to easements and restrictions of record and matters of survey. The deed shall be in proper form for recording and shall be duly executed, witnessed and acknowledged.

(b) **Affidavits, Residency Certificate, Tax Compliance Certificate.** If applicable under law or if required by Purchaser's title insurance company, affidavits and indemnification agreements that there are no amounts owed for labor, materials or services respecting the Property and that there are no parties in possession except under current leases, any residency certificates pursuant to S.C. Code § 12-5-850 and Section 1445 of the U.S. Internal Revenue Code, and a current tax compliance certificate from the South Carolina Department of Revenue, if required under applicable law.

8. **Closing Costs, Taxes and Assessments.** Each of the parties shall pay its own attorney's fees arising from this transaction. Seller shall pay the transfer tax on the deed and any and all general and special assessments against the Property. Ad valorem taxes shall be prorated on a calendar year basis. If the current year tax amount is not available, the parties shall prorate based on an estimate and either party shall be entitled to seek an adjustment of the proration based on the actual tax amount no later than March 31 of the following year.

9. **Assigns.** This Agreement shall be binding upon and shall insure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

10. **Commissions.** Each party represents and warrants that Midlands Realty Group, LLC is the Real Estate Company involved in this transaction. Each party understands and agrees that commissions/real estate fees are included in the purchase price and are to be dispersed at closing.

11. **Entire Agreement.** It is understood and agreed that all understandings and agreements heretofore and between the parties hereto are merged in this Agreement, which alone fully and completely expresses their agreement, neither party relying upon any statement or representation not embodied in this Agreement, made by the other. The covenants and warranties contained herein shall survive the Closing.

12. **Modification.** This Agreement may not be modified or amended nor shall any of its provisions be waived except by a written instrument signed by Seller and Purchaser.

13. **Possession.** Possession of the Property will be delivered at Closing.



14. **Severability.** In the event any provision in this Agreement shall be held by a court of competent jurisdiction after final appeal (if any) to be illegal, unenforceable or contrary to public policy, then such provision shall be stricken and the remaining provisions of this Agreement shall continue in full force and effect.

15. **Paragraph Headings.** The paragraph headings contained herein are for convenience only, and should not be construed as limiting or altering the terms hereof.

16. **Governing Law.** This Agreement shall be construed and enforced according to the laws of the State of South Carolina.

17. **Notices.** All notices required or permitted to be given hereunder shall be in writing and either hand delivered or sent by certified mail, return receipt requested, to the party to be notified at its address set forth above. Notice by mail shall be effective on the date of receipt as evidenced by signed receipt.

IN WITNESS WHEREOF, this Agreement has been duly signed, sealed and delivered by the parties hereto the day and year first above written.

Witnesses:

**SELLER**

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

By: \_\_\_\_\_ (SEAL)

**PURCHASER**

**RICHLAND COUNTY, SOUTH CAROLINA**

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

By: \_\_\_\_\_ (SEAL)

Kelvin Washington  
Richland County Council Chair

# Richland County Council Request of Action

**Subject**

Acceptance of Loan Assistance Funds for Construction of Allbene Park Water Distribution System **[PAGES 18-51]**

**Reviews**

# Richland County Council Request of Action

**Subject:** Acceptance of Loan Assistance Funds for Construction of Allbene Park Water Distribution System

**A. Purpose**

County Council is requested to approve a resolution to accept loan assistance funds from the State Revolving Fund (SRF) and to award a construction contract to the lowest bidder for the construction of the Allbene Park Water Distribution System.

**B. Background / Discussion**

At the March 6, 2012 County Council meeting, Council approved the acceptance of an SRF principal forgiveness loan of \$304,025, authorized Administration to complete the loan documents and execute a design contract. A principal forgiveness loan is basically a grant by another name and does not require repayment. A copy of this letter is attached as Appendix 1.

The project was advertised for bids during November 2012; the lowest bid exceeded the available funds provided by SRF. In a letter dated December 11, 2012 SRF representatives increased their commitment of funds to \$349,025 to meet the lowest bid.

With this level of funding, as referenced in the Letter of Conditions in Appendix 1, the project costs are budgeted as follows:

Engineering	\$ 15,417
Construction	300,931
Construction Contingency	22,894
Construction Inspection	<u>9,783</u>
<b>Total</b>	<b>\$349,025</b>

The project was advertised and bid in accordance with the requirements established by SRF. One bid was received and that bid has been reviewed and recommended for approval by the Design Engineer, Joel Wood & Associates, and representatives of SRF. A construction contract is recommended to be awarded to Tom Brigman Contractors, Inc., in the amount of \$300,930.83. Copies of the contractor's bid and the engineer's recommendation are attached as Appendices 4 and 3 respectively. South Carolina DHEC issued Construction Permit number 28643-WS on September 26, 2012, which is attached as Appendix 5.

**C. Legislative / Chronological History**

- At the March 6, 2012 meeting, Council approved the acceptance of the SRF principal forgiveness loan in the amount of \$304,025.
- On November 13, 2012 one construction bid was received with the lowest bid exceeding the SRF-approved budget.
- On December 11, 2012 SRF reviewed the bid and approved the request for additional funds, which increased the project budget to \$349,025. This amount includes a construction contingency of \$22,894.

- On January 21, 2013, Joel Wood & Associates, the Project Engineer, recommended the construction contract be awarded to Tom Brigman Contractors, Inc., in the amount of \$300,930.83.

**D. Financial Impact**

SRF has offered \$349,025 toward the completion of this project. The construction contract amount of \$300,930.83 is within the amount established for construction which includes a \$22,894 construction contingency. No additional funds other than those provided by SRF are required.

**E. Alternatives**

1. Approve the request to accept the \$349,025 principal forgiveness loan as offered by SRF and approve the construction contract in the amount of \$300,930.83.
2. Identify an alternate source of funding to finance the construction project.
3. Do not approve the request to accept the \$349,025 principal forgiveness loan as offered by SRF and proceed no further.

**F. Recommendation**

It is recommended that County Council approve the resolution to accept the \$349,025 principal forgiveness loan from SRF and approve the construction contract with Tom Brigman Contractors, Inc., in the amount of \$300,930.83 with a construction contingency not to exceed \$22,894.

Recommended by: Andy H. Metts      Department: Utilities      Date: 1/30/2013

**G. Reviews**

(Please replace the appropriate box with a ✓ and then support your recommendation in the Comments section before routing on. Thank you!)

Please be specific in your recommendation. While “Council Discretion” may be appropriate at times, it is recommended that Staff provide Council with a professional recommendation of approval or denial, and justification for that recommendation, as often as possible.

**Finance**

Reviewed by Daniel Driggers:      Date: 2/4/13  
 Recommend Council approval       Recommend Council denial  
 Comments regarding recommendation:

**Legal**

Reviewed by: Elizabeth McLean      Date: 2/13/13  
 Recommend Council approval       Recommend Council denial  
 Comments regarding recommendation: Policy decision left to Council’s discretion. Council should verify that the Procurement procedures required by the Agreement have been and continue to be followed. Additionally, there is indemnification language in the Agreement that the County should request be removed. My guess is that the State will deny this request, but it is clear through AG’s opinion and the SC Constitution that Counties cannot indemnify.

**Administration**

Reviewed by: Sparty Hammett

Date: 2/13/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend Council approval of the resolution to accept the \$349,025 principal forgiveness loan from SRF and approve the construction contract with Tom Brigman Contractors, Inc., in the amount of \$300,930.83 with a construction contingency not to exceed \$22,894. In regard to Legal's comments regarding Procurement procedures, the project was bid out through the County's Procurement Department.

NIKKI R. HALEY, CHAIR  
GOVERNOR  
CURTIS M. LOFTIS, JR.  
STATE TREASURER  
RICHARD ECKSTROM, CPA  
COMPTROLLER GENERAL

OFFICE OF  
LOCAL GOVERNMENT  
  
SC BUDGET AND CONTROL BOARD  
STATE REVOLVING FUND  
1200 SENATE STREET  
408 WADE HAMPTON BUILDING  
COLUMBIA, SC 29201  
TELEPHONE: (803) 737-3800 FAX: (803) 737-3807

HUGH K. LEATHERMAN, SR.  
CHAIRMAN, SENATE FINANCE  
COMMITTEE  
W. BRIAN WHITE  
CHAIRMAN, HOUSE WAYS AND MEANS  
COMMITTEE  
MARCIA S. ADAMS  
EXECUTIVE DIRECTOR

ASHLIE LANCASTER  
INTERIM DIRECTOR

**STATE DRINKING WATER REVOLVING LOAN FUND**  
**FY 2011 FEDERAL CAPITALIZATION GRANT**  
**LOAN ASSISTANCE AGREEMENT PACKAGE**  
**FOR**  
**RICHLAND COUNTY**

Re: Allbene Park Water System Improvements

Contents:

1. Information/Process to receive Loan Assistance in form of Principal Forgiveness
2. Draft Resolution
3. Loan Assistance Agreement

On behalf of the South Carolina Water Quality Revolving Fund Authority, the Office of Local Government, State Budget and Control Board is pleased to provide Richland County with this package of material for receiving Loan Assistance in the form of Principal Forgiveness from funds made available under the FY 2011 Federal Appropriations Act for the State Drinking Water Revolving Fund.

