



# **RICHLAND COUNTY COUNCIL**

## **ADMINISTRATION AND FINANCE COMMITTEE**

Joyce Dickerson	Paul Livingston	Greg Pearce (Chair)	Jim Manning	Kelvin Washington
District 2	District 4	District 6	District 8	District 10

**MAY 27, 2014  
6:00 PM**

**2020 Hampton Street**

### **CALL TO ORDER**

### **APPROVAL OF MINUTES**

1. Regular Session: April 22, 2014 [PAGES 4-6]

### **ADOPTION OF AGENDA**

### **ITEMS FOR ACTION**

2. Acceptance of Loan Assistance Funds for Construction of a Portion of the Lower Richland Sewer Project [PAGES 7-32]
3. Coroner-2400: Budget Amendment for FY 13-14 [PAGES 33-36]

4. Emergency Services Purchase Orders for 2014-2015 [**PAGES 37-40**]
5. Department of Public Works - South Paving Contract Change Order Four [**PAGES 41-46**]
6. South Paving Project Construction Administration [**PAGES 47-55**]
7. Architectural/Engineering Services for New Coroner's Facility [**PAGES 56-59**]
8. SC Philharmonic Funding Request [**PAGES 60-65**]
9. Hospitality Tax Ordinance Agency Procurement [**PAGES 66-74**]
10. Printing and Mailing Operations [**PAGES 75-81**]
11. Richland County Office of Small Business Opportunity [**PAGES 82-86**]
12. Hopkins Magistrate Office: Relocation of the Hopkins Magistrate Office, lease agreement for 8012 Garners Ferry Road, Suite E, Columbia, SC 29209 [**PAGES 87-109**]
13. Richland County Water/Sewer/Industrial Waste User Rates [**PAGES 110-125**]
14. Richland County Utilities Tap Fee Assistance Program [**PAGES 126-141**]
15. Water & Sewer Tap Fee Payment Plan [**PAGES 142-146**]
16. Election Commission and Voter Registration Budgets [**PAGES 147-151**]
17. Donations of Council via Discretionary Accounts [**PAGES 152-156**]

## **ADJOURNMENT**



### **Special Accommodations and Interpreter Services**

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

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

# Richland County Council Request of Action

## **Subject**

Regular Session: April 22, 2014 [**PAGES 4-6**]

## **Reviews**

# MINUTES OF



## **RICHLAND COUNTY COUNCIL ADMINISTRATION AND FINANCE COMMITTEE TUESDAY, APRIL 22, 2014 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**

- Chair: Greg Pearce
- Member: Joyce Dickerson
- Member: Paul Livingston
- Member: Jim Manning
- Member: Kelvin E. Washington, Sr.

**ALSO PRESENT:** Bill Malinowski, Norman Jackson, Julie-Ann Dixon, Torrey Rush, Tony McDonald, Sparty Hammett, Warren Harley, Daniel Driggers, Justine Jones, Geo Price, Ismail Ozbek, John Hixon, Ronaldo Myers, Rudy Curtis, Monique Walters, Michelle Onley

### **CALL TO ORDER**

The meeting started at approximately 6:02 p.m.

### **APPROVAL OF MINUTES**

**March 25, 2014 (Regular Session)** – Ms. Dickerson moved, seconded by Mr. Manning, to approve the minutes as distributed. The vote in favor was unanimous.

### **ADOPTION OF AGENDA**

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

### **ITEMS FOR ACTION**

**Detention Center: Provide Epoxy Coating System for Phase I Housing Showers** – Mr. Manning moved, seconded by Ms. Dickerson, to forward to Council with a recommendation to approve the repair and upgrade of Phase I housing showers at the Detention Center, in the

amount of \$117,720. This alternative will provide water tight sealed showers in the Phase I housing dormitories. The vote in favor was unanimous.

**Motion related to County Attorney's Representation of the Board of Elections and Voter Registration** – Mr. Washington moved, seconded by Ms. Dickerson, to forward to Council with a recommendation to direct the County Administrator to proceed with a review of the legal assistance provided to the Office of Election and Voter Registration. The vote was in favor.

**Potential Yard Waste Management Options** – Mr. Washington moved, seconded by Ms. Dickerson, to forward to Council with a recommendation to continue to dispose of curbside yard waste in landfills based on the litany of factors noted by the Soil Waste Director but largely centered on economic factors; continue to grind wood waste into mulch/compost; expand as opportunities come along even to include some clean yard waste (product would be generated for LF, Support Services, and citizens); and develop a strategic long-term solid waste management plan that has an economically viable and practical integrated yard waste management component, to include public-private partnerships. A discussion took place.

The vote was in favor.

**Quit Claim of Branning Drive** – Mr. Manning moved, seconded by Mr. Washington, to forward to Council with a recommendation to approve the request to quit claim this road back to the adjoining property owners. A discussion took place.

The vote in favor was unanimous.

**Small Local Business Enterprise Program Design Model and Projected Budget Approval** – Ms. Dickerson moved, seconded by Mr. Washington, to forward to Council with a recommendation to approve the request to implement the proposed SLBE program model and projected budget for the remainder of FY14 and authorize two staff persons to be immediately hired in FY14 prior to implementation. The personnel budget for the remaining three positions will be approved and encumbered as part of this request to allow the additional three staff positions to be hired in FY15. A discussion took place.

The vote was in favor.

## ADJOURNMENT

The meeting adjourned at approximately 6:41 p.m.

Submitted by,

Greg Pearce, Chair

The minutes were transcribed by Michelle M. Onley

# Richland County Council Request of Action

**Subject**

Acceptance of Loan Assistance Funds for Construction of a Portion of the Lower Richland Sewer Project [**PAGES 7-32**]

**Reviews**

# Richland County Council Request of Action

**Subject:** Acceptance of Loan Assistance Funds for Construction of a Portion of the Lower Richland Sewer Project

## A. Purpose

*County Council is requested to approve a resolution to accept a \$577,000 Principal Forgiveness Loan from the State Water Pollution Control Revolving Fund and to authorize the execution of a Loan Assistance Agreement to be used toward the construction of a portion of the Lower Richland Sewer Project.*

## B. Background / Discussion

Richland County Council approved the funding plan and authorized staff to proceed with the development of the Lower Richland Sanitary Sewer Project of February 19, 2013. The funding plan as presented and approved contained the following:

<u>Project Funding Source</u>	<u>Funding Amount</u>
RD Loan	\$ 9,359,000
RD Grant	\$ 2,279,800
Tap Fee/Applicant Contribution	\$ 723,900
Other Fund (SRF Loan)	<u>\$ 575,000</u>
 Total Project Funding	 \$12,937,700

Upon further review of the project by the State Water Pollution Control Revolving Fund (SRF) representatives, SRF has agreed to commit \$577,000 toward the project as a principal forgiveness loan. A principal forgiveness loan is basically a grant by another name and does not require repayment of the loan funds by the recipient. The SRF funds are in high demand, so therefore the resolution (*Attachment 1*) to accept the funds and the loan assistance agreement (*Attachment 2*) must be executed by June 30, 2014, or these funds will not be available for the County project.

## C. Legislative / Chronological History

- October 5, 2010 – Council approved project and Memorandum of Understanding (MOU) with the City of Columbia
- February 19, 2013 – Council approved the funding plan for the sewer system
- October 1, 2013 – Council awarded the engineering design contract for the project

## D. Financial Impact

SRF has offered \$577,000 toward the completion of the project as a principal forgiveness loan. These funds combined with grant and loan funds from USDA Rural Development and customer tap fee revenue should fund the entire construction project.

**E. Alternatives**

1. Approve the resolution to accept the \$577,000 principal forgiveness loan as offered by SRF and authorize the execution of the loan assistance agreement.
2. Identify an alternate source of funding to finance the construction project.

**F. Recommendation**

"It is recommended that County Council approve the resolution to accept the \$577,000 principal forgiveness loan from SRF and authorize the execution of the loan assistance agreement."

Recommended by: Andy H. Metts                      Department: Utilities                      Date: 5/8/14

**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: 5/15/14  
 ✓ Recommend Council approval                       Recommend Council denial  
 Comments regarding recommendation:

**Grants**

Reviewed by: Sara Salley                      Date: 5/16/14  
 ✓ Recommend Council approval                       Recommend Council denial  
 Comments regarding recommendation:

**Legal**

Reviewed by: Elizabeth McLean                      Date: 5/16/14  
 Recommend Council approval                       Recommend Council denial  
 Comments regarding recommendation: This item was reviewed and approved by outside counsel (Frannie Heizer). Her additional comments:

Any changes in the project scope or budget must be approved by DHEC. There are a number of requirements in section 5 -7 which must be met in the procurement and construction process including Davis Bacon and American Iron and Steel. When the procurement process starts all of those requirements must be included. I suggest that Daniel Driggers take a look at section 3 about disbursements and section 11 about accounting and audits.

**Administration**

Reviewed by: Sparty Hammett                      Date: 5/19/14  
 ✓ Recommend Council approval                       Recommend Council denial  
 Comments regarding recommendation:

RESOLUTION

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 2012 Federal Appropriations Act (Public Law 112-74) requires the South Carolina Water Pollution Control Revolving Fund (the "*Fund*") to provide additional subsidization (including subsidization which will not accrue interest and the principal of which will be forgiven) for wastewater 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 Lower Richland Sewer System – Phase 1 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 June, 2014.

RICHLAND COUNTY,  
SOUTH CAROLINA

SEAL

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

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

Attest:

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

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

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



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

**STATE WATER POLLUTION CONTROL REVOLVING FUND**  
**FY 2012 FEDERAL CAPITALIZATION GRANT**  
**LOAN ASSISTANCE AGREEMENT PACKAGE**  
**FOR**  
**RICHLAND COUNTY**

Re: Lower Richland Sewer System – Phase 1

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 2012 Federal Appropriations Act for the State Water Pollution Control 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)

May 7, 2014

## Information and Process to Receive FY 2012 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 the Clerk of 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 being e-mailed with this package 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 3 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 with seal affixed are to be returned to 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.

5/6/14

RESOLUTION

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 2012 Federal Appropriations Act (Public Law 112-74) requires the South Carolina Water Pollution Control Revolving Fund (the "*Fund*") to provide additional subsidization (including subsidization which will not accrue interest and the principal of which will be forgiven) for wastewater 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 Lower Richland Sewer System – Phase 1 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 June, 2014.

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

June \_\_\_\_, 2014

relating to

Lower Richland Sewer System -- Phase 1

South Carolina Water Pollution Control Revolving Fund

FY 2012 Federal Capitalization Grant

Loan Assistance Number: F1-12-574-20

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



LOAN ASSISTANCE AGREEMENT

THIS LOAN ASSISTANCE AGREEMENT is entered into as of the \_\_\_ day of June, 2014, (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 Water Pollution Control Revolving Fund (the "*Fund*") for the purpose of assisting Project Sponsors (as defined in the Act) in the construction of, among other things, publicly owned treatment works as defined in the Federal Water Pollution Control Act, Chapter 26, Title 33, United States Code, 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 Water Pollution Control Act; and

WHEREAS, the Fiscal Year 2012 Federal Appropriations Act ("*Public Law 112-74*") requires the Fund, identified therein as the Clean Water State Revolving Fund, to provide additional subsidization for wastewater infrastructure facilities; and

WHEREAS, the Act, as amended May 28, 2010, authorizes the Authority to fully implement all requirements of Public Law 112-74 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 Project Sponsor's sewer system (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:

## LOAN ASSISTANCE PROVISIONS

The Authority agrees to provide Loan Assistance, as defined below, to the Project Sponsor solely from Public Law 112-74 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 112-74, 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.
  - (e) "American Iron and Steel" provisions, as set forth in the 2014 Appropriations Act (PL 113-76, Section 426) and related American Iron and Steel implementation guidance, requiring that all of the iron and steel products used in the Project be produced in the United States unless a waiver is granted by the U.S. Environmental Protection Agency. The Project Sponsor shall require all bidders to comply with the American Iron and Steel provisions.

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 after 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 an independent 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 66.458).

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 NPDES 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  
453 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:

\_\_\_\_\_

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: Lower Richland Sewer System – Phase 1  
Loan Assistance Number: F1-12-574-20

Project consists of Lower Richland County Sewer System Project – Phase 1. Phase 1 consists of providing sewer service to the Lower Richland County area encompassing the Hopkins Community, Franklin Park Subdivision, Hopkins Middle School, Hopkins Elementary School, Garners Ferry Road Corridor, Manchester Farms, and McEntire Joint National Guard Base. Infrastructure improvements to consist of approximately 23,000 linear feet (LF) of gravity sewer lines, approximately 76 manholes, five (5) new sewer pump stations, one (1) existing sewer pump station upgrade, approximately 95,000 LF of sewer force main, and all necessary appurtenances. The Project will create a new sewer system that collects and conveys wastewater from the Lower Richland County area to the Richland County Wateree River Waste Water Treatment Facility (NPDES # SC0047911).

PROJECT BUDGET

Project Sponsor:           Richland County  
 Project Name:             Lower Richland Sewer System – Phase 1  
 Loan Assistance Number: F1-12-574-20

<u>ITEM</u>	<u>LOAN ASSISTANCE FUNDS</u>	<u>RD GRANT &amp; LOAN</u>	<u>PROJECT SPONSOR</u>	<u>TOTAL PROJECT COSTS</u>
Legal and Appraisal Fees		\$25,000		\$25,000
Planning and Design Engineering		587,900		587,900
Land & Rights-of-Way		92,000		92,000
Construction	577,000	8,904,700		9,481,700
Construction Contingency		948,200		948,200
Construction Inspection and Engineering		275,000		275,000
City of Columbia Fees		804,000	41,600	845,600
RD Debt Service 24 Months	_____	_____	<u>682,300</u>	<u>682,300</u>
<b>TOTAL</b>	<b>\$577,000</b>	<b>\$11,636,800</b>	<b>\$723,900</b>	<b>\$12,937,700</b>

APPENDIX "B"

Page 1 of 1

LOAN ASSISTANCE

Project Sponsor: Richland County  
Project Name: Lower Richland Sewer System – Phase 1  
Loan Assistance Number: F1-12-574-20

Loan Assistance Amount: \$577,000

Loan Amount:	\$577,000
Less Principal Forgiveness:	\$577,000
Net Amount for Repayment:	\$ 0

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APPENDIX "C"

Page 1 of 2

Project Sponsor: Richland County

Loan Assistance Number: F1-12-574-20

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. The 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, and require the prime contractor to follow, Davis-Bacon and Related Acts provisions.
  - I. Follow, and require the prime contractor to follow, American Iron and Steel Provisions.
  - J. Follow, and require the prime contractor to follow, the "Good Faith Efforts" to aid in meeting Disadvantaged Business Enterprise (DBE) requirements.
  - K. 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.
  - L. 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.
  - M. 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. 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.
    - 8. Certified copy of Project Sponsor's tentative award resolution listing the proposed contractor(s) and contract amount(s).
    - 9. Davis-Bacon wage rate(s) used in bidding the project.

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Item# 2

## APPENDIX "C"

Page 2 of 2

10. A copy of the proposed prime contractor's Bidders American Iron and Steel Certification (DHEC Form 2556).
  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. Prime Contractor's Subagreement Certification (DHEC Form #3591).
  14. DBE Program Subcontractor Utilization Form (EPA Form 6100-4) from the prime contractor(s).
  15. DBE Subcontractor Performance Form (EPA Form 6100-3) from all DBE firms.
  16. 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.
  17. 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.
  18. Project Inspection Designation Form (DHEC Form #2324), with all required attachments, indicating the selected method of providing continuous inspection during construction.
- N. 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. Davis-Bacon Certification (DHEC Form #2557) with each draw request.
  - F. American Iron and Steel Certification (DHEC Form #0962) with each draw request.
- 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.

5/6/14

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Item# 2

APPENDIX "D"

Page 1 of 1

SPECIAL CONDITIONS

Project Sponsor: Richland County  
Project Name: Lower Richland Sewer System – Phase 1  
Loan Assistance Number: F1-12-574-20

The SRF will withhold 5% of the Loan Assistance funds for the final draw request, which cannot be approved until the Department's final Approval to Place Into Operation has been issued by the DHEC Region Engineer.

The Project Sponsor will construct all necessary collection sewer lines, pumping facilities, force main lines and appurtenances to connect the Franklin Park Subdivision to the Richland County Wateree River Wastewater Treatment Facility (NPDES # SC0047911).

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Item# 2

**Davis-Bacon Wage Rates Under FY 2012 Federal Appropriations Act  
For Subrecipients (Project Sponsors)**

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

Under the FY 2012 Appropriations Act, 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.

ATTACHMENT #1  
Page 2 of 2

## 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>.

# Richland County Council Request of Action

## **Subject**

Coroner-2400: Budget Amendment for FY 13-14 [PAGES 33-36]

## **Reviews**

# Richland County Council Request of Action

**Subject:** Coroner-2400: Budget Amendment for FY 13-14

## **A. Purpose**

*County Council is requested to approve a budget amendment for the Coroner in the amount of \$133,000.00 for the purpose of providing funds to two line items that have projected deficits by the end of this fiscal year.*

## **B. Background / Discussion**

Budgeting for the two line items referenced has always been a challenge. The first line item is 511300 Part Time/ Temporary. This account is used to pay our part time deputies and data entry employees. We can never predict an accurate amount of funding because these funds are paid out directly related to the number of deaths or call volume we may experience in a fiscal year. The same is true for the other line item referenced which is 525500 Postmortem Pathology. There is no way to give an accurate number of autopsies that will be performed in the coming fiscal year. Due to the impossibility of being able to give accurate amounts required for these two accounts, it is often necessary for this department to request a budget amendment. Therefore based on averages and best guess estimates, the Coroner is requesting additional funds in the amount of \$133,000.00 to prevent deficits in the current year budget.

## **C. Legislative / Chronological History**

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

## **D. Financial Impact**

The financial impact of this request is as follows:

Line item 511300 Part Time/Temporary: Budgeted amount for this fiscal year was \$190,000.00. As of 05/06/2014, the actual amount expended this fiscal year is \$178,600.04. Based on estimates provided by Finance/Budget Department, this department will need an additional \$46,000.00 in this account to pay part time personnel.

Line item 525500 Postmortem Pathology: Budgeted amount for autopsies this fiscal year was \$270,000.00. As of 05/06/2014 the actual amount expended so far this fiscal year is \$258,055.00. There are four months left to be paid. Based on estimates obtained by averaging the costs for the last eight months, this department will need an additional \$87,000.00 in this account to pay for autopsy services through June 2014.

511300 Part time/Temporary	\$ 46,000.00
525500 Postmortem Pathology	87,000.00
Total Budget Amendment Request	\$133,000.00

**E. Alternatives**

1. Approve the request for additional funds for the Coroner to have adequate funding to pay for part time personnel services and autopsy services for the remainder of FY 13-14 to prevent a deficit in the Coroner’s FY 13-14 Budget.
2. Do not approve and there will be a projected deficit in the Coroner’s FY 13-14 budget of \$133,000.00.

**F. Recommendation**

State which alternative you recommend. Be sure to include your name, department, and date.

It is recommended that Council approve the request for additional funds in the amount of \$133,000.00 for the Coroner’s FY 13-14 Budget.

Recommended by: Gary Watts                      Department: Coroner                      Date: 05/06/2014

**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: 5/12/14  
 Recommend Council approval                       Recommend Council denial  
 Recommend Council discretion  
Comments regarding recommendation:

This is a budgetary decision for Council. As requested, I have attached a current department budget report, summary of the department information for the last three years, and the account information for the last three years:

	FY11	FY12	FY13	FY14
Total Department Budget	1,280,487	1,464,490	1,537,516	1,465,638
Total Department Actual	1,347,982	1,452,616	1,550,289	1,241,614 ytd
Part time Wages Budget	161,632	197,213	182,177	190,000
Part time Wages Actual	162,425	182,748	176,097	189,266 ytd
Postmortem Path Budget	248,249	309,416	309,416	329,416
Postmortem Path Actual	325,285	322,639	344,683	271,205 ytd



pdfexport.pdf

**Legal**

Reviewed by: Elizabeth McLean

Date: 5/12/14

Recommend Council approval

Recommend Council denial

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

**Administration**

Reviewed by: Warren Harley

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

# Richland County Council Request of Action

**Subject**

Emergency Services Purchase Orders for 2014-2015 [**PAGES 37-40**]

**Reviews**

# Richland County Council Request of Action

**Subject: Emergency Services Purchase Orders for 2014-2015 ESD 05072014**

**A. Purpose**

The purpose of this request is to obtain Council’s approval to award purchase orders and contracts for services in the 2014-2015 budget year. These services are required for the operations of the Emergency Services Department. The purchase order and contract approvals are subject to Council’s adoption of the 2014-2015 budget.

**B. Background / Discussion**

Each division in the Emergency Services Department uses vendors to provide products and services for operations. It is necessary to approve purchases and agreements and have them in place July 1, 2014, so that service will not be interrupted at the start of the new budget year. The implementation of the purchase orders and contracts are subject to available funding in the budget County Council approves for year 2014 / 2015. EMS uses hundreds of different medical items which will be secured through competitive bidding. Not all medical vendors will be awarded contracts for the amounts listed below. Once the pricing for various pieces of equipment and supply items are determined through the bidding process, the exact amounts awarded to each vendor will be determined. Each vendor will be awarded different amounts, so the amounts listed below are “not to exceed” amounts.