For further information or assistance contact:

Patricia A. Comp  
Loan Programs Manager  
Tel: (803) 737-3808  
Fax: (803) 737-3807  
[compp@olg.sc.gov](mailto:compp@olg.sc.gov)

January 24, 2013

## Information and Process to Receive FY 2011 Loan Assistance

### Resolution

- A Resolution is required to be adopted by the governing body of the Project Sponsor to authorize acceptance of the loan assistance and to designate the persons authorized to sign and attest the Loan Assistance Agreement (Agreement).
- The enclosed draft Resolution has been substantially individualized to the County and it assumes that the Chairman of County Council and Clerk to Council will be designated to sign and attest the Agreement, which is to be attached to the Resolution as Exhibit A.
- It is recommended that the County's attorney review the enclosed draft Resolution and that it conform to the normal format and process used by Richland County for adoption of other resolutions. The draft Resolution is also provided in Word format for your convenience.
- There should not be any material changes to the content of the draft Resolution, but, if such is proposed, it must be submitted to the Office of Local Government (OLG) via fax or e-mail for concurrence in advance of adoption.
- Notify OLG of the planned date of adoption as soon as it determined.
- Send to OLG, via fax or e-mail, copy of Resolution in the form it is to be presented to County Council at least 5 business days before adoption.
- Once adopted, sign Resolution in blue ink, affix seal, fax or PDF a copy of signed Resolution to OLG and mail original executed Resolution to OLG.

### Loan Assistance Agreement

- Once the Resolution is adopted and received by OLG, we will mail two duplicate original Agreements for signature by the County. Please sign in blue ink and affix seal.  
Note: If timing is an issue, we will mail the original Agreements in advance of the meeting, so they can be signed at the same time.
- Both original Agreements signed by the designated individuals are to be returned to the OLG for signature. One completely executed original Agreement will be returned to the County.

**Note:** In addition to adopting the Resolution and executing the Agreement, the Project Sponsor must also receive all approvals needed from DHEC to award the construction contract to maintain eligibility for the loan assistance monies.

RESOLUTION NO. \_\_\_\_\_

AUTHORIZING AND APPROVING THE ACCEPTANCE OF CERTAIN LOAN ASSISTANCE MONIES FROM THE SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY; AUTHORIZING THE CHAIRMAN OF COUNTY COUNCIL TO EXECUTE THAT CERTAIN LOAN ASSISTANCE AGREEMENT BETWEEN RICHLAND COUNTY AND THE SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY; AND OTHER MATTERS RELATING THERETO.

WHEREAS, Richland County (the "*Project Sponsor*") is a political subdivision duly created and existing under the laws of the State of South Carolina;

WHEREAS, the Project Sponsor is authorized and empowered by the provisions of Title 48, Chapter 5 of the Code of Laws of South Carolina, 1976, as amended, to receive financial assistance from the South Carolina Water Quality Revolving Fund Authority (the "*Authority*");

WHEREAS, the Fiscal Year 2011 Federal Appropriations Act (Public Law 112-10) requires the South Carolina Drinking Water Revolving Loan Fund (the "*Fund*") to provide additional subsidization (including subsidization which will not accrue interest and the principal of which will be forgiven) for drinking water infrastructure facilities;

WHEREAS, the Project Sponsor previously applied to the South Carolina Department of Health and Environmental Control ("*DHEC*") for certain loan assistance monies (the "*Loan Assistance*") to be made available to the Project Sponsor by the Authority in the form of a subsidization which will not accrue interest and the principal of which will be forgiven;

WHEREAS, the Project Sponsor was selected by DHEC to receive the Loan Assistance contingent upon compliance by the Project Sponsor with all terms, conditions and requirements set forth in the Loan Assistance Agreement, the form of which is attached hereto as Exhibit A (the "*Loan Assistance Agreement*"); and

WHEREAS, based on approvals issued by DHEC, the proceeds of the Loan Assistance are to be used by the Project Sponsor for the Allbene Park Water System Improvements Project described in Appendix A to the Loan Assistance Agreement (the "*Project*").

NOW, THEREFORE, BE IT RESOLVED by the County Council of Richland County, South Carolina (the "*Council*"), in a meeting duly assembled:

Section 1. Acceptance of the Loan Assistance; Acknowledgment of Terms of Loan Assistance Agreement.

The Loan Assistance, under the terms, conditions and requirements set forth in the Loan Assistance Agreement, is hereby accepted. The Project Sponsor acknowledges that the receipt of proceeds of the Loan Assistance pursuant to the Loan Assistance Agreement requires the Project Sponsor to comply with all of the terms of the Loan Assistance Agreement, including requiring strict



compliance with all state and federal mandates set forth therein by any contractors performing work on the Project who are subject to those mandates. The Project Sponsor further acknowledges that the forgiveness of the principal amount of the Loan Assistance by the Authority is conditional upon the Project Sponsor's complete and satisfactory compliance with the terms of the Loan Assistance Agreement, and that any failure to comply strictly with such terms could result in a requirement that the Project Sponsor repay to the Authority all or a portion of the Loan Assistance. The Project Sponsor has fully reviewed each and every term of the Loan Assistance Agreement.

Section 2. Approvals, Appropriations and Expenditures.

The Project Sponsor certifies that it has taken, or will take, all actions necessary under South Carolina law to approve, appropriate and expend the proceeds of the Loan Assistance.

Section 3. Authorization of the Loan Assistance Agreement.

The Loan Assistance Agreement is hereby approved, and the execution and delivery of the Loan Assistance Agreement on behalf of the Project Sponsor is hereby authorized and directed. The Loan Assistance Agreement shall be executed on behalf of the Project Sponsor by the Chairman of County Council and shall be attested to by the Clerk of Council.

Section 4. Miscellaneous.

This Resolution shall be a contract between the Project Sponsor and the Authority, and shall be enforceable as such against the Project Sponsor.

ADOPTED, this \_\_\_\_ day of \_\_\_\_\_, 2013.

RICHLAND COUNTY,  
SOUTH CAROLINA

SEAL

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

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

Attest:

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

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

**LOAN ASSISTANCE AGREEMENT**

**between**

**SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY**

**and**

**RICHLAND COUNTY**

Dated

\_\_\_\_\_ \_\_, 2013

relating to

Allbene Park Water System Improvements

South Carolina Drinking Water Revolving Loan Fund

FY 2011 Federal Capitalization Grant

Loan Assistance Number: F3-11-4020002-01

No. \_\_\_\_ of Two Executed Original Counterparts

Item# 4

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# F3-11-4020002-01

i

Item# 4

LOAN ASSISTANCE AGREEMENT

THIS LOAN ASSISTANCE AGREEMENT is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2013, (the "**Effective Date**") between the SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY, a public instrumentality of the State of South Carolina (the "**Authority**"), and RICHLAND COUNTY, a political subdivision of the State of South Carolina (the "**Project Sponsor**").

WITNESSETH:

WHEREAS, the Authority is authorized by Title 48, Chapter 5, Code of Laws of South Carolina, 1976, as amended (the "**Act**") to administer the South Carolina Drinking Water Revolving Loan Fund (the "**Fund**") for the purpose of assisting Project Sponsors (as defined in the Act) in the construction of, among other things, public drinking water supply, storage, treatment and distribution facilities as defined in the Federal Safe Drinking Act, Title 42, United States Code, Section 300f et seq.; as amended; and

WHEREAS, the Department of Health and Environmental Control (the "**Department**") is authorized by the Act to, among other things, develop a priority system and prepare an annual plan to insure compliance with the Federal Safe Drinking Water Act; and

WHEREAS, the Fiscal Year 2011 Federal Appropriations Act ("**Public Law 112-10**") requires the Fund, identified therein as the Drinking Water State Revolving Fund, to provide additional subsidization for drinking water infrastructure facilities; and

WHEREAS, the Act, as amended May 28, 2010, authorizes the Authority to fully implement all requirements of Public Law 112-10 for the Fund; and

WHEREAS, the Authority is authorized by the Act to enter into agreements with Project Sponsors in order to finance Projects (as defined in the Act) and the Department is authorized to select projects to receive additional subsidization in the form of Loan Assistance, herein defined; and

WHEREAS, the Project Sponsor proposes to acquire and construct the facilities described in Appendix "A" hereto (the "**Project**"), which Project will be part of the Hopkins Community Water System which is owned and operated by the Project Sponsor (the "**System**"); and

WHEREAS, the Department has selected this Project to receive additional subsidization in the form of Loan Assistance, herein defined;

NOW, THEREFORE, BE IT AGREED AS FOLLOWS:

# F3-11-4020002-01

## LOAN ASSISTANCE PROVISIONS

The Authority agrees to provide Loan Assistance, as defined below, to the Project Sponsor solely from Public Law 112-10 appropriations granted to the State of South Carolina (the "*State*") for the Fund subject to the terms and conditions of this Loan Assistance Agreement, applicable laws, regulations and all Federal and State requirements now and hereafter in effect governing the use of this Loan Assistance.