Purchase orders, contracts and vendors that exceed, or may exceed \$100,000 during the year are:

VENDOR	SERVICE	ESTIMATED AMOUNT
City of Columbia	EMS/ESD Diesel & Gasoline	\$ 450,000
Phillips Medical	Service, EKG Monitors & Supplies	\$ 100,000
Taylor Made Ambulance	Ambulance Vehicles	\$1,700,000
Motorola	EMS/Radio Service	\$ 150,000
Motorola	ESD/911 Equip.Service Agreements	\$ 650,000
Motorola	ETS/911 Consoles/System Upgrade	\$1,500,000
Motorola	FIRE Radio Service	\$ 200,000
Motorola	ADMIN/ETS Radio Service	\$ 100,000
Bound Tree Medical	Medical Equipment and Supplies	\$ 150,000
Henry Schein Medical	Medical Equipment and Supplies	\$ 150,000
Southeastern Medical	Medical Equipment and Supplies	\$ 150,000
Kentron Medical	Medical Equipment and Supplies	\$ 150,000
Bound Tree Medical	Medical Equipment and Supplies	\$ 150,000
Quad Med Medical	Medical Equipment and Supplies	\$ 150,000
MMS Medical	Medical Equipment and Supplies	\$ 150,000

**C. Legislative / Chronological History**

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

**D. Financial Impact**

Funding is included in the 2014 / 2015 budget request presented to Council. The purchase orders and contracts will be activated July 1, 2014 if funding is approved in the 2014 / 2015 budget

**E. Alternatives**

1. Approve the purchase orders and contracts to have uninterrupted service beginning July 1, 2014.
2. Do not approve the purchase orders and contracts.

**F. Recommendation**

It is recommended that Council approve the purchase orders and contracts for services, contingent on the 2014-2015 budget, so there will not be an interruption of these mission essential supplies and services at the beginning of the new budget year.

Report by Michael A. Byrd, Director of Emergency Services. May 7, 2014

**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: 5/9/14

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommended approval contingent upon funding level appropriated in the FY15 budget. As a note, FY15 PO’s are not available to be entered into the system until the end of June

**Procurement**

Reviewed by: Christy Swofford

Date:

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

**Legal**

Reviewed by: Elizabeth McLean

Date: 5/9/14

Recommend Council approval

Recommend Council denial

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

**Administration**

Reviewed by: Warren Harley

Date:

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

**Item# 4**

Attachment number 1  
Page 3 of 3

# Richland County Council Request of Action

**Subject**

Department of Public Works - South Paving Contract Change Order Four [PAGES 41-46]

**Reviews**

## Richland County Council Request of Action

**Subject:** Department of Public Works - South Paving Contract Change Order Four

### **A. Purpose**

County Council is requested to approve Change Order four (CO4) in the amount of \$110,655.00 for the South Paving contract to Cherokee, Inc.

### **B. Background / Discussion**

The South Paving Contract was awarded to Cherokee Inc. on August 19, 2013 in the amount of \$1,069,361.50 with a ten (10%) percent contingency (\$106,936.00), which brings the total to \$1,176,297.50 for the project.

The following dirt roads are part of the South paving contract (Districts 10 and 11):

- Adams Jackson Road
- Bill Street
- Burdock Court
- Phoenix Court (Formerly Edward Court)
- Jay Street
- Lakin Road
- Pincushion Lane
- Tennessee Avenue
- Seabrook Avenue
- Short Way
- South Evans Street
- Third Street
- Wilson Nixon Road

To date, Public Works has approved changes orders one – three totaling \$5,416.00. Change order four is in the amount of \$110,655.00 and is for unforeseen conditions Cherokee has encountered in the field. There have been several roads on the contract that have had to have unsuitable material excavated, new good borrow material brought in, as well as the installation of under drains on some of the roads. Most of this is caused by the wet soils Cherokee is encountering once they dig into the existing hard riding surface on the roads. This change order would bring total project budget up to \$1,185,432.50, which is \$9,129.50 more than the current budget.

This project is being funded by “C” funds allocated by the County Transportation Committee (CTC) and programmed by the SC Department of Transportation. The available funding for this project is \$1,176,297.50 at this time. The CTC has given preliminary approval for an additional \$50,000 for this project to cover this and any additional overruns.

### **C. Legislative / Chronological History**

- Initial ROA to award Engineering Services to Jordan, Jones and Goulding for the South Paving Project was dated July 13, 2004.
- The bidding of the project was delayed several times.
- The project was bid on April 5, 2007 with a low bid of \$1,055,278.64 from Sloan Construction Company.
- On May 1, 2007, Council approved the award of the contract, as well as removed one road and added several others.
- Richland County received an updated bid from Sloan on July 13, 2007.
- In late 2007, the CTC told Richland County that the CTC had expended all of their available funding, and this project was put on hold.
- In early 2010, the CTC stated that they had the funding and Richland County could proceed with the South Contract.
- In late 2010, Richland County started the rebidding process.
- On January 24, 2012, the South Paving project was re-bid with a low bid of \$814,287.00 from RTL Grading.
- An ROA was prepared and forwarded to D&S on February 28, 2012 with a recommendation to award to RTL Grading.
- Council approved the contract to RTL Grading at the March 6, 2012 Council Meeting.
- On April 26, 2012, Richland County received a letter from RTL withdrawing their bid because it had not been awarded within 90 days.
- September 13, 2012, the project was bid again with a low bid of \$1,069,361.50 from Cherokee, Inc.

### **D. Financial Impact**

There is no financial impact on the County. The contract is funded with “C” funds allocated by the CTC and programmed by the South Carolina Department of Transportation (SCDOT). They have allocated and funded \$1,176,297.50 for the construction of the South Paving Project. We have requested and have been given preliminary approval for additional funding in the amount of \$50,000.00, which would bring the total budget to \$1,226,297.50

### **E. Alternatives**

1. Approve Change Order four in the amount of \$110,655.00.
2. Do not approve Change Order four in the amount of \$110,655.00.

### **F. Recommendation**

It is recommended that County Council approve Change Order four in the amount of \$110,655.00 for the South Paving contract

Recommended by: Ismail Ozbek

Department: Public Works

Date: 5/08/2014

## 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: 5/12/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

### Procurement

Reviewed by: Christy Swofford

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

### Legal

Reviewed by: Elizabeth McLean

Date: 5/20/14

Recommend Council approval

Recommend Council denial

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

### Administration

Reviewed by: Sparty Hammett

Date: 5/22/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

RICHLAND COUNTY  
 Department of Public Works  
 Engineering Division  
 400 Powell Road  
 Columbia, S.C. 29203

CHANGE ORDER

Order No: 04

Contract No: RC-CN-521-1112

Project: SOUTH PAVING

Contractor: CHEROKEE CONSTRUCTION

The following changes are hereby made to the CONTRACT DOCUMENTS:

Item	Description	Add	Delete	Unit Price	Contract Increase	Contract Decrease
	4" Underdrain (L.F.)	775		\$23.00	17,825.00	
	Borrow Material (CY)	3011		\$20.00	60,220.00	
	Muck Excavation (CY)	3011		\$10.00	30,110.00	
	Traffic Control (EA)	1			2,500.00	
<b>Totals</b>						
<b>Net Contract Increase / Decrease</b>						
					<del>-\$0.00</del>	\$0.00
					\$110,655.00	

**CHANGE TO CONTRACT VALUE:**

Original Contract Price:	\$1,069,361.50
Current Contract Price adjusted by previous change orders:	\$1,074,777.00
The contract price will be increased by:	\$110,655.00
decreased by:	
due to this change	
The new Contract Price (including this change order) will be:	<del>VALUE</del> \$1,185,432.00

**CHANGE TO CONTRACT TIME:**

The CONTRACT TIME will be increased / decreased by: \_\_\_\_\_ Calendar Days

The new date for completion of all work will be: \_\_\_\_\_

Requested By: \_\_\_\_\_ Date: \_\_\_\_\_

Recommended By (Engineer): *Yimethy Okunell* Date: 3/24/14

Recommended By (COR for Richland Co.): \_\_\_\_\_ Date: \_\_\_\_\_

Accepted By (Contractor): *[Signature]* Date: 3/24/14

Accepted By (Richland County): \_\_\_\_\_ Date: \_\_\_\_\_

# Richland County Council Request of Action

**Subject**

South Paving Project Construction Administration [**PAGES 47-55**]

**Reviews**

# Richland County Council Request of Action

## **Subject: South Paving Project Construction Administration**

### **A. Purpose**

County Council is requested to approve the Scope Amendment submitted by Baker in the amount of \$55,872.63 for the South Paving Project Construction Administration.

### **B. Background / Discussion**

The South Paving Project was awarded to Cherokee Inc. on August 19, 2013 for the paving of fourteen (14) dirt roads in Council Districts 10 and 11. The construction schedule was for 270 calendar days. The original Engineer for this project (Jordan, Jones and Goulding) merged with Jacobs Engineer in 2010. Jacobs closed their Columbia, SC office in 2012, placing the closest office to us as Atlanta, Ga. After several discussions with Jacobs about the inspection portion of their contract, it was agreed upon by Richland County and Jacobs to end Jacobs's services after the project was bid. Public Works then advertised the Construction Administration portion of the South Paving Project in early 2013. Baker was awarded the project for a fee of \$61,677.02 with a notice to proceed dated 5/6/13.

During the construction of the South Paving Project, Cherokee was provided a Contract Change Order for the construction of the first ten (10) fast track roads for the Low Volume Paving Project. The contract change order extended Cherokee's original contract, which in turn, extended Baker's Construction Administration portion of the South Paving Job by default. During this time, Cherokee has been working on both projects.

Baker and Richland County met in March to discuss the contract extension timeframe, and Baker submitted a scope amendment in the amount of \$55,842.63 for a six (6) month extension. This fee is based on an estimated time frame and could be reduced depending on how quick the remaining roads in the South Paving Project are paved.

### **C. Legislative / Chronological History**

- May 6, 2013 - South Paving Project Contract Administration awarded to Baker
- August 19, 2013 - South Paving Project awarded to Cherokee, Inc.
- October 28, 2013 – Contract Change Order awarded to Cherokee for the Low Volume Paving Project
- May 2014 – Requesting Approval for a Scope Amendment to Baker's original contract in the amount of \$55,872.63

### **D. Financial Impact**

The South Paving Project is funded by the County Transportation Committee (CTC). The increased cost will still be funded by them. Public Works meet with the CTC on Tuesday, April 22, 2014 and received preliminary approval for this work.

**E. Alternatives**

1. Approve the request to amend Bakers current contract in the amount of \$55,872.63.
2. Do not approve the request to amend Bakers current contract in the amount of \$55,872.63.

**F. Recommendation**

It is recommended that Council approve the request to amend Bakers current contract in the amount of \$55,872.63

Recommended by: Ismail Ozbek      Department: Public Works      Date: May 6, 2014

**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: 5/12/14  
✓ Recommend Council approval       Recommend Council denial  
Comments regarding recommendation:

**Legal**

Reviewed by: Elizabeth McLean      Date: 5/12/14  
 Recommend Council approval       Recommend Council denial  
Comments regarding recommendation: Policy decision left to Council’s discretion.

**Administration**

Reviewed by: Sparty Hammett      Date: 5/14/14  
✓ Recommend Council approval       Recommend Council denial  
Comments regarding recommendation: Recommend approval of the request to amend Baker’s current contract to a not to exceed amount of \$55,872.63.



**Contract Administration and Construction Observation  
Professional Services Fee  
RICHLAND COUNTY SOUTH PAVING PROJECT  
Solicitation #RC-015-P-1213**



**CHANGE ORDER REQUEST #1**

**THIS LUMP SUM FEE PROPOSAL IS BASED ON THE FOLLOWING:**  
 1) **ADDITIONAL 180 CALENDAR DAYS TO THE ORIGINAL 270 CALENDAR DAY CONSTRUCTION DURATION FOR A TOTAL CONSTRUCTION DURATION OF 453 CALENDAR DAYS**  
 2) **SHOULD THE TOTAL CONSTRUCTION DURATION EXCEED 453 CALENDAR DAYS, CONSULTANT RESERVES THE RIGHT TO NEGOTIATE FOR ADDITIONAL FEE TO INCLUDE LABOR, OVERHEAD, PROFIT AND DIRECT PROJECT COSTS**  
 3) **PART-TIME INSPECTION PROVIDED FOR ALL NON-ESSENTIAL PORTIONS OF PROJECT**  
 4) **FULL-TIME INSPECTION PROVIDED FOR ALL ESSENTIAL PORTIONS (i.e. PAVING) OF THE PROJECT**

<u>Position</u>		<u>Regular / Premium Direct Labor</u>
BAKER CA & CO Labor	\$	17,021.97
BAKER CA & CO Overhead	\$	21,880.04
OLH CA & CO Labor	\$	3,063.74
OLH CA & CO Overhead	\$	3,642.47
Subtotal	\$	45,608.23
Profit	\$	4,560.82
Premium Overtime	\$	-
<b>TOTAL CA &amp; CO</b>	<b>\$</b>	<b>50,169.05</b>

**PROJECT DIRECT EXPENSES**

BAKER Direct Expenses	\$	4,603.03
OLH Direct Expenses	\$	1,100.55
<b>TOTAL DIRECT EXPENSES</b>	<b>\$</b>	<b>5,703.58</b>

**AGREEMENT COSTS AND FEES SUMMARY**

Contract Administration & Construction Observation Labor	\$	50,169.05
Home Office Support Labor	\$	-
Project Direct Expenses	\$	5,703.58

<b>TOTAL COSTS AND FEES:</b>	<b>\$</b>	<b>55,872.63</b>
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<b>DBE % of TOTAL COSTS AND FEES:</b>	<b>15.17%</b>
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**Contract Administration and Construction Observation  
Professional Services Fee  
RICHLAND COUNTY SOUTH PAVING PROJECT  
Solicitation #RC-015-P-1213**



**SUMMARY  
CHANGE ORDER #1**

**FEE BASED UPON 180 CALENDAR DAY CONSTRUCTION DURATION**

**MICHAEL BAKER JR., INC.**

<b>FIELD OVERHEAD RATE</b>								<b>128.50%</b>
<b>HOME OFFICE OVERHEAD &amp; FCCM RATE</b>								
	<b>Direct Home Office</b>	<b>Regular Labor Field Office</b>	<b>Labor Field Office</b>	<b>Premium Labor Field Office</b>	<b>Directs</b>	<b>Vehicles</b>	<b>Mileage / Travel</b>	<b>Subistence</b>
	\$ -	\$ 17,021.97	\$ -	\$ -	\$ 186.54	\$ 4,416.49	\$ -	\$ -
<b>TOTAL DIRECT SALARY (DS)</b>	\$ -	\$ 17,021.97	\$ -	\$ -				
<b>OH x DS</b>	\$ -	\$ 21,880.04						
<b>OH NET FEE</b>	\$ -	\$ 3,890.20						
<b>TOTAL</b>	\$ -	\$ 42,792.22	\$ -	\$ -	\$ 186.54	\$ 4,416.49	\$ -	\$ -
								<b>\$ 47,395.25</b>

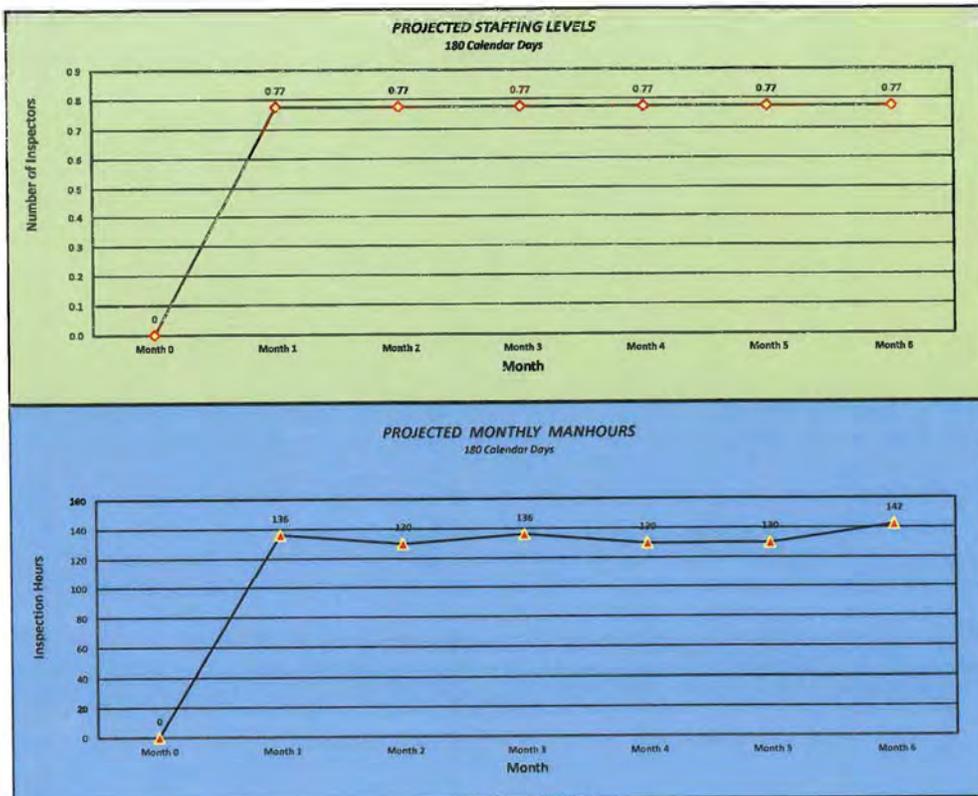
**OLH, INC.**

<b>FIELD OVERHEAD RATE</b>								<b>116.80%</b>
<b>HOME OFFICE OVERHEAD &amp; FCCM RATE</b>								
	<b>Direct Home Office</b>	<b>Regular Labor Field Office</b>	<b>Labor Field Office</b>	<b>Premium Labor Field Office</b>	<b>Directs</b>	<b>Vehicles</b>	<b>Mileage / Travel</b>	<b>Subistence</b>
	\$ -	\$ 3,063.74	\$ -	\$ -	\$ 56.55	\$ 1,044.00	\$ -	\$ -
<b>TOTAL DIRECT SALARY (DS)</b>	\$ -	\$ 3,063.74	\$ -	\$ -				
<b>OH x DS</b>	\$ -	\$ 3,642.47						
<b>OH NET FEE</b>	\$ -	\$ 670.02						
<b>TOTAL</b>	\$ -	\$ 7,376.83	\$ -	\$ -	\$ 56.55	\$ 1,044.00	\$ -	\$ -
								<b>\$ 8,477.38</b>

<b>TOTAL CONTRACT ADMINISTRATION &amp; CONSTRUCTION OBSERVATION SERVICES</b>	<b>\$ 55,872.63</b>
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**Contract Administration and Construction Observation  
Professional Services Fee  
RICHLAND COUNTY SOUTH PAVING PROJECT  
Solicitation #RC-015-P-1213  
CHANGE ORDER #1  
MANPOWER CHARTS**



MANPOWER CHARTS

Page 3 of 8

Item# 6



Contract Administration and Construction Observation  
Professional Services Fee  
RICHLAND COUNTY SOUTH PAVING PROJECT  
Solicitation #RC-015-P-1213  
CHANGE ORDER #1  
MONTHLY STAFFING PROJECTIONS

Baker

STAFFING PER MONTH TITLE	MONTH COUNT FIRM	Month 0 STAFF	Month 1 STAFF	Month 2 STAFF	Month 3 STAFF	Month 4 STAFF	Month 5 STAFF	Month 6 STAFF
Project Manager	Baker	0	0.012	0.012	0.012	0.012	0.012	0.012
Administrative Asst.	Baker	0	0.012	0.012	0.012	0.012	0.012	0.012
Roadway Inspector	Baker	0	0.50	0.50	0.50	0.63	0.75	0.75
Roadway Inspector	DLH	0	0.25	0.25	0.25	0.12	0.00	0.00
		0	0.77	0.77	0.77	0.77	0.77	0.77



Contract Administration and Construction Observation  
 Professional Services Fee  
 RICHLAND COUNTY SOUTH PAVING PROJECT  
 Solicitation #RC-015-P-1213



LABOR PROJECTIONS  
 CHANGE ORDER #1

MONTHLY LABOR HOUR SUMMARY

TITLE	FIRM	TASK	PROJECTED HOURS	MONTH COUNT						Total Hours	Hourly Rate	OT	Regular Hours	Direct Salary	OT Hours	Premium Direct	
				Month 0	Month 1	Month 2	Month 3	Month 4	Month 5								Month 6
Project Manager		Contract Administration	REG	0	2	2	2	2	2	2	12	\$ 74.10	\$ -	12	\$ 888.16	0	\$ -
Baker			TOTAL	0	2	2	2	2	2	2	12				\$ -	\$ -	\$ -
Administrative Asst.		Contract Administration	REG	0	2	2	2	2	2	2	12	\$ 20.89	\$ 10.35	-12	\$ 250.24	0	\$ -
Baker			TOTAL	0	2	2	2	2	2	2	12			\$ -	\$ -	\$ -	\$ -
Roadway Inspector		Essential	REG	0	0	0	0	0	0	0	0	\$ 25.20	\$ 12.80	630	\$ 15,674.55	0	\$ -
Baker		Essential	TOTAL	0	0	0	0	0	0	0	0			\$ -	\$ -	\$ -	\$ -
Roadway Inspector		Essential	REG	0	0	0	0	0	0	0	0	\$ 20.42	\$ 10.21	150	\$ 3,063.74	0	\$ -
OLH		Essential	TOTAL	0	0	0	0	0	0	0	0			\$ -	\$ -	\$ -	\$ -
<b>TOTAL HOURS / MONTH</b>				<b>0</b>	<b>136</b>	<b>130</b>	<b>136</b>	<b>130</b>	<b>130</b>	<b>142</b>	<b>804</b>			<b>\$ 20,985.71</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

NOTES



Contract Administration and Construction Observation  
 Professional Services Fee  
 RICHLAND COUNTY SOUTH PAVING PROJECT  
 Solicitation #RC-015-P-1213



DIRECT COSTS

VEHICLES / CELL PHONE COST SUMMARY													
TITLE	MONTH COUNT	Month 0	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	TOTAL MONTHS	VEHICLE ALLOWANCE	PHONE COST	TOTAL VEHICLE	TOTAL CELL PHONE
Project Manager	Baker	0	0.012	0.012	0.012	0.012	0.012	0.012	0.07	\$1,193	\$70	\$65.90	\$5.04
Administrative Asst.	Baker	0	0	0	0	0	0	0	0.00	\$0	\$0	\$0	\$0
Roadway Inspector	Baker	0	0.50	0.50	0.50	0.63	0.75	0.75	3.63	\$1,193	\$50	\$4,330.59	\$181.50
Roadway Inspector	OLH	0	0.25	0.25	0.25	0.12	0.00	0.00	0.87	\$1,200	\$65	\$1,044	\$56.55
<b>TOTALS</b>		<b>0.00</b>	<b>0.76</b>	<b>0.76</b>	<b>0.76</b>	<b>0.76</b>	<b>0.76</b>	<b>0.76</b>	<b>4.57</b>			<b>\$5,480.49</b>	<b>\$243.09</b>

# Richland County Council Request of Action

**Subject**

Architectural/Engineering Services for New Coroner's Facility [PAGES 56-59]

**Reviews**

## Richland County Council Request of Action

**Subject:** Architectural/Engineering Services for New Coroner's Facility

### **A. Purpose**

County Council is requested to approve a contract with GMK Associates in an amount not to exceed \$129,800 to provide Architectural and Engineering services for the renovation of the new Coroner's Facility.