1. Loan Assistance Defined. Subject to the terms and conditions of this Agreement, the Authority agrees to make, and the Project Sponsor agrees to accept, the loan assistance herein provided for (the "*Loan Assistance*"), such term being defined as a loan which will not accrue interest and the principal of which is hereby forgiven in its entirety. The amount of the Loan Assistance is set forth in Appendix "B" hereto.
2. Purpose Limited to Project. The Project Sponsor shall use the Loan Assistance only to pay the actual eligible costs of the Project. The Project scope is described in Appendix "A" and more specifically as approved in the Project files of the Department. The Project Sponsor shall make no modifications to the Project scope without the written consent of the Department, such consent to be made part of this Agreement. Except to the extent otherwise approved in writing by the Department and made part of this Agreement, only the costs shown in the Project budget set forth in Appendix "A" shall be allowed and only in the amounts provided for each category. Loan Assistance may not be used to pay for labor performed by employees of the Project Sponsor.
3. Disbursements.
  - (a) Requests for disbursement shall be made by the Project Sponsor to the Department on forms of the Department, and shall be accompanied by such invoices and other proofs of incurred costs as the Department may reasonably require. The Project Sponsor shall comply with all requirements of the SRF Disbursement Package in submitting draw requests to the Department.
  - (b) The Authority shall make disbursements to the Project Sponsor under this Agreement only after receiving each Department approved draw request. The Authority shall incur no liability to the Project Sponsor in the event that the Department does not approve a draw request submitted by the Project Sponsor.
  - (c) The Authority will exert its best efforts to mail its check within seven (7) days of receiving such approved draw request, but no assurance is given by the Authority that such schedule will be met and the Authority shall incur no liability to the Project Sponsor for a delay.
  - (d) All disbursements shall be provided by the Authority in the form of a check mailed to the Project Sponsor.
  - (e) The Project Sponsor shall receive and promptly disburse the funds to be provided hereunder as trust funds for the purpose of paying the eligible costs of the Project and for no other purpose.
4. Budget Changes. Any change to the budget categories, the amounts therein, or increases/decreases to the total budget for the Project shown in Appendix "A" hereto, or to the Loan Assistance Amount shown in Appendix "B" hereto, shall require written approval by the Department and such approval shall be provided to the Project Sponsor and the Authority and shall be attached hereto and become a part of this Agreement without the requirement of further amendment.

5. Federal and State Requirements. The Project Sponsor hereby agrees to comply with the following requirements.
- (a) Civil Rights and Labor Standards Requirements and use of Disadvantaged Business Enterprise (DBE) firms and Debarment or Suspension Prevention. (Executive Order 12549)
    - (i) Positive efforts shall be made by the Project Sponsor and its consultants to utilize DBE firms as sources of supplies, services and construction. Such efforts should allow these sources the maximum feasible opportunity to compete for contracts and subcontracts to be performed utilizing Loan Assistance funds. Documentation of efforts made to utilize DBE firms shall be maintained by the Project Sponsor and its consulting firms and construction contractors.
    - (ii) The Project Sponsor shall not be debarred for noncompliance with Federal Law and shall not award contracts to any firm that has been debarred for noncompliance with Federal Law where the contract amount equals or exceeds the federal small purchase procurement threshold.
    - (iii) The Project Sponsor shall require all prime construction contractors to certify that subcontracts have not and will not be awarded to any firm that has been debarred for noncompliance with Federal Law, where the subcontract amount is expected to equal or exceed the Federal small purchase procurement threshold.
    - (iv) The Project Sponsor agrees to comply with all the requirements of 41 CFR Part 60-4 which implements Executive Order 11246 as amended (Equal Employment Opportunity).
    - (v) The Project Sponsor agrees to require all construction contractors and their subcontractors to comply with the Affirmative Action, Equal Opportunity Clause, Goals and Timetables, if the amount of the contract or subcontract is in excess of \$10,000.
    - (vi) The Project Sponsor shall require all contractors on the Project to comply with the Department of Labor's Safety and Health Regulations for construction promulgated under the Occupational Safety and Health Act of 1970 (PL 91-956) and under Section 107 of the Contract Work Hours and Safety Standards Act (PL 91-54).
  - (b) Davis-Bacon and Related Acts, as required by Public Law 112-10, certifying that all laborers and mechanics employed by prime contractors and subcontractors are paid wages at rates not less than those listed on the prevailing wage rate contained in the Project's contract documents and that all applicable provisions of the Davis-Bacon and Related Acts have been met. The Project Sponsor shall require the prime contractor to comply with the Davis-Bacon and Related Acts. See Attachment #1 herein.
  - (c) All applicable provisions of the Uniform Relocation and Real Property Acquisition Act of 1970 (PL 92-646) in regard to acquisition of real property (including easements) for the Project and any resulting relocation of persons, business and farm operations.
  - (d) Guidance Packages for: (i) Bidding and Award of Construction Contracts; (ii) Federal Requirements for the SRF Program; and (iii) Construction Contracts in the SRF Program.
6. Procurement Requirements. The Project Sponsor shall comply with all procurement requirements of law and, to the extent compliance therewith does not contravene any provision of law applicable to the Project Sponsor, shall comply with the procurement requirements set forth in Appendix "C" hereto.

7. Contract Award, Construction Inspection and Completion.
- (a) The Project Sponsor shall not execute construction contracts or issue the notice to proceed with respect to the Project prior to receiving written approval from the Department to award construction contracts.
  - (b) The Project Sponsor shall provide and maintain competent and adequate engineering supervision and continuous inspection of the Project to insure that the construction conforms to the plans and specifications approved by the Department. A monthly inspection report shall accompany each disbursement request.
  - (c) The Project Sponsor shall cause the Scope of Work identified in Appendix "A" to be completed and shall require all contractors to satisfactorily complete all work within the time stated in the executed construction contract. Extension of any contract completion date requires the Department's approval. Any costs incurred as a result of a time extension which has not received approval by the Department shall not be eligible for Loan Assistance participation.
  - (d) The Project Sponsor shall pay all costs to complete the Project not covered by the Loan Assistance.
8. Viability. The Project Sponsor shall, to the satisfaction of the Department, have developed and implemented appropriate managerial and financial capacity mechanisms to ensure compliance with state and federal regulatory requirements (e.g., Safe Drinking Water Act, Clean Water Act).
9. Reporting and Information. The Project Sponsor agrees to complete and submit all information and reports, in such form and according to such schedule, as may be required by the Department or the Authority.
10. Maintenance of Records. All pertinent Project records including, but not limited to, financial records, supporting documents, Davis-Bacon certifications and associated support documentation, certified payroll records, procurement records, and technical records for the Project shall be retained for a minimum of three years after the date of the final disbursement under this Agreement. However, if any litigation, claim, or investigative audit is started before the expiration of the three year period, then all such records must be retained for three years after the litigation, claim, or audit is resolved.
11. Accounting and Auditing.
- (a) The Project Sponsor shall account for the Project according to Generally Accepted Governmental Accounting Principles (GAAP).
  - (b) Within nine (9) months of the end of each fiscal year of the Project Sponsor in which any funds are received under this Agreement, the Project Sponsor shall submit to the Department's Office of Internal Audits at 2600 Bull Street, Columbia, South Carolina, 29201, an annual financial audit prepared by a certified public accountant. The conduct of the audit and the audit shall be in accordance with Generally Accepted Auditing Standards as defined in Government Auditing Standards, Comptroller General of the United States, July 27, 2007, and revisions, updates or successors thereto. An audit, as required by OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations, may be necessary for each year program funds are disbursed to the Project Sponsor. (CFDA Number 66.468)

12. Release of Responsibility. The Project Sponsor shall undertake the Project on its own responsibility and shall release and hold harmless the Authority, the Department, the State and their officers, members and employees from any claim arising in connection with the design, construction or operation of the Project including any matter due solely to the negligence of any of these parties.
13. Access and Inspection. The Project Sponsor shall provide access to the Project work whenever it is in preparation, under construction, or after completion and provide proper facilities for access and inspection. The Project Sponsor shall allow the United States Environmental Protection Agency, the Inspector General of the United States, the Department and the Authority, or any authorized representative, to have access to any books, documents, plans, reports, papers, and other records pertinent to the Project. The Project Sponsor shall cause its engineers, contractors, auditors and employees to cooperate during such inspections and make available all materials relevant to the review, examination or audit of the Project and compliance with this Agreement.
14. Other Agreements. The Project Sponsor shall comply with all terms and conditions of any construction contracts or engineering agreements affecting the Project and its operation.
15. Compliance with Governmental Authority. The Project Sponsor shall comply with all environmental laws, rules and other provisions of legal force and effect and all such other provisions which govern the construction or operation of the Project. The Project Sponsor agrees that no date reflected in this Agreement, or in the Project completion schedule, or extension of any such date, shall modify any compliance date established in an operating permit. It is the Project Sponsor's obligation to request any required modification of applicable permit terms or other enforceable requirements.
16. Review and Inspection of Work. Any audit or review of plans and specifications and any inspection of the work shall be for the convenience of the Department only in order to determine that they are within the approved scope of the Project. No such review and inspection, approvals and disapprovals shall be an undertaking by the Department of responsibility for design or construction.
17. Sanctions. If the Project Sponsor does not comply with the provisions of the Agreement, the Authority, upon receipt of written instructions by the Department, may take any or all of the following actions: (a) require repayment of all or a portion of any Loan Assistance provided; (b) require the Project Sponsor to take corrective actions to comply with this Agreement; (c) cancel, terminate, or suspend, in whole or in part, the Loan Assistance provided through this Agreement; or (d) terminate the entire Agreement.
18. Severability. If any provision of the Agreement is found to be illegal, invalid, or unenforceable in any respect, the legality, validity, and enforceability of the other provisions of this Agreement shall not in any way be affected or impaired.
19. Complete Agreement. This Agreement contains Appendices "A", "B", "C" and "D", Attachment #1, and all subsequent written approvals of the Department that alter any information contained in any of the Appendices hereto.
20. South Carolina Contract. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.



21. Notices. All notices hereunder shall be in writing and shall be addressed as follows:

If to the Project Sponsor:

Richland County  
Utilities Department  
7525 Broad River Road  
Irmo, South Carolina 29063

Attention: Director of Utilities

If to the Authority:

South Carolina Water Quality Revolving Fund  
Authority  
c/o Office of Local Government - SRF  
South Carolina Budget and Control Board  
1200 Senate Street  
408 Wade Hampton Building  
Columbia, South Carolina 29201

Attention: Patricia A. Comp

22. Counterparts. This Agreement is executed in two counterparts, which are separately numbered, but each of which is deemed an original of equal dignity with the other and which is deemed one and the same instrument as the other.
23. Term of Agreement. The Term of this Agreement begins on the Effective Date and will expire upon the satisfaction of the requirements of Paragraph 11 herein.

IN WITNESS WHEREOF, the Project Sponsor and the Authority have caused these presents to be signed, sealed and delivered all as of the date hereof.

RICHLAND COUNTY

(SEAL)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Attest:

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

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

SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY

By: \_\_\_\_\_  
Ashlie Lancaster, Interim Director,  
Office of Local Government,  
South Carolina Budget and Control Board

SCOPE OF WORK

Project Sponsor: Richland County  
Project Name: Allbene Park Water System Improvements  
Loan Assistance Number: F3-11-4020002-01

Construction of a new water distribution system to replace the existing system within Allbene Park involving the installation of 4,050 linear feet (LF) of water main (1,150 LF of 10 inch pipe and 2,900 LF of 6 inch pipe), three (3) fire hydrants, and forty (40) individual service lines totaling approximately 6,000 LF with individual meters and connection of well #3 to the existing SCADA system.

A-1

PROJECT BUDGET

Project Sponsor: Richland County  
Project Name: Allbene Park Water System Improvements  
Loan Assistance Number: F3-11-4020002-01

<u>ITEM</u>	<u>LOAN ASSISTANCE FUNDS</u>	<u>TOTAL ELIGIBLE COSTS</u>
Planning and Design Engineering	\$ 15,417	\$ 15,417
Construction	300,931	300,391
Construction Contingency	22,894	22,894
Construction Inspection and Engineering	<u>9,783</u>	<u>9,783</u>
Total	\$349,025	\$349,025

LOAN ASSISTANCE

Project Sponsor: Richland County  
Project Name: Allbene Park Water System Improvements  
Loan Assistance Number: F3-11-4020002-01

Loan Assistance Amount: \$349,025

Loan Amount:	\$349,025
Less Principal Forgiveness:	\$349,025
Net Amount for Repayment:	\$ 0

B-1

Item# 4

Project Sponsor: Richland County

Loan Assistance Number: F3-11-4020002-01

PROCUREMENT REQUIREMENTS

- I. Prior to construction contract award, the Project Sponsor shall:
  - A. Advertise the Project for a minimum of thirty (30) days in advance of bid opening using at least one of the following methods:
    - 1. Local newspapers of general circulation.
    - 2. MBE/WBE publications.
    - 3. Statewide or regional newspapers of general circulation.
    - 4. South Carolina Business Opportunities (SCBO).
  - B. Modify bid documents only by written addenda, which require prior Department approval.
  - C. Hold a public bid opening.
  - D. Utilize competitive sealed construction bids.
  - E. Require at least a five percent (5%) bid bond or certified check.
  - F. Require one hundred percent (100%) payment and performance bonds.
  - G. Require the contractor, during construction, to provide fire, extended coverage, vandalism and malicious mischief insurance equal to the actual value of the insured property.
  - H. Follow Davis-Bacon and Related Acts which require that all laborers and mechanics employed by contractors and subcontractors be paid wages at rates not less than those listed on the prevailing wage rate contained in the contract documents and that all applicable provisions of the Davis-Bacon and Related Acts be met. The Project Sponsor's Davis-Bacon Certification must accompany all draw requests. Require the prime contractor to follow Davis-Bacon provisions. See Attachment #1 herein.
  - I. Follow the "Good Faith Efforts" strategies outlined in the "Disadvantaged Business Enterprise (DBE) Compliance" section of the Federal Requirements guide to aid in successfully meeting the DBE requirements. If subcontracts are awarded, require the prime contractor to follow the "Good Faith Efforts" strategies outlined in the bid documents and provide required documentation.
  - J. Create and maintain a list of all firms that bid or quote on prime contracts and/or subcontracts (Bidders List) including both disadvantaged business enterprises and non-disadvantaged business enterprises. The Bidders List must be kept until Project completion.
  - K. If other funding sources are included which have stricter bidding requirements or if applicable Federal, State or local laws or ordinances have stricter requirements, these stricter requirements govern.
  - L. After bid opening, provide the Department with the following:
    - 1. Project Construction Summary Form (DHEC Form #3589).
    - 2. A certified copy of the advertisement with date(s) of publication.
    - 3. A copy of the Project Sponsor's Bidders List.
    - 4. Detailed bid tabulation certified by Project Sponsor's engineer.
    - 5. Proposal of successful bidder(s).
    - 6. Bid Bond with associated Power of Attorney.

7. A copy of the Davis-Bacon Wage Rate used in bidding the Project.
  8. Engineer's award recommendation of low bidder(s) to Project Sponsor. If the award is recommended to other than the low bidder(s), provide justification for decision.
  9. Certified copy of Project Sponsor's tentative award resolution listing the proposed contractor(s) and contract amount(s).
  10. Prime Contractor's Subagreement Certification (DHEC Form #3591).
  11. Evidence that the low bidder(s) complied with the Disadvantaged Business Enterprise (DBE) requirements listed in the bid documents. DBE approval must precede bid package approval.
  12. A copy of the prime contractor's Bidders List.
  13. DBE Subcontractor Utilization Form (EPA Form 6100-4) from the prime contractor.
  14. DBE Subcontractor Performance Form (EPA Form 6100-3) from all DBE firms.
  15. EEO Documentation Form (DHEC Form #2323), with all required attachments, including Certification by Proposed Prime or Subcontractor Regarding Equal Employment Opportunity (DHEC Form #3592) from the proposed prime contractor(s) and all subcontractors whose contract amount is expected to exceed \$10,000.
  16. Certification Regarding Debarment, Suspension and Other Responsibility Matters (DHEC Form #3590) from the proposed prime contractor(s) and all subcontractors whose contract amount is expected to exceed \$25,000.
  17. Project Inspection Designation Form (DHEC Form #2324), with all required attachments, indicating the selected method of providing continuous inspection during construction.
- M. Receive Department approval to award the construction contract(s).
- II. Subsequent to construction contract award, the Project Sponsor shall submit the following to the Department as proof of compliance with procurement requirements:
- A. Executed contract documents.
  - B. Notice to Proceed.
  - C. Semi-annual MBE/WBE Utilization Reports (EPA Form 5700-52A).
  - D. Monthly Construction Inspection Reports.
  - E. Project Sponsor's Davis-Bacon Certification (DHEC Form #2557) which must accompany all draw requests.
- III. Subsequent to contract award, the Project Sponsor shall submit the following, for Department review and approval, on any proposed change orders:
- A. Need for the change.
  - B. Clear description of the change.
  - C. Cost and pricing data.
  - D. Documentation of negotiation.
  - E. For claims, information showing the claim did not result from the Project Sponsor's or contractor's mismanagement.

SPECIAL CONDITIONS

Project Sponsor: Richland County  
Project Name: Allbene Park Water System Improvements  
Loan Assistance Number: F3-11-4020002-01

None.

D-1



**Davis-Bacon Wage Rates Under FY 2010 and 2011 Federal Appropriations Acts  
For Subrecipients (Project Sponsors)**

1. Applicability of the Davis-Bacon (DB) Prevailing Wage Requirements

Under the FY 2010 Appropriation, and/or FY 2011 Full-Year Continuing Appropriation, DB prevailing wage requirements apply to the construction, alteration, and repair of treatment works carried out in whole or in part with assistance made available by a State water pollution control revolving fund and to any construction project carried out in whole or in part by assistance made available by a drinking water treatment revolving loan fund. If a subrecipient encounters a unique situation at a site that presents uncertainties regarding DB applicability, the subrecipient must discuss the situation with the recipient State before authorizing work on that site.