### **B. Background / Discussion**

Due to the ever growing needs of the Coroner's Office and the services provided, a new facility is needed to ensure continued efficiency. The Richland County Coroner's Office is currently located at 1931 Pineview Drive. As operations have grown over the years, the expanded services have exceeded the space currently allotted to the Coroner. The 2013 General Obligation Bond provided \$2,500,000 for the purchase of property, design of the new space and renovation of the facility to meet the current and future need.

To date, approximately 4 acres of property at 6300 Shakespeare Road have been purchased. In addition to the land, the property features a 19,600 square foot single story metal frame and masonry facility which is proposed to house the Coroner's new operation. Sub surface, mold and asbestos reports and remediation have already occurred on the property ensuring that this facility is ready for any renovations that are to take place.

The intent of this ROA is to secure a contract with GMK Associates in an amount not to exceed \$129,800 to provide architectural and engineering services for the Coroner's Facility. These services include design of the project from programming through final design preparing project plans, specifications, contract documents for bidding, and providing contract administration services during the construction phase. During the construction phase, this firm will review shop drawings, request for information on the contract documents, change order evaluation and, if necessary, modify design elements of the facility.

GMK Associates has shown in their proposal that they have the experience required to design a Coroner's facility. This experience is represented through the multitude of hospital, clinic and hospice facilities that they have previously designed. Different than the other proposers, GMK Associates has experience specific to morgue facility construction and renovations. What stands out the most about GMK Associates is the number of clients for which they have completed multiple projects. For instance, they have worked with Palmetto Memorial Hospital for more than 20 years and completed 70 individual projects in that time. Of most importance, GMK Associates has over 30 years' experience working with Richland County, which has allowed them to understand how the County functions and what the expectations will be on this project.

In addition to previous design experience, it is also important that the selected firm involve a project team that is equally qualified. GMK Associates has included team members which have no less than 10 years' experience working for the respective firm. This is hard to find as many architects and engineers bounce around to multiple design firms. Additionally, the principle architect that has been designated to this project has over 34 years of experience. Most of the

design work for this firm will be done in-house, meaning less need for sub-consultant work which reduces any coordination issues that may arise.

**C. Legislative / Chronological History**

- The 2013 General Obligation Bond provided \$2,500,000 for the purchase of property, design of the new space and renovation of the facility to meet the current and future need.

**D. Financial Impact**

Through the 2013 General Obligation Bond, Council designated \$2,500,000 to be used towards the purchase, design and construction/renovation of a new facility for the Coroner. Following is a preliminary total project cost estimate which includes the design contract amount for this ROA (*italicized*):

Property Purchase	\$650,000
Demolition	\$46,000
<i>Design</i>	<i>\$129,800</i>
Construction	\$1,648,400
<b>Project Total</b>	<b>\$2,474,200</b>

Funds for this request are available in the 2013 GO Bond. No new funds are needed.

**E. Alternatives**

1. Approve the request to enter into a contract with GMK Associates in an amount not to exceed \$129,800.
2. Do not approve the recommendation to enter into a contract with GMK Associates. If this alternative is chosen, design services will need to be re-solicited losing valuable time on this project. A total re-solicitation process could take up to an additional 3 months when considering the time required to follow the procurement process and then Council approval process.

**F. Recommendation**

It is recommended that Council approve the request to enter into a contract with GMK Associates in an amount not to exceed \$129,800 to provide Architectural and Engineering services for the renovation of the new Coroner’s Facility. Funds for this request are available in the 2013 GO Bond. No new funds are needed.

Recommended by: Chad Fosnight      Department: Administration      Date: 5/1/2014

**G. Reviews**

**Finance**

Reviewed by Daniel Driggers:

Date: 5/12/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Request is consistent with Council’s previous approval for project cost.

**Procurement**

Reviewed by: Christy Swofford  
✓ Recommend Council approval  
Comments regarding recommendation:

Date:  
 Recommend Council denial

**Coroner**

Reviewed by: Gary Watts  
✓ Recommend Council approval  
Comments regarding recommendation:

Date:  
 Recommend Council denial

**Legal**

Reviewed by: Elizabeth McLean  
 Recommend Council approval  
Comments regarding recommendation: Policy decision left to Council's discretion.

Date: 5/14/14  
 Recommend Council denial

**Administration**

Reviewed by: Roxanne Ancheta  
✓ Recommend Council approval  
Comments regarding recommendation: It is recommended that Council approve the request to enter into a contract with GMK Associates in an amount not to exceed \$129,800 to provide Architectural and Engineering services for the renovation of the new Coroner's Facility. Funds for this request are available in the 2013 GO Bond. No new funds are needed.

Date: May 14, 2014  
 Recommend Council denial

# Richland County Council Request of Action

## **Subject**

SC Philharmonic Funding Request [**PAGES 60-65**]

## **Reviews**

# Richland County Council Request of Action

**Subject:** SC Philharmonic Funding Request

**A. Purpose**

County Council is requested to fund the SC Philharmonic at \$25,000.

**B. Background / Discussion**

On May 6, 2014, Council member Pearce brought forth the following motion:

“I move to fund the SC Philharmonic at \$25,000 using FY14 Hospitality Tax funds.”

The SC Philharmonic submitted a request asking for an additional \$25,000 to assist in funding marketing and outreach in order to shift more support to the Youth Orchestras program. Their letter of request is attached along with a budget for use of the \$25,000. The organization states the funds would be spent prior to June 30, 2014.

The organization applied for and received Hospitality Tax County Promotions funds and Accommodations Tax in FY14. The organization also requested funds through these grant programs for FY15.

	<b>FY14 Request</b>	<b>FY14 Allocation</b>	<b>FY15 Request</b>	<b>FY15 Recommendation</b>
ATax	\$50,037	\$27,600	\$40,000	\$24,000
HTax	\$10,000	\$6,000	\$12,200	\$6,000
Total	\$60,037	\$33,600	\$52,200	\$30,000

Each year, Council is budgeted \$25,000 in Hospitality discretionary funds that can be used at their discretion for requests that come in after the grant process. These funds (\$25,000) are currently available for distribution.

Per the Council Retreat, out of cycle requests are to be routed to the Grants Manager for review prior to Council submitting a motion for action. The organization has an application on file for FY14, and they submitted a budget for the additional funding. The expenditures outlined are eligible as entertainment. The organization is eligible as a 501 c 3 organization that provides cultural tourism activities within Richland County.

**C. Legislative / Chronological History**

Motion by Greg Pearce on May 6, 2014.

**D. Financial Impact**

Funds in the amount of \$25,000 are available for this purpose (Council’s discretion / out-of-cycle requests) in the Hospitality Tax Account. No additional funds would be required. If these funds are not spent, they will go into the Hospitality Tax fund balance at the end of FY 14.

**E. Alternatives**

1. Approve the motion to fund the SC Philharmonic at \$25,000.
2. Do not approve the motion to fund the SC Philharmonic at \$25,000.

**F. Recommendation**

I move to fund the SC Philharmonic at \$25,000 using FY14 Hospitality Tax funds.

Recommended by: Greg Pearce Department: County Council Date: 5/6/14

**G. Reviews**

**Finance**

Reviewed by: Daniel Driggers Date: 5/15/14  
 Recommend Council approval  Recommend Council denial  
Comments regarding recommendation: Based on funding within appropriated discretionary funding.

**Grants**

Reviewed by: Sara Salley Date: 5/16/14  
 Recommend Council approval  Recommend Council denial  
Comments regarding recommendation:  
This is a funding decision to be made at Council’s discretion. The organization received funds in FY14 from both ATax and HTax grant programs and this is an out of cycle request.

**Legal**

Reviewed by: Elizabeth McLean Date: 5/16/14  
 Recommend Council approval  Recommend Council denial  
Comments regarding recommendation: Policy decision left to Council’s discretion.

**Administration**

Reviewed by: Roxanne Ancheta Date: May 16, 2014  
 Recommend Council approval  Recommend Council denial  
Comments regarding recommendation: While this is a policy decision of Council, funds are available for this purpose. As Ms. Salley noted above, the organization received funds in FY14 from both ATax and HTax grant programs, and this is an out of cycle funding request.



RECEIVED  
2014 APR 22 11:10:50  
RICHLAND COUNTY  
ADMINISTRATOR'S OFFICE

April 17, 2014

Mr. Tony McDonald, County Administrator  
Richland County  
2020 Hampton Street  
Columbia, SC 29204

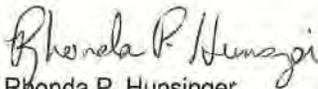
Dear Mr. McDonald,

Increased expenses and continued economic challenges in our community have put the South Carolina Philharmonic's (SCP) ability to maintain its current level of youth participation in its Youth Orchestras at risk. Elementary, middle and high school students from around our region are given this unique educational opportunity because of the Philharmonic's subsidy. The SCP places great emphasis on the educational component of its mission. Research has found that learning music facilitates learning in other school subjects, increases IQ and enhances skills that children inevitably use in other areas. The SCP has a vision to see lives changed through the transformative power of music and has established education and outreach programs specifically designed to engage and educate young people of all ethnicities and backgrounds.

We understand that there is unallocated funding remaining in the Hospitality Tax fund and, if so, request a year-end appropriation of \$25,000 to the SCP. We would allocate these funds internally to marketing and outreach in order to shift more support to the Youth Orchestras program. I also request that this increase be realized in future budgets, as well, as we are the major musical attraction in the Midlands. In recognition of this action, we will name the Youth Orchestra program the Richland County Youth Orchestras in order to promote the Council's support of the importance of cultural educational opportunities for all of our children. I will be glad to attend any Council or Committee meeting to further explain our request or address any questions.

Thank you for your consideration.

Sincerely,

  
Rhonda P. Hunsinger  
Executive Director

cc: Bill Malinowski, Joyce Dickerson, Damon Jeter, Paul Livingston, Seth Rose, L. Gregory Pearce, Torrey Rush, Jim Manning, Julie-Ann Dixon, Kelvin Washington, Norman Jackson

**From:** Robin Georgion Hallyburton <robin@scphilharmonic.com>  
**Sent:** Friday, April 25, 2014 11:15 AM  
**To:** Sara Salley  
**Subject:** RE: Year End Request \$25K HTAX  
**Attachments:** Budget for \$25000 request - revised.doc

Hi Sara,

Rhonda said the language in the letter perhaps should have been stated more broadly – that the funds would be used for expenses that qualify within Hospitality Tax guidelines. When we bring in world class artists and commission Grammy award winning composers, we consider that marketing and outreach, since these are decisions made not only to provide our community with exposure to world renowned talent, but also to draw in audiences from outside of Richland County.