2. Obtaining Wage Determinations

- (a) Subrecipients shall obtain the wage determination for the locality in which a covered activity subject to DB will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to DB. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.
  - (i) While the solicitation remains open, the subrecipient shall monitor [www.wdol.gov](http://www.wdol.gov) weekly to ensure that the wage determination contained in the solicitation remains current. The subrecipients shall amend the solicitation if DOL issues a modification more than 10 days prior to the closing date (i.e. bid opening) for the solicitation. If DOL modifies or supersedes the applicable wage determination less than 10 days prior to the closing date, the subrecipients may request a finding from the State recipient that there is not a reasonable time to notify interested contractors of the modification of the wage determination. The State recipient will provide a report of its findings to the subrecipient.
  - (ii) If the subrecipient does not award the contract within 90 days of the closure of the solicitation, any modifications or supersedes DOL makes to the wage determination contained in the solicitation shall be effective unless the State recipient, at the request of the subrecipient, obtains an extension of the 90 day period from DOL pursuant to 29 CFR 1.6(c)(3)(iv). The subrecipient shall monitor [www.wdol.gov](http://www.wdol.gov) on a weekly basis if it does not award the contract within 90 days of closure of the solicitation to ensure that wage determinations contained in the solicitation remain current.
- (b) If the subrecipient carries out activity subject to DB by issuing a task order, work assignment or similar instrument to an existing contractor (ordering instrument) rather than by publishing a solicitation, the subrecipient shall insert the appropriate DOL wage determination from [www.wdol.gov](http://www.wdol.gov) into the ordering instrument.
- (c) Subrecipients shall review all subcontracts subject to DB entered into by prime contractors to verify that the prime contractor has required its subcontractors to include the applicable wage determinations.
- (d) As provided in 29 CFR 1.6(f), DOL may issue a revised wage determination applicable to a subrecipient's contract after the award of a contract or the issuance of an ordering instrument if DOL determines that the subrecipient has failed to incorporate a wage determination or has used a wage determination that clearly does not apply to the contract or ordering instrument. If this occurs, the subrecipient shall either terminate the contract or ordering instrument and issue a revised solicitation or ordering instrument or incorporate DOL's wage determination retroactive to the beginning of the contract or ordering instrument by change order. The subrecipient's contractor must be compensated for any increases in wages resulting from the use of DOL's revised wage determination.

3. Contract and Subcontract Provisions

Refer to Appendix A: Mandatory Supplemental General Conditions For The South Carolina State Revolving Fund Program that must be included in all bid documents and contracts over \$2,000. Available from the Department.

4. Contract Provisions for Contracts in Excess of \$100,000

Refer to Appendix A: Mandatory Supplemental General Conditions For The South Carolina State Revolving Fund Program that must be included in all bid documents and contracts over \$100,000. Available from the Department.

5. Compliance Verification

- (a) The subrecipient shall periodically interview a sufficient number of employees entitled to DB prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(6), all interviews must be conducted in confidence. The subrecipient must use Standard Form 1445 (SF 1445) or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.
- (b) The subrecipient shall establish and follow an interview schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, the subrecipient should conduct interviews with a representative group of covered employees within two weeks of each contractor or subcontractor's submission of its initial weekly payroll data and two weeks prior to the estimated completion date for the contract or subcontract. Subrecipients must conduct more frequent interviews if the initial interviews or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. Subrecipients shall immediately conduct necessary interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence.
- (c) The subrecipient shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The subrecipient shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with DB posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Subrecipients must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with DB. In addition, during the examinations the subrecipient shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.
- (d) The subrecipient shall periodically review contractors and subcontractor's use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of, laborers, trainees and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in Item 5(b) and (c) above.
- (e) Subrecipients must immediately report potential violations of the DB prevailing wage requirements to the EPA DB contact listed above and to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/esa/contacts/whd/america2.htm>.

BOARD:  
Allen Arnsler  
Chairman  
Mark S. Lutz  
Vice Chairman



Catherine B. Templeton, Director

*Promoting and protecting the health of the public and the environment*

BOARD:  
R. Kenyon Wells  
L. Clarence Batts, Jr.  
Ann B. Kirol, DDS  
John O. Hutto, Sr., MD

December 11, 2012

Mr. Andy Metts  
Richland County Utilities  
7525 Broad River Road  
Irmo, SC 29063

RE: Albene Park New Water Distribution System, SRF #4020002-01 2<sup>nd</sup> Revision

Dear Mr. Metts:

The Drinking Water State Revolving Fund (DWSRF) Intended Use Plan for State Fiscal Year 2012 has been finalized and can be found at [www.scdhec.gov/environment/water/docs/srf\\_dwiup.pdf](http://www.scdhec.gov/environment/water/docs/srf_dwiup.pdf).

The above referenced project has been selected to receive funds allotted to South Carolina's DWSRF program from the Federal Fiscal Year 2011 Full-Year Continuing Appropriation Act (P.L. 112-10) in an amount not to exceed \$349,025. This amount reflects the increase in project cost due to the increase in the cost of construction. These funds will be provided to you for loan assistance without any required repayment of principal nor interest accrued upon that principal amount.

Construction must begin within ninety (90) days of the date of this letter to insure the use of these funds for this project.

If you have any questions please have your engineer contact Butch Swygert at [swygercw@dhec.sc.gov](mailto:swygercw@dhec.sc.gov) or (803) 898-4235.

Sincerely,

Shawn M. Clarke, P.E., Manager  
SRF Program  
Water Facilities Permitting Division

cc: Ashlie Lancaster, SC Budget & Control Board  
Trish Comp, SC Budget & Control Board  
Butch Swygert, SC DHEC SRF Section

*Tom Brigman Contractors, Inc.*

**TBC**

1509 SUNSET AVENUE, P.O. BOX 336, NEWBERRY, SC 29108  
PHONE (803) 276-4083 FAX: (803) 276-1050

January 18, 2013

Mr. Joel Wood  
Joel E. Wood & Associates, LLC

Ref: Allbenc Park Water Distribution Lines

Dear Joel:

Per our conversations concerning the above referenced project, as it pertains to the shipment date of pipe, we can extend our quote to be good through March 15, 2013. My supplier had to get special terms in order to meet that date, and it will not be able to be extended past that date.

We are not only guaranteeing that pricing, but also pricing for line extensions 1, 3, 5 and 7 quoted in July 2012.

Please advise us how to proceed on all of this work so that we can meet the March 15<sup>th</sup> ship date.

Sincerely,



Blake Brigman  
President

BB/cd

REVISED BID FORM NOVEMBER 9, 2012

Proposal of Tom Brigman Contractors, Inc.

(hereinafter called "BIDDER"), organized and existing under the laws of the State of South

CAROLINA doing business as A Corporation \*

To Richland County

(hereinafter called "OWNER").

In compliance with you Advertisement for BIDS, BIDDER hereby proposes to perform all WORK for the construction of water distribution lines, valves, fittings, hydrants, service connections and appurtenances.

in strict accordance with the CONTRACT DOCUMENTS, within the time set forth therein, and at the prices stated below.

By submission of this BID, each BIDDER certifies, and in the case of a joint BID each party thereto certifies as to its own organization, that this BID has been arrived at independently, without consultation, communication, or agreement as to any matter relating to this BID with any other BIDDER or with any competitor.

BIDDER hereby agrees to commence WORK under this contract on or before a date to be specified in the NOTICE TO PROCEED and to fully complete the PROJECT within 210 consecutive calendar days thereafter. BIDDER further agrees to pay as liquidated damages in the amount stated in the Special Conditions for each consecutive calendar day thereafter

BIDDER acknowledges receipt of the following ADDENDUM:

- #1
- #2

\*Insert "a corporation", "a partnership", or "an individual" as applicable.

BIDDER agrees to perform all the work described in the CONTRACT DOCUMENTS for the following unit prices or lump sum:

**BID SCHEDULE (REVISED NOVEMBER 9, 2012)**

NOTE: BIDS shall include sales tax and all other applicable taxes and fees.

SRF Eligible Items

<u>ITEM NO.</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>TOTAL PRICE</u>
<b>Section A:</b>					
A.					
1.	Mobilization	1	L.S.	\$ 15,400. <sup>00</sup>	\$ 15,400. <sup>00</sup>
2.	Clear R/W	2.5	AC	\$ 0. <sup>39</sup>	\$ 0. <sup>98</sup>
3.	Traffic Control	1	L.S.	\$ 770. <sup>00</sup>	\$ 770. <sup>00</sup>
4.	Construction Staking	1	L.S.	\$ 550. <sup>39</sup>	\$ 550. <sup>39</sup>
5.	Sediment and erosion control	1	L.S.	\$ 1100. <sup>39</sup>	\$ 1100. <sup>39</sup>
6.	Seeding, fertilizer and mulch	2.5	AC	\$ 1865. <sup>60</sup>	\$ 4664. <sup>00</sup>
7.	10"(C900 DR 18 PC 235) PVC complete, installed, tested, sterilized and approved for use	1,100	L.F.	\$ 24. <sup>02</sup>	\$ 26422. <sup>00</sup>
8.	10" Ductile iron pipe (Pressure Class 350) complete, installed under roadway with flowable fill, tested, sterilized, and approved for use	120	L.F.	\$ 75. <sup>28</sup>	\$ 9033. <sup>60</sup>
9.	6" (C900 DR 18, PC 235) PVC complete, installed, tested, sterilized and approved for use	4,350	L.F.	\$ 11. <sup>79</sup>	\$ 51,286. <sup>50</sup>

<u>ITEM NO.</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>AMOUNT</u>
10.	6" Ductile iron pipe (Pressure Class 350) complete, installed under roadway with flowable fill, tested, sterilized, and approved for use	150	L.F.	\$ <u>57.56</u>	\$ <u>8634.00</u>
11.	Bore & Jack 12.75" Steel Casing With 6" Restrained Joint Ductile Iron Carrier Pipe complete, installed, tested, sterilized and approved for use	30	L.F.	\$ <u>142.54</u>	\$ <u>4276.20</u>
12.	4" (C900 DR 18, PC 235) PVC complete, installed, tested, sterilized and approved for use	225	L.F.	\$ <u>10.71</u>	\$ <u>2409.75</u>
13.	4" Ductile iron pipe (Pressure Class 350) complete, installed under roadway with flowable fill, tested, sterilized, and approved for use	35	L.F.	\$ <u>57.04</u>	\$ <u>1996.40</u>
14.	4" Gate Valve and Box	1	EA	\$ <u>672.72</u>	\$ <u>672.72</u>
15.	10" Gate Valve and Box	3	EA	\$ <u>1733.84</u>	\$ <u>5201.52</u>
16.	6" Gate Valve and Box	8	EA	\$ <u>843.12</u>	\$ <u>6744.96</u>
17.	2 1/2" Blow off as per detail	1	EA	\$ <u>1701.66</u>	\$ <u>1701.66</u>
18.	Standard fire hydrant assembly as per detail	3	EA	\$ <u>3452.65</u>	\$ <u>10357.95</u>
19.	Tie proposed 10" line to existing 10" line complete, installed, tested and approved for use	1	L.S.	\$ <u>3609.65</u>	\$ <u>3609.65</u>

<u>ITEM NO.</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>AMOUNT</u>
20.	Tie proposed 6" PVC service line with a 10" x 10" x 6" tapping sleeve with 6" gate valve and box, complete, installed, tested and approved for use	1	L.S.	\$ <u>3696.<sup>59</sup></u>	\$ <u>3696.<sup>59</sup></u>
21.	Tie proposed 6" PVC line to existing 4" school service line, complete, installed, tested and approved for use	1	L.S.	\$ <u>2886.<sup>61</sup></u>	\$ <u>2886.<sup>61</sup></u>
22.	4" Service connection including meter as per detail	1	EA	\$ <u>24666.<sup>11</sup></u>	\$ <u>24666.<sup>11</sup></u>
23.	¾" Service connection with pressure reducing valve, including ¾" X 5/8" meter.	40	EA	\$ <u>683.<sup>87</sup></u>	\$ <u>27354.<sup>80</sup></u>
24.	¾" Copper tube size (PR 200) service tubing	1,200	L.F.	\$ <u>4.<sup>38</sup></u>	\$ <u>5256.<sup>00</sup></u>
25.	1" IPS (PR 200) service tubing	5,000	L.F.	\$ <u>4.<sup>68</sup></u>	\$ <u>23400.<sup>00</sup></u>
26.	Tie new service line to existing service line at the Customer's house	40	EA	\$ <u>366.<sup>85</sup></u>	\$ <u>14674.<sup>00</sup></u>
27.	Bore ¾" service tubing under pavement no casing	600	L.F.	\$ <u>13.<sup>35</sup></u>	\$ <u>8010.<sup>00</sup></u>
28.	Saw cut, remove and replace asphalt in driveways as per detail	250	SQ YD	\$ <u>36.<sup>00</sup></u>	\$ <u>9150.<sup>00</sup></u>
29.	Saw cut, remove and replace asphalt in roadways as per detail	175	SQ YD	\$ <u>42.<sup>48</sup></u>	\$ <u>7434.<sup>00</sup></u>
30.	Macadam base material in driveways and at mail box	80	Tons	\$ <u>29.<sup>19</sup></u>	\$ <u>2335.<sup>20</sup></u>



<u>ITEM NO.</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>UNIT PRICE</u>	<u>AMOUNT</u>
31.	Saw cut, remove and replace concrete in driveways as per detail	35	SQ YD	\$ <u>57.<sup>89</sup></u>	\$ <u>2026.<sup>15</sup></u>
32.	Saw cut, remove and replace concrete sidewalk	50	SQ YD	\$ <u>50.<sup>83</sup></u>	\$ <u>2541.<sup>50</sup></u>
33.	Valve box protector rings	16	EA	\$ <u>41.<sup>70</sup></u>	\$ <u>667.<sup>20</sup></u>
34.	Provide pump drawdown test, new pump, piping, tie to new supply line, and housing for well #3	1	L.S.	\$ <u>0</u>	\$ <u>0</u>
35.	Connect well #3 to existing SCADA System. Sole Source Paid Allowance	1	L. S.	\$ <u>12,000.00</u>	\$ <u>12,000.00</u>


**TOTAL SRF ELIGIBLE**

**TOTAL OF BID** \$ 300,930.<sup>83</sup>

**TOTAL BASE BID (ELIGIBLE)** \$ 300,930.<sup>83</sup>

Three hundred thousand nine hundred thirty & <sup>83</sup>/<sub>100</sub> dollars  
**(TOTAL BASE BID (ELIGIBLE AMOUNT WRITTEN OUT))**

Respectfully submitted:


  
**SIGNATURE**  
President  
**TITLE**

P.O. Box 336  
**ADDRESS**  
Newberry SC 29108  
1-18-13  
**DATE**

G-11199  
**CONTRACTOR'S LICENSE NUMBER**  
**NUMBER**

B-50449  
**BIDDER'S LICENSE**

SEAL - (IF BID IS BY A CORPORATION)

ATTEST 



**JOEL E. WOOD & ASSOCIATES**  
PLANNING • ENGINEERING • MANAGEMENT

Main Office

2160 Filbert Highway  
York SC 29745

P O Box 296  
Clover, SC 29710

Tel (803) 684-3390  
Fax (803) 628-2891

January 21, 2013

Mr. Andy Metts, Director  
Richland County Department of Utilities  
7525 Broad River Road  
Irmo, South Carolina 29063

**REF: HOPKINS COMMUNITY WATER SYSTEM IMPROVEMENTS  
ALLBENE PARK WATER DISTRIBUTION LINES**

Dear Mr. Metts:

Please find attached the revised "Bid Form" from Tom Brigman Contractors, Inc., which eliminates Bid Item Number 34. The Project can be constructed without Bid Item 34 and I recommend that Tom Brigman Contractors, Inc. be awarded the Contract for the Hopkins Community Water System Improvement in the amount of \$300,930.83 provided funds are available.

Should you have any questions or need additional information, please feel free to contact me.

Sincerely,

**JOEL E. WOOD & ASSOCIATES, L.L.C.**

Joel E. Wood, P.E.  
Managing Partner

Kings Mountain, NC

104 N Dilling St  
Kings Mountain NC  
28086

P O Box 296  
Clover, SC 29710

Tel (704) 739-2565  
Fax : (704) 739-2565

# Water Supply Construction Permit Bureau of Water



SRF NO. 4020002-01

*The issuance of this construction permit does not relieve projects pursuing funding under the State Revolving Fund (SRF) program of responsibility to fulfill SRF program requirements. All construction will be at the sponsor's own funding risk prior to completion and approval of SRF requirements.*

**Permission is Hereby Granted To: RICHLAND COUNTY UTILITIES & SERVICES  
7525 BROAD RIVER RD  
IRMO SC 29063**

for the construction of a distribution system in accordance with the construction plans, specifications, design calculations and the SC DHEC Construction Permit Application signed by Joel E Wood, Registered Professional Engineer, S.C. Registration Number: 05762.

**Project Name:** RICHLAND CO UTILITIES/HOPKINS REGIONAL SYS-ALLBENE PARK EXT.  
**County:** Richland  
**Location:** Lower Richland Blvd., Sonoma Dr., Allbene Dr. and Gladstone Rd.

**Project Description:** Approximately 1,060 LF OF 10" water main, 3,150 LF of 6" water main, valves, fire hydrants, fittings, and appurtenances. Upgrade of existing well and associated chemical feed building.

**Service By:** The water will be provided by Richland County Utilities & Services (System Number: 4020002)

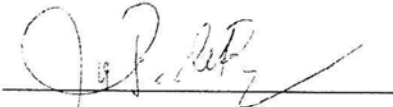
**Special Conditions**

None

In accepting this permit, the owner agrees to the admission of properly authorized persons at all reasonable hours for the purpose of sampling and inspection.

*This is a permit for construction only and does not constitute State Department of Health and Environmental Control approval, temporary or otherwise, to place the system in operation. An Approval to Place in Operation is required and can be obtained following the completion of construction by contacting the COLUMBIA EQC OFFICE at 803-896-0620. Additional permits may be required prior to construction (e.g., stormwater).*

**Permit Number:** 28643-WS  
**Date of Issue:** September 26, 2012  
**Expiration Date:** Construction must be completed prior to September 26, 2015 or this permit will expire.

  
Jeffrey P. deBessonet, P.E., Director  
Water Facilities Permitting Division

BS

Bureau of Water, DHEC, 2600 Bull Street, Columbia, SC 29201

# Richland County Council Request of Action

**Subject**

Hospitality Tax Ordinance Distribution [**PAGES 52-62**]

**Reviews**

# Richland County Council Request of Action

**Subject:** Hospitality Tax Ordinance Distribution

**A. Purpose**

County Council is requested to reconsider the Hospitality Tax Ordinance Agency distribution formula, and to reevaluate the current practice of distributing funds in alternating years following a general election.