My understanding is that these artists do qualify for Hospitality Tax funds. To fully fit within this marketing mission, I have revised the budget attachment to include only those artists that were hired to draw in a state-wide audience. Please let me know if this works within the guidelines as you have requested.

Thanks!  
Robin

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## Richland County Year End Request

<b><u>2013/2014 Project Expense Category</u></b>	<b><u>Total</u></b>
Alessio Bax, cello	\$2,500
Ginger Jones-Robinson, soprano	\$1,500
Joan Tower Commission	\$6,000
Saeka Matsuyama, violin	\$3,000
Bela Fleck, banjo	\$12,000
<b>Requested Amount</b>	<b>\$25,000</b>

### **Details:**

Alessio Bax:	Artist fee for concert soloist.
Ginger Jones-Robinson:	Artist fee for concert soloist.
Joan Tower Commission:	Commission fee for composition of a musical work to feature Peter Kolkay, one of the world's best bassoonists. World debut by SCP.
Saeka Matsuyama:	Artist fee for concert soloist.
Bela Fleck:	Portion of Artist fee for concert soloist.

This request is for the current season and will be spent prior to June 30, 2014.

# Richland County Council Request of Action

**Subject**

Hospitality Tax Ordinance Agency Procurement [**PAGES 66-74**]

**Reviews**

# Richland County Council Request of Action

**Subject:** Hospitality Tax Ordinance Agency Procurement

**A. Purpose**

County Council is requested to approve a plan to require Hospitality Tax (HTax) Ordinance Agencies to adopt County procurement guidelines for spent dollars.

**B. Background / Discussion**

On September 17, 2013, Council member Rush brought forth the following motion:

“To look at hospitality ordinance agencies adopting county procurement guidelines for spent dollars”

The following plan was presented to Council during the January 2014 Retreat. The goal is for HTax Ordinance Agencies (Columbia Museum of Art, Historic Columbia Foundation, EdVenture) receiving annual HTax dollars to spend those tax funds wisely using fair and competitive procurement practices modeled after the County’s Procurement Ordinance. Per Council’s request, this issue was forwarded back to the A&F Committee and staff prepared a side by side comparison of each Agency’s spending policy and the County’s procurement code. This information is also attached.

**Current Procedures:**

Each year, HTax Ordinance agencies submit a marketing plan and budget request, mid-year reports, and final reports including detailed reporting of HTax expenditures. Agencies also submit a copy of their 990 tax return and an independent audit. County funds are spent according to each Agency’s internal procurement procedures that are approved by their board and outside auditors.

**Draft Procedure:**

All purchases made with Hospitality Tax funds shall be made in a manner which provides for the greatest economy for the taxpayer, the fairest selection of vendors, and the prevention of conflicts of interest. Towards this end, it shall be the policy of the agency receiving Hospitality Tax funds that, whenever practical, leases, goods, and services required by these agencies shall be procured through a competitive purchasing policy which may be achieved through competitive bidding or through requests for proposals.

All purchases of goods and services shall be made according to the established procurement policy of the grantee, provided that it models Richland County’s Procurement Code (Article X) and/or SC State Code (Title 11, chapter 35). If the grantee has no established procurement policy, it must follow Richland County’s Procurement Code (Article X) and/or SC State Code (Title 11, chapter 35). The grantee’s procurement policy will be reviewed by Procurement staff to assure that it is as restrictive as these standards and it provides fair and open competition. Procurement staff will then report any issues to Administration.

All procurement documentation for items purchased with County funds must be kept on file for three years. All of these records are subject to review by Richland County.

**Monitoring of Procurement Practices:**

- Ordinance Agencies will submit a copy of their procurement code/procedures with their annual marketing and budget request each March. The procedures will be reviewed by Staff to ensure current practices are in line with the County procedures. Inadequacies will be addressed in writing outlining further procedures that need to be put in place to bring the Agency into compliance.
- Staff will review the annual audit of each agency and will report any procurement issues to County Council.
- Staff will perform on-site audits of the ordinance agencies twice per year, after submission of the mid-year reports in January and final reports in July. Staff will review procurement documents for a sampling of purchases made by the Ordinance Agencies. This approach is modeled after sample federal grant audits.

Each Ordinance Agency was asked how this requirement would impact their agency operations. The response from each was that imposing such a requirement would have a negative impact on their agency. A memo from each is attached.

Also, Agencies may come across a conflict when combining County HTax funds with other funds to cover project costs. For example, if they use HTax funds to match Federal grant funds, the Federal grant procurement requirements may take precedence over County requirements.

**C. Legislative / Chronological History**

- Motion by Councilman Rush at the September 17, 2013 Council Meeting
- Item was discussed at the October 22, 2013 A&F Committee and forwarded to full Council with no recommendation.
- On November 5, 2013, Council forwarded this item to Retreat.
- Council sent item back to the A&F Committee at Council Retreat on January 23, 2014.

**D. Financial Impact**

While additional staff time – both Procurement and Administration – will be required, a specific financial impact cannot be determined at this time. It is thought, however, that these additional duties can be absorbed by current staff with no financial impact.

**E. Alternatives**

1. Approve the motion to require Hospitality ordinance agencies to adopt County or State procurement guidelines for Richland County Hospitality Tax spent dollars.
2. Do not approve the motion to require Hospitality ordinance agencies to adopt County or State procurement guidelines for Richland County Hospitality Tax spent dollars.

**F. Recommendation**

This initial motion was made by Mr. Rush on September 17, 2013. This is a policy decision for Council.

**G. Reviews**

**Finance**

Reviewed by: Daniel Driggers  
 Recommend Council approval

Date: 5/19/14  
 Recommend Council denial

Comments regarding recommendation: As stated, this is a policy decision for Council consideration.

### **Procurement**

Reviewed by Christy Swofford:

Recommend Council approval

Comments regarding recommendation:

Date:

Recommend Council denial

### **Grants**

Reviewed by: Sara Salley

Recommend Council approval

Comments regarding recommendation: This is a policy decision for Council consideration.

Date: 5/20/14

Recommend Council denial

### **Legal**

Reviewed by: Elizabeth McLean

Recommend Council approval

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

Date: 5/20/14

Recommend Council denial

### **Administration**

Reviewed by: Roxanne Ancheta

Recommend Council approval

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

Date: May 20, 2014

Recommend Council denial

Currently, HTax Ordinance agencies submit a marketing plan and budget request, mid-year reports, and final reports including detailed reporting of HTax expenditures. Agencies also submit a copy of their 990 tax return and an independent audit. County funds are spent according to each Agency's internal procurement procedures that are approved by their board and outside auditors.

If Council chooses to proceed with the requirement that the Ordinance Agencies adopt the County's Procurement guidelines, where feasible, it is recommended that they adopt the proposed monitoring practices outlined in the Request of Action. Further, once the County has its list of Small Local Business Enterprises (SLBE's), we will forward this information to the Ordinance Agencies and request that these SLBE's be utilized whenever possible.



Date: October 28, 2013

To: Sara Salley, Grants and Community Impact Manager, Richland County

From: Karen Brosius, Executive Director, Columbia Museum of Art

Re: Richland County Council Request of Action response

Summary: The Columbia Museum of Art (CMA) currently operates with a finance office staffed by one person, the Director of Finance. Richland County Hospitality Tax funding is used for expenses from five different departments, with the Director of Finance being the only staff member responsible for generating the quarterly payment requests and mid-year/final reports for the H-Tax funding. Richland County H-Tax funding covers around 18% of our annual expense budget.

The Columbia Museum of Art already follows the majority of the guidelines as outlined in Article X. The Museum is governed by a 30-member Board of Trustees, a 12-member Finance Committee consisting of board members and financial experts, Executive Director, and Scott & Company, our external auditor. The Museum has received a clean opinion from its annual audit by Scott & Company for the last several years, with no deficiencies in our procedures and policies.

The primary difference is that we do not have a central procurement office. If competitive purchasing were required, then a new centralized procurement staff position would be needed that would increase our operating expense budget with seemingly little return on investment. Daniel Driggers of the County Finance department seems to recognize that an increase in administrative costs could result from this request, but there would not be sufficient funding available from the County to cover such costs. Presumably, the receiving entities would have to make up any shortfall from other funding sources that would be an additional financial burden in this tight economy.

Direct Response to Sections 2-593 to 2-638:

1. Receiving agencies would adopt guidelines but still act independently of Council
2. Receiving entities would not be required to get approval for purchases from Council
3. Competitive Purchasing Policy:
  - a. Majority of Hospitality Tax-covered expenses could not be procured through a competitive purchasing policy due to the particular nature of our programmatic mission:
    - Exhibition participation fees
    - Shipping providers are frequently specified by the exhibition organizer
    - Conservation work is currently handled by a number of expert professionals in the field who specialize and sub-specialize in a variety of art media. We work primarily with Williamstown Art Conservation Center in Atlanta, who provides the widest range of services in conservation throughout the Southeast and where we have a long-standing account. We also use certified conservators from the Midlands.

- Exhibition installation needs are covered by a few long-used and tested companies that have a clear understanding of CMA's national accreditation requirements for the most professional exhibition and programming presentation that also meets industry and lending-agency standards
  - Marketing decisions and contracts are selected through a strong strategic plan based on tourism, audience development, and historic analysis, with an emphasis on the highest return on investment
  - Facilities and Marketing salaries/benefits
- b. Where applicable, the CMA does use a RFP process:
- For larger entity-wide projects (e.g., outside technology support contract; telephone service; fine art insurance policy periodically through insurance agent)
  - Smaller expenses are not practical for competitive bid policy: everything from linen cleaning to art supplies provided for school tours
- c. We would have to create a new staff position to centralize the procurement process as there is not currently anyone on staff with time available to prepare information for the five departmental areas covered by H-Tax funding: competitive bid requests; evaluate bids; select final bid; and process purchases.
4. Procedural Requirements:
- a. CMA's internal procedure requiring purchase order or similar controlled request form matches Councils
- All purchases are approved by the Department Head
  - All purchases over \$500 are approved by Deputy Director of the Museum
  - All purchases over \$1,000 are approved by the Executive Director
  - All checks are signed by two signees.
    1. \$1,000 and over by Executive Director and Board Treasurer
    2. Less than \$1,000 by Executive Director and Deputy Director
- b. Purchasing files:
- Each department has on file a list of vendors currently used for expenses covered by H-Tax funding and specifications for products used
- c. Conflicts of interest policy already in place
5. Nondiscrimination:
- a. This policy is already in place
6. Minority Procurement Requirements:
- a. We have a number of minority-owned businesses currently in our vendor list that are used frequently. The procurement guidelines outline a minimum of 15% of contracts in excess of \$5,000 being awarded to minority businesses. For the most part, of the expenses covered by H-tax funding, few are in excess of \$5,000, and those that are would most likely be national or international exhibition-organizing agencies, exhibition shipping contracts, collection/exhibition insurance, or media contracts.



Date: October 29, 2013

To: Sara Salley  
Grants Manager, Richland County

From: Robin Waites  
Executive Director, Historic Columbia

Re: Richland County Procurement Procedures

Historic Columbia Foundation (HC) administers a \$1.5 million operating and \$1 million capital budget with one full time employee for whom 75% of her time is dedicated to finance. The organization is not sufficiently staffed to implement the overlay of additional procedures.

The current procurement procedures at HC have been approved by an outside auditor who reviews the books on an annual basis. This audit is made available to the County each year. In reviewing the County procedures, HC already follows many of the guidelines outlined including:

- Competitive purchasing for all contracts for capital projects. For small projects (below \$5,000), HC currently solicits no fewer than three bids for the work. For larger projects HC goes through the process of advertising the job first through RFQ and RFP then formal invitations to bid and the competitive sealed proposal process. HC then works with an attorney to develop contract for work. Payment is made one an architect has signed the release on funds.
- HC has a formal purchase approval process, which includes having a purchase requisition signed by the Department Head and Executive Director before any purchase can be made. Purchases over \$500 must also be signed by a member of the Board Finance Committee. These materials are currently made available to the Grants Manager in reporting expenditures of County funds.

Unless there are particular issues that the County has with HC procedures, we would request that they remain in place.

In the event that Council decides to move forward with the change, the following questions arise:

Would HC have to have purchases approved by County Council?

Would HC adopt County procedures, or would we have to run purchases through the County?

Would this apply to all purchases, health insurance, IT support, security monitoring, etc., or just to purchases specifically for the building and grounds of WW and HP?

How would the County verify compliance? If there would be additional reporting we would need to have clarity of this from the outset.

If the change were made, would HC have access to the County vendor list and be considered "County" when making purchases thereby utilizing any County discounts

Would HC have access to the central state purchasing office?



**Date:** October 29, 2013

**To:** Sara Salley  
Grants Manager, Richland County

**From:** Catherine W. Horne  
President and CEO, EdVenture Children's Museum

**Re:** Richland County Procurement Procedures

EdVenture administers a \$5 million budget with one full time employee whose time is dedicated to procurement and accounts payable. The organization is currently not sufficiently staffed to implement the overlay of additional procedures.

The current procurement procedures at EdVenture have been approved by an outside auditor and Board of Trustees. EdVenture conducts an independent audit annually. This audit is made available to the public each year. In reviewing the County procedures, EdVenture already follows many of the guidelines outlined including:

- EdVenture has a purchasing policy. All purchases require a purchase requisition that has to be approved by a Director before a purchase is made. If the purchase is over \$500 our CFO is required to approve. If the purchase is over \$1500 the CEO is required to approve. Our Chair of the Board is also required to sign every check over \$2,500 along with the CEO. EdVenture uses a coding system to determine which funds should be expensed to applicable grants.
- EdVenture also implements a competitive procurement process for purchases over \$1,000. All purchase request or contracts must be submitted with three competitive quotes from different vendors. If there is no other available vendor this must be documented on the request.
- Competitive purchasing for all contracts for capital projects. For larger projects over \$5,000 EdVenture goes through the process of advertising the job first through RFQ and RFP, then formal invitations to bid and the competitive proposal process. EdVenture then works with an attorney to develop contracts for work.

Unless there are particular issues that the County has with EdVenture procedures, we would request that they remain in place.

In the event that Council decides to move forward with the change, the following questions arise:

1. Would H- Tax funds be available to pay for additional staff and technology to perform additional procedures?
2. Would this apply to all purchases, health insurance, IT support, security monitoring, etc., or just to purchases specifically for H-Tax expenditures.
3. Would EdVenture adopt County procedures, or would we have to run purchases through the County?
4. If the change were made, would EdVenture have access to the County vendor list and be considered "County" when making purchases thereby utilizing any County discounts?
5. Would EdVenture have to have purchases approved by County Council? If so, what will be the threshold amount?
6. How would the County verify compliance? If there would be additional reporting we would need to have clarity of this from the outset?
7. Would EdVenture have access to the central state purchasing office?

**Item# 9**

**Ordinance Agency Procurement Policy Comparisons**

RICHLAND COUNTY 2-593 Contract Authority		HISTORIC COLUMBIA FOUNDATION		EDVENTURE		COLUMBIA MUSEUM OF ART	
Competitive Procurement Thresholds:		Competitive Procurement Thresholds:		Competitive Procurement Thresholds:		Competitive Procurement Thresholds:	
≤ \$1,500	3 Quotes, telephonic is acceptable	≤ \$500	3 Quotes, Approval by Department Head & Executive	≤ \$500	No competitive process. CFO must approve.	All purchases*	No competitive process. Approved by Dept Head
\$1,500.01-\$14,999.99	Requires 3 written quotes	\$500-\$4,999.99	3 Quotes, Approval required by Dept Head, Exec Dir & Board Finance Committee	\$501-\$1,500	No competitive process. CEO must approve.	>\$500	No competitive process. Approved by Deputy Director
\$15,000-\$100,000	Requires formal solicitation & County Administrator approval	> \$5,000	Formal solicitation req'd. Approval required by Dept Head, Exec Dir & Board Finance	\$1,501-\$2,500	Requires 3 Quotes. CEO must approve.	>\$1,000	No competitive process. Approved by Executive Dir.
≥ \$100,000.01	Requires formal solicitation & County Council approval			>\$2,500	Formal solicitation issued. Requires approval from CEO and Board Chair	"Larger" projects (ie technology support, fine art insurance)	Follow RFP process, but that process is undefined
*Due to the sensitive nature of the types of procurement, competition is not conducive to the mission of CMoA.							

Item# 9

# Richland County Council Request of Action

## **Subject**

Printing and Mailing Operations [**PAGES 75-81**]

## **Reviews**

# Richland County Council Request of Action

**Subject:** Printing and Mailing Operations

## **A. Purpose**

The purpose of this ROA is to provide information relating to the current operations of Central Services, as well as planned improvements. Staff also requests direction from Council regarding Mr. Washington's motion.

## **B. Background / Discussion**

Central Services furnishes multiple operational tasks to the County through the processing of mail, printing of documents, and other deliveries throughout the county.

Because of a previous Public Works audit, the Department of Support Services was created and composed of multiple existing divisions, including Central Services, which shared like missions. These divisions support the county's departmental missions by providing support and management for the internal infrastructure required by all county operations. For example, Facilities Management provides a safe, efficient work environment; Fleet Management provides safe and efficient equipment and vehicles; and Central Services provides all in-house hard mail communications processing and printing of documents and forms utilized county-wide. All of these services support the citizens by supporting the basic needs of all county employees, allowing them to complete their missions of working directly with the citizens and providing all services offered by the county.

The current printing equipment in Central Services was manufactured in the mid 1990's and utilizes printing plates used on the printing press for transferring the image to the paper. This process does not allow for embossing (raised impressions) or debossing (depressed impressions) of documents. This process can also only duplicate the image that is engraved on the plate and cannot produce documents that require differing data from one document to the next, such as billing or receipt information requirements. What our process does allow is for printing of multi-page non-carbon documents, and standard documents and forms used by many departments within the county. 50% of the work is the processing of the various styles and sizes of envelopes with the return address requested by the department printed on them. We have recently upgraded our ability to produce printed, non-envelope products through the new digital copier/printer that was recently upgraded when the county renewed its agreement with the Pollock Company. We are working on a process for departments to send digital files for their short run printing needs, thereby removing the time and cost spent on creating a printing plate. This process allows us to produce these documents, fliers, pamphlets, etc. much more efficiently, but is not designed as a printing operation and does not have the speed / ability to run high volumes of documents efficiently. This process also only has the ability to create a standard printed product and does not allow for embossing or debossing, but allows for review and adjustments while still in digital format before producing the end product or spending many hours making printing plates. Depending on the document, the Public Information Office (PIO) oftentimes reviews it for content, format, etc. before going to print. As we move towards this technology, we will need to evaluate the quality desired and upgrade the equipment to allow us to comply with these requirements.

There are documents that are outsourced due to the individual specific processing operations required to get the document ready to mail, such as tax related documents where each one has specific recipient information. These are then mailed from the printing company and the county receives bulk postage rates due to the printing company's mail volumes. There are also areas where our current process is comparable in production cost, but not efficiency. This is generally found in the multipage NCR (No Carbon Required) documents, as each page is printed independently. Printing these on a digital process will require a greater investment in material processing equipment, but the positives will be the ability to make document improvements without many hours designing and producing new printing plates as well as the reduced production time.

Charleston County also outsources these same specialized documents to companies that have all the digital processes that allow for complete product completion and plan to keep this method. They are currently developing a new RFP as the current contracts expire this December. They also use several different vendors based on the company's ability to offer the best cost for processing particularly designed documents as we do.

Because our equipment is aging and becoming less reliable, we understand that we are going to have to move our current main printing operation from plate printing to digital. At this time, we are reviewing processes designed to produce large quantities of printed envelopes as well. The digital printing processes we have reviewed, to date, do not process raw stock envelopes efficiently as they are very labor intensive and have higher scrap rates. So we have to look into equipment specifically designed for envelope printing and are reviewing the options selected by other agencies with high volumes of envelope printing needs. Our current plan was to complete the evaluation and learning process of what would best suit our needs over this year and had already programmed funds in the ten year capital improvement plan (CIP) for the procurement of this equipment for the FY15-16 budget cycle. We are also reviewing equipment lease vs. procurement options.

As we increase printing jobs being completed on a digital platform, less time and fewer specialized skills will be required by the operator and more time will be utilized in the folding, binding, mail preparation operations. This will allow for the entire Central Services staff to be able to work in a cross functional environment as the specialized skills required for operating a plate printing process will no longer be necessary. The digital process is much more like a copy operation once the document is designed and approved.

In changing to an envelope specific process, we would decrease the cost for envelope printing by investing in a process that will remove up to 30% set-up time required and double the efficiency of the actual production process allowing our printer's position to have more time for supporting other operations within the Central Services division. Our current envelope processing cost is \$0.024 and the cost from a dedicated envelope process is \$0.026, which includes all perishable materials related to the printing process after a capital investment of about \$24,000. We will also reduce the workload on our current printing press operation by at least 50%, allowing us more equipment life to better research the best printing methodology for the County to include lease vs. purchase which will allow us to take on expanded work load by improving quality, reducing set-up tremendously (completely for repeat printing requests as the file is saved digitally and only has to be recalled), and greatly improving our time to complete the requested work all due to the digital submittal, proofing, and approval process.

Item# 10

For the mailing portion of Central Services, we do handle an average of over 4,000 pieces a day. This includes incoming, interoffice and mail that has to be metered and sent out. The mail from the printers are also sent through our permit and therefore paid independently of the printing charges, but at bulk rates they are afforded by the Post Office based on their volumes. Over the past several months we worked with our current mail metering partner, Pitney Bowes, and ran a test where they picked up all our outgoing in-house processed mail that we would have typically delivered to the Post Office. The purpose is they offer a reduced cost of about \$0.02 per piece for presorted first class mail. They can offer this savings based on their delivering the mail to the Post Office and receiving presort rates. This does add a day to our outgoing mail process as PB has to sort the mail by zip code. After making a simple adjustment for Family Court issued checks, we encountered no other hurdles or complaints from any departments. If we find we can meet the standards of the contract we could save approximately \$9,000 annually using this process. As for consolidation, we offer mail, internal and US Postage, pick-up and delivery to all our facilities/departments.