**B. Background / Discussion**

On February 5, 2013 Councilman Manning made the following motion that was forwarded to the A&F Committee:

“Revisit the disproportioned distribution of current Hospitality Tax Ordinance agencies with a recommended funding formula adjustment being as follows:

“40% for the County Promotions’ grant program; 25% for Historic Columbia Foundation; 20% for Columbia Museum of Art; and 15% for EdVenture. Additionally, the percentages should be revisited on alternating years following a general election.”

According to the Hospitality Tax Ordinance, Section 23-69 (Appendix 1), the original distribution of H-Tax funds to Ordinance Agencies was written as follows for FY 2003-2004:

- Columbia Museum of Art                                   \$650,000
- Historic Columbia   \$250,000
- EdVenture   \$100,000
- County Promotions   \$200,000

Appendix 2 shows the approved budget of Hospitality Tax in fiscal years 2011-2013. The chart below shows amounts and percentages of the current approved allocations in comparison with the proposed percentages from Councilman Manning:

Organization	FY13 Approved		Proposed		Difference
Columbia Museum of Art	\$ 687,926	49%	\$ 279,743	20%	\$(408,183)
Historic Columbia	\$ 264,587	19%	\$ 349,679	25%	\$ 85,092
EdVenture	\$ 105,834	8%	\$ 209,807	15%	\$ 103,973
County Promotions	\$ 340,368	24%	\$ 559,486	40%	\$ 219,118
<b>Total</b>	<b>\$ 1,398,715</b>	<b>100%</b>	<b>\$ 1,398,715</b>	<b>100%</b>	

As proposed, these percentages would be discussed after every general election so that distribution amounts can reflect the view of County Council as well as Ordinance Agency needs on a regular basis.

**C. Legislative/Chronological History**

- May 5, 2003 – Council approved the Hospitality Tax Ordinance.
- May 31, 2012 – Council approved the FY13 budget figures as stated above for Hospitality Tax Ordinance agencies.

- February 5, 2013 – Councilman Manning’s motion was made. At this meeting, Council also approved the 2013 Retreat Directives, which includes the following:
  - Would Council like to make revisions to the Hospitality Tax ordinance? Council recommends the potential consideration of revisions to the Hospitality Tax ordinance during the budget process.
  - Would Council like to make revisions to the way Hospitality Tax funds are currently distributed? Council recommends having a full accounting of the entire Hospitality Tax budget during the budget process.
  - Would Council like to make the Township an ordinance agency? Council recommends the potential consideration of revisions to the Hospitality Tax ordinance during the budget process.

**D. Financial Impact**

There is no financial impact to Richland County. Councilman Manning’s motion simply redistributes the funding percentages, not the total dollar amount.

**E. Alternatives**

1. Approve the request to reallocate the Hospitality Tax Ordinance agency funds as presented, and revisit the amounts to be allocated after each general election.
2. Do not approve the request to reallocate the Hospitality Tax Ordinance agency funds as presented, and revisit the amounts to be allocated after each general election.
3. Explore the Hospitality Tax funding distribution to include the “ordinance agencies” during the budgeting process, as was approved at the February 5, 2013 Council Meeting.

**F. Recommendation**

This request is at the discretion of County Council.

Recommended by: Councilman Jim Manning    Department: County Council    Date:2/5/2013

**G. Reviews**

(Please **SIGN** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers

Date: 2/11/13

Recommend Council approval

Recommend Council denial

✓ Council Discretion (please explain if checked)

Comments regarding recommendation: As stated in the ROA recommendation, this is a policy decision at council’s discretion

**Grants**

Reviewed by: Sara Salley

Date: 2/11/13

Recommend Council approval

Recommend Council denial

✓ Council Discretion (please explain if checked)

Comments regarding recommendation: This is a policy decision of Council.

**Legal**

Reviewed by: Elizabeth McLean

Date: 2/12/13

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

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

### **Administration**

Reviewed by: Roxanne Ancheta

Date:


Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: While this specific Hospitality Tax redistribution proposal is a policy decision of Council, it is recommended that Council proceed with a **full accounting** of the **entire** Hospitality Tax budget during the FY14 budget process, as was approved at the February 5, 2013 Council Meeting per Retreat directives. The full accounting of the entire Hospitality Tax budget will not only address funding options for County Promotions, Historic Columbia Foundation, Columbia Museum of Art and EdVenture (as was proposed in this motion), but will also address the Township, other discretionary council promotions and other expenditures currently paid with Hospitality Tax revenues.

**ARTICLE VI. LOCAL HOSPITALITY TAX ORDINANCE**

** *Sec. 23-65. Definitions.***

Whenever used in this article, unless a contrary intention is clearly evidenced, the following terms shall be interpreted as herein defined.

Local Hospitality Tax means a tax on the sales of prepared meals and beverages sold in establishments or sales of prepared meals and beverages sold in establishments licensed for on-premises consumption of alcoholic beverages, beer, or wine, within the incorporated municipalities and the unincorporated areas of the county.

*Person* means any individual, firm, partnership, LLP, LLC, cooperative, nonprofit membership, corporation, joint venture, professional association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principals.

*Prepared Meals and Beverages* means the products sold ready for consumption either on or off premises in businesses classified as eating and drinking places under the Standard Industrial Code Classification Manual and including lunch counters and restaurant stands; restaurants, lunch counters, and drinking places operated as a subordinate facility by other establishments; and bars and restaurants owned by and operated for members of civic, social, and fraternal associations.

*RichlandCounty* means the county and all of the unincorporated areas within the geographical boundaries of the county and all of the incorporated municipalities of the county.

(Ord. No. 025-03-HR, § I, 5-6-03; Ord. No. 040-10HR, § I, 7-6-10)

** *Sec. 23-66. Local Hospitality Tax.***

A local hospitality tax is hereby imposed on the sales of prepared meals and beverages sold in establishments within the incorporated municipalities and the unincorporated areas of the county. The local hospitality tax shall be in an amount equal to two percent (2%) of the gross proceeds of sales of prepared meals and beverages sold in establishments located within the unincorporated areas of the county and within the boundaries of the incorporated municipalities which have consented, by resolution adopted by their governing body, to the imposition of the local hospitality tax in the amount of two percent (2%). The local hospitality tax shall be in an amount equal to one percent (1%) of the gross proceeds of sales of prepared food and beverages sold in establishments located within the boundaries of the incorporated municipalities within the county which do not give their consent to the imposition of the local hospitality tax. Provided, however, the county shall not impose a local hospitality tax on those municipalities that have adopted a two percent (2%) local hospitality tax prior to July 1, 2003. Effective July 1, 2009 through June 30, 2011, the county shall temporarily reduce the local hospitality tax to one percent (1%) of the gross proceeds of sales of prepared meals and beverages sold in establishments located within the unincorporated areas of the county. This temporary suspension shall not affect the hospitality tax rates within the boundaries of any incorporated municipality.

(Ord. No. 025-03-HR, § I, 5-6-03; Ord. No. 016-09HR, § I, 7-1-09)

** *Sec. 23-67. Payment of Local Hospitality Tax.***



(a) Payment of the local hospitality tax established herein shall be the liability of the consumer of the services. The tax shall be paid at the time of delivery of the services to which the tax applies, and shall be collected by the provider of the services. The county shall promulgate a form of return that shall be utilized by the provider of services to calculate the amount of local hospitality tax collected and due. This form shall contain a sworn declaration as to the correctness thereof by the provider of the services.

(b) The tax provided for in this article must be remitted to the county on a monthly basis when the estimated amount of average tax is more than fifty dollars (\$50.00) a month, on a quarterly basis when the estimated amount of average tax is twenty-five dollars (\$25.00) to fifty dollars (\$50.00) a month, and on an annual basis when the estimated amount of average tax is less than twenty-five dollars (\$25.00) a month.

(c) The provider of services shall remit the local hospitality tax voucher form, a copy of the State of South Carolina sales tax computation form and/or other approved revenue documentation, and the hospitality taxes when due, to the county on the 20th of the month, or on the next business day if the 20th is not a business day.

(Ord. No. 025-03-HR, § I, 5-6-03; Ord. No. 010-08HR, § I, 3-4-08)

 **Sec. 23-68. Local Hospitality Tax Special Revenue Fund.**

An interest-bearing, segregated and restricted account to be known as the "Richland County Local Hospitality Tax Revenue Fund" is hereby established. All revenues received from the local hospitality tax shall be deposited into this Fund. The principal and any accrued interest in this Fund shall be expended only as permitted by this article.

(Ord. No. 025-03-HR, § I, 5-6-03)

 **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:

ColumbiaMuseum of Art	\$650,000
Historic Columbia	\$250,000
EdVentureMuseum	\$100,000
CountyPromotions	\$200,000

(2) The amounts distributed to the Columbia Museum of Art, Historic Columbia, and EdVentureMuseum shall be paid quarterly beginning October 1, 2003. The amount distributed to organizations receiving CountyPromotions 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 EdVentureMuseum 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 RichlandCounty, including documentation of "free" or discounted services that will be offered to RichlandCounty residents. In addition, each Agency shall demonstrate a good faith effort to expand programs and events into the unincorporated areas of RichlandCounty. The annual marketing plan shall be due to the CountyAdministrator 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 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)

**Sec. 23-70. Re-distribution of the County's General Fund.**

A portion of the general fund revenue that was historically appropriated for the agencies and purposes identified in section [23-69](#), subsections (a) and (d), shall in fiscal year 2004 be appropriated in an amount equivalent to one-quarter mill to each of the following entities, subject to approval of the general fund budget: 1) the Richland County Conservation Commission, and 2) the Neighborhood Redevelopment Commission. Thereafter, beginning in fiscal year 2005, an amount equivalent to one-half mill shall be appropriated to each of these two agencies, subject to approval of the general fund budget. Each such entity shall be established and accounted for as a Special Revenue Fund. There shall be no additions to the Statutory and Contractual Agencies funded through the County's General Fund Budget, except as required by state or federal law.

(Ord. No. 025-03-HR, § I, 5-6-03)

**Sec. 23-71. Oversight and Accountability.**

The following organizations: the Columbia Museum of Art, Historic Columbia, and EdVenture Museum must submit a mid-year report by January 31 and a final report by July 31 of each year to the Richland County Administrator, which includes a detailed accounting of all hospitality tax fund expenditures and the impact on tourism for the preceding fiscal year, including copies of invoices and proof of payment. The county shall not release hospitality tax funds to any agency unless that agency has submitted an acceptable final report for the previous fiscal year. If an Agency fails to comply with these requirements by the July 31 deadline, its portion of the Local Hospitality Tax shall be retained in the Richland County Local Hospitality Tax Revenue Fund and may be distributed as provided in Section 23-69 (f).

Any organization receiving County Promotions funding must comply with all requirements of this article, as well as any application guidelines and annual reporting requirements established by council, to include a detailed reporting of all grant expenditures.

(Ord. No. 025-03-HR, § I, 5-6-03; Ord. No. 001-08HR, § II, 1-8-08; Ord. No. 069-08HR, § II, 12-2-08; Ord. No. 016-09HR, § III, 7-1-09; Ord. No. 059-10HR, § II, 9-21-10)

**Sec. 23-72. Inspections, Audits and Administration.**

(a) For the purpose of enforcing the provisions of this article, the county administrator or other authorized agent of the county is empowered to enter upon the premises of any person subject to this article and to make inspections, examine, and audit books and records.

(b) It shall be unlawful for any person to fail or refuse to make available the necessary books and records during normal business hours upon twenty- four (24) hours' written notice. In the event that an audit reveals that the remitter has filed false information, the costs of the audit shall be added to the correct amount of tax determined to be due.

(c) The county administrator or other authorized agent of the county may make systematic inspections of all service providers that are governed by this article. Records of inspections shall not be deemed public records.

(Ord. No. 025-03-HR, § I, 5-6-03; Ord. No. 040-10HR, § II, 7-6-10)

**Sec. 23-73. Assessments and Appeals of Hospitality Tax.**

(a) When a person fails to pay or accurately pay their hospitality taxes or to furnish the information required by this Article or by the Business Service Center, a license official of the Business Service Center shall proceed to examine such records of the business or any other available records as may be appropriate

and to conduct such investigations and statistical surveys as the license official may deem appropriate to assess a hospitality tax and penalties, as provided herein.

(b) Assessments of hospitality taxes and/or penalties, which are based upon records provided by businesses, shall be conveyed in writing to businesses. If a business fails to provide records as required by this Article or by the BusinessServiceCenter, the tax assessment shall be served by certified mail. Within five (5) business days after a tax assessment is mailed or otherwise conveyed in writing, any person who desires to have the assessment adjusted must make application to the BusinessServiceCenter for reassessment. The license official shall establish a procedure for hearing an application for a reassessment, and for issuing a notice of final assessment.

(c) A final assessment may be appealed to the County Council, provided that an application for reassessment was submitted within the allotted time period of five (5) business days. However, if no application for reassessment is submitted within the allotted time period, the assessment shall become final.

(d) Requests for waivers of penalties, as described in Sec. [23-74](#) (b), shall be submitted to the Business Service Center Director simultaneously with corroborating documentation relating to the validity of the appeal within five (5) business days of receipt of a tax assessment. The Director shall determine if the provided documentation confirms the circumstances permitting a waiver of penalties as described in the aforementioned section. A decision shall be provided in writing within five (5) business days of the receipt of the request. Businesses wishing to appeal the decision of the Business Service Center Director may appeal to the Richland County Council within five (5) business days of receipt of the Director's decision.

(Ord. No. 010-08HR, § II, 3-4-08; Ord. No. 040-10HR, § III, 7-6-10)

### **Sec. 23-74. Violations and Penalties.**

(a) It shall be a violation of this Article to:

- (1) fail to collect the Local Hospitality Tax as provided in this Article;
- (2) fail to remit to the County the Local Hospitality tax collected, pursuant to this Article;
- (3) knowingly provide false information on the form of return submitted to the County; or
- (4) fail to provide books and records to the CountyAdministrator or other authorized agent of the County for the purpose of an audit upon twenty-four (24) hours' notice.

(b) The penalty for violation of this Article shall be five percent (5%) per month, charged on the original amount of the Local Hospitality Tax due. Penalties shall not be waived, except if the following circumstances of reasonable cause are proven by the person. No more than six months of penalties shall be waived.

(1) An unexpected and unavoidable absence of the person from South Carolina, such as being called to active military duty. In the case of a corporation or other business entity, the absence must have been an individual having primary authority to pay the hospitality tax.

(2) A delay caused by death or serious, incapacitating illness of the person, the person's immediate family, or the person's accountant or other third party professional charged with determining the hospitality tax owed. In the case of a corporation or other business entity, the death or serious, incapacitating illness must have been an individual having primary authority to pay the hospitality tax.

(3) The hospitality tax was documented as paid on time, but inadvertently paid to another taxing entity.

(4) The delinquency was caused by the unavailability of necessary records directly relating to calculation of hospitality taxes, over which the person had no control, which made timely payment impossible. For example, the required records may have been destroyed by fire, flood, federally- declared natural disaster, or actions of war or terrorism. Unavailability of records caused by time or business pressures, employee turnover, or negligence are not reasonable cause for waiver of hospitality tax penalties.

(5) The delinquency was the result of clear error on the part of the BusinessServiceCenter or Treasurer's Office staff in processing or posting receipt of the person's payment(s).

(6) Delay or failure caused by good faith reliance on erroneous guidance provided by the Business Service Center or Treasurer's Office staff, so long as complete and accurate information was given to either of these offices, no change in the law occurred, and the person produces written documentation.

(c) Any person violating the provision of this article shall be deemed guilty of a misdemeanor and upon conviction shall be subject to punishment under the general penalty provisions of Section 1-8 of this Code of Ordinances: that is, shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days or both. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent fees, penalties, and costs provided for herein.

(Ord. No. 010-08HR, § III, 3-4-08; Ord. No. 040-10HR, § IV, 7-6-10)

**Appendix 2**  
**Hospitality Tax Budget Figures FY 2011 - 2013**

**HOSPITALITY TAX BUDGET**

	FY11 Approved	FY12 Approved	FY13 Approved
<b>Annual Appropriations</b>			
<i>Expenditures Detail</i>			
Columbia Museum of Art	648,437	667,890	687,926
Historic Columbia Foundation	249,399	256,881	264,587
EdVenture	99,759	102,752	105,834
County Promotions	296,558	330,454	340,368
Sub-total Annual Agency Commitment	1,294,153	1,357,977	1,398,715
Township Maintenance	50,078	68,728	68,728
Cost Allocation	433,989	433,989	433,989
<b>Other Discretionary Council Promotions:</b>			
<i>Note: Some amounts were in addition to Promotions award amount</i>			
Auntie Karen Foundation	-	-	13,030
Benedict College	-	6,877	-
Black Expo	-	16,000	-
Black Pages	-	-	35,044
Broad River Fest	-	-	5,000
Caughman Pond Property	-	900,000	-
Columbia Classical Ballet	-	-	4,978
Columbia International Festival	-	13,224	23,000
Edventure	-	250,000	130,000
Famously Hot New Years Event	-	-	15,000
Historic Columbia - renovations	-	750,000	250,000
Kingville Historic Foundation	-	-	16,018
Lake Murray Tourism	-	-	50,000
Lower Richland Sweet Potato Festival	-	50,000	50,044
Nickelodeon	-	250,000	-
Palmetto City Classic	-	-	20,000
Parenting Solo	-	-	45,000
Recreational Complex (from designated fund balance)	-	250,000	-
Renaissance Foundation	100,000	100,000	100,000
SC State Museum - Capital Campaign	250,000	250,000	250,000
SERCO	-	185,000	178,883
SERCO Subrecipients	237,500	-	-
SIAC Tournament	-	-	25,000
Sparkleberry County Fair	-	-	2,883
Township	-	200,000	250,000
Woodcreek Classic	-	-	650
Sub-total Other Discretionary	587,500	3,221,101	1,464,530
Subtotal operating commitments	2,365,720	5,081,795	3,365,962
<b>Debt Service Capital Projects:</b>	1,962,392	1,966,352	1,968,368
<i>(Township Renovations (\$12m), Farmers Market - Land (\$3.5m), Farmers Market - Land funded w/ Vendor Payments (\$1m), Recreation Complex Land)</i>			
Debt Service for New Project	-	1,072,954	1,072,954
Professional Services - Caughman Pond	-	-	50,000
Reserved for Future Use	-	-	250,000
<b>Total Expenditures</b>	<b>4,328,112</b>	<b>8,121,101</b>	<b>6,707,284</b>