At the May 6, 2014 Council Meeting, Councilman Washington made the following motion:

**“As cost savings measure my motion is to "Consolidate all printing and mailing operation countywide and put the operations under the Public Information Office". This motion is to be taken up at budget time.”**

Mr. Washington’s motion included relocating the printing process reporting structure from the Support Services Department. The PIO is currently involved in our printing process by ensuring when possible that documents printed with the intent for public information and/or distribution are approved before they are printed, as well as sending printing work that comes through their office to Central Services when our current process is capable of delivering the desired product.

Because there will always be many various printing requirements by all the various county departments, staff cannot state that we will ever be able to justify the many various process capabilities necessary to meet ALL of these needs in-house. (Meaning, there will always be instances where printing / copying jobs must be outsourced.) However, it is evident that with improvements to our current technology, we can do much more and do so much more efficiently in-house. Staff had planned to start down this path for FY 16.

While bringing printing and mailing operations under Public Information is a policy decision of Council, it is recommended that staff be allowed to take FY 15 to complete a thorough review of the printing and mailing operations, which is currently underway, and bring back funding and staff (if applicable) recommendations to Council during the FY 16 budget process.

### **C. Legislative / Chronological History**

Motion from Councilman Washington at the May 6 meeting, sent to the May 27 A&F Committee meeting.

### **D. Financial Impact**

We have determined the advantages by outsourcing some specialized mailings by contracting a printing firm to both print and mail for specialized documents such as utilities and tax documents. This cost is directly related to the printing and processing of specialized forms and taking advantage of the contracting company’s bulk mail rates and forms designed to receive the

lowest postage cost for size and automated processing. It has also been determined that we could complete some of these products in-house with the appropriate equipment investment.

During a recent equipment failure, we needed to outsource several printing jobs that were required due to the user departments allowing inventories to diminish. We are working on an internal process to print all our repeatedly used documents to an internal inventory level that will allow us to fill orders the same day and then print to replenish in-house inventories in a much more efficiently productive manner.

The below are the cost differentials between outsourcing recent printing tasks vs. our current in-house cost. We have included general labor that we do not charge back to the requesting departments for a more equitable comparison.

Material Printed For	Material	Quantity Of Forms	Outsourced Cost	Internal Process Cost	Internal Labor	Total Cost to produce in-house
Family Court	4 part NCR	1,250	\$228.90	\$104.00	\$52.89	\$156.89
Family Court	Single Sheet	5,000	\$127.31	\$114.00	\$35.26	\$149.26
Detention Center	3 part NCR	3,333	\$502.33	\$226.50	\$52.89	\$279.39
Detention Center	2 part NCR	10,000	\$1,291.14	\$369.40	\$70.52	\$439.92
Solicitor	Green Embroidery Single Sheet	30,000	\$2430.00	\$524.00	\$229.19	\$753.19

Our processing costs will reduce after moving to a digital process due to very similar processing costs plus the reduction of set-up time, processing time, and reduced scrap.

#### E. Alternatives

1. Approve the request to allow the Central Services Division to remain part of the Support Services team for FY 15, while simultaneously continuing our review and cost improvement plan for our current printing and mail processes. Staff will bring the review back to Council for review, recommendation, and action in the FY 16 budget process.
2. Change the reporting structure of the Central Services Division to report to the Public Information Office and direct changes to be made for cost effectiveness immediately. The financial impact of this is not known at this time. It is thought, however, that additional staff and resources would have to be added immediately to the Public Information Office to assume these operations. It should also be noted that the Public Information Office has no expertise or experience in printing and mailing processes as they currently exist in Central Services. Therefore, a learning curve will be required.
3. Outsource all printing operations through an annual contract to one private company to handle all printing needs. The contract should stipulate the need to fulfill same-day print requests, as well as perform complex printing jobs – such as printing special forms and

using different paper stocks. All mailing operations by Central Services should continue as is under the Support Services Division.

**F. Recommendation**

It is recommended that Council approve the request to approve alternative #1 - Approve the request to allow the Central Services Division to remain part of the Support Services team for FY 15, while simultaneously continuing our review and cost improvement plan for our current printing and mail processes. Staff will bring the review back to Council for review, recommendation, and action in the FY 16 budget process.

Recommended by: John Hixon      Department: Support Services      Date: 5/14/14

**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: 5/20/14  
✓ Recommend Council approval       Recommend Council denial  
Comments regarding recommendation:

**Procurement**

Reviewed by: Christy Swofford      Date:  
✓ Recommend Council approval       Recommend Council denial  
Comments regarding recommendation:

**Public Information**

Reviewed by: Beverly Harris      Date:  
✓ Recommend Council approval       Recommend Council denial  
Comments regarding recommendation:

**Legal**

Reviewed by: Elizabeth McLean      Date: 5/21/14  
 Recommend Council approval       Recommend Council denial  
Comments regarding recommendation: Policy decision left to Council’s discretion.

**Administration**

Reviewed by: Roxanne Ancheta      Date: May 21, 2014  
 Recommend Council approval       Recommend Council denial  
Comments regarding recommendation: While this is a policy decision of Council, it is recommended that Council approve alternative #1 - Approve the request to allow the Central Services Division to remain part of the Support Services team for FY 15, while simultaneously continuing our review and cost improvement plan for our current

printing and mail processes. Staff would then bring the review back to Council for review, recommendation, and action in the FY 16 budget process.

# Richland County Council Request of Action

**Subject**

Richland County Office of Small Business Opportunity **[PAGES 82-86]**

**Reviews**

## Richland County Council Request of Action

**Subject:** Richland County Office of Small Business Opportunity

### **A. Purpose**

County Council is requested to approve the development and implementation of an Office of Small Business Opportunity (OSBO).

### **B. Background / Discussion**

This item was initiated in December 2013 at the request of Chairman Norman Jackson who requested a background report on establishing an Office of Small Business Opportunity in Richland County. Justine Jones, former Manager of Research, led the study and prepared the subsequent report which was initially provided to Councilman Jackson on December 16, 2013. The subsequent Revised Preliminary Report was provided to Council at its Annual Retreat on January 24, 2014. An office of small business opportunity is typically designed to support the successful development and growth of for-profit small businesses using a variety of essential business assistance resources, a combination of development programs, organizational training and strategic advancement services. As an added benefit, an OSBO will frequently plug its participants into several networks of internal and external partners that can provide additional support, development tools, and contracting opportunities to current and aspiring business owners who want to either expand or start new businesses.

This request was made about the same time the SLBE program was first being assembled. Since both programs could not be concurrently developed, and the SLBE program implementation was requested to be rolled out at the earliest possible date, the request for an OSBO was temporarily put on hold. However, more recently, several other Council members reemphasized the need to implement a capacity building component into the program at a SLBE Work Session in April 2014; therefore, after further reconsideration, and in consultation with Administrator McDonald, it became apparent it was more feasible to complete the groundwork for the program sooner than later particularly since the SLBE program is nearing its launch date and a considerable amount of its development has been completed.

The OSBO would be made into its own separate department and house the SLBE program (it is currently a division within the Procurement Office) and other associated programs targeting small businesses, which could include a Disadvantaged Business Enterprise (DBE) and/or Minority, Women, Disadvantaged Business Enterprise (MWDBE) programs after a disparity study has been completed. With Council approval, the SLBE program will be placed in the Office of Small Business Opportunity when it officially launches at the beginning of FY 15, in summer 2014. The marketing campaign for the SLBE program will begin in early June; the OSBO can be added to the campaign and both the office and the program can be marketed concurrently.

Similar programs were reviewed in the City of Columbia, City of Houston, and the City of Charlotte, each with numerous features that presumably were designed with the respective entity's participants in mind. The following are several tools other programs offer and conceivably could be utilized in Richland County's program.

Item# 11

- Educational Workshops, Seminars and Symposiums
- Cost Estimating and Bidding
- Project Management
- Financial Statements
- Cash Flow Management
- Mentor-Protégé Program
- Referrals to bank loans, loan funds and guarantee programs
- Group and Individualized Technical Assistance
- Acquiring Financing through Grants, Loans and Other Types of Assistance
- Business Plan Development
- Financial Packaging and Lending Assistance
- Marketing and Outreach
- Startup capital

Identifying where the office will be located and available office space is a critical need that will need to be completed before the office opens. Ample space will be needed for several staff people as well as a conference room or access to meeting space to conduct the workshops, seminars, and group meetings.

### **C. Legislative / Chronological History**

- December 8, 2013, Councilman Jackson submitted a request for an Office of Business Opportunity to be researched and findings provided upon completion.
- December 16, 2013: County Council was forwarded the Preliminary Background Report by the Assistant to the Clerk.
- December 30, 2013: The Revised Preliminary Background Report was provided to Administration for inclusion in the 2014 Council Retreat Packet and was very briefly discussed.
- April 8, 2014: SLBE Work Session was held, which included discussion regarding an Office of Small Business opportunity.
- May 6, 2014: SLBE program design and proposed model received Council approval.

### **D. Financial Impact**

Determining financial impact will be dependent on which program components Council would like the office to offer. Five staff people were been approved by Council on May 6, 2014 for the SLBE program; however, the full scope of services outlined above would not be able to be provided solely by program staff. Ms. Jones, the SLBE program administrator, has begun discussions and is currently in the process of establishing community partnerships to provide some of the services and offset some of the expenses associated with providing services. The goal is to utilize as many community partnerships as is feasible to offer a high quality, responsive program that mutually advances the goals and objectives of the County and its participants.

Some of the possible offerings include conducting application reviews, banking and loans, procurement process, contracting and compliance, regulations and reporting, negotiations, acquiring certifications, etc. The budget from the SLBE program could be transferred to the OSBO program and adjustments could be made mid-cycle if necessary; however, modifications would more likely occur during the next budget cycle in FY 16. Based on the needs and demands of the program, one additional staff person may be needed, but this determination will



## **Administration**

Reviewed by: Roxanne Ancheta

Date: May 16, 2014

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: The creation of a new County Department to serve this purpose is at the discretion of Council. However, it is recommended that Council endorse the concept of an Office of Small Business Opportunity (OSBO). Further, it is recommended that Council direct staff regarding the proposed programs that they would like to see housed in the OSBO. Once this preliminary direction from Council has been provided, a detailed OSBO model (mission statement, goals, programs, staffing, etc.) will be developed. Staff will also complete a financial analysis to determine the cost of such an operation. This analysis will include the cost of office space (if applicable), staffing needs, operating and capital costs, etc.

Because this item is of such great importance, and has many intricacies which must be vetted by numerous departments (Procurement, Finance, Legal, Administration, etc.), it is recommended that, after the detailed OSBO model and financial analysis have been developed, we have a full Council Work Session. It is essential that we develop an OSBO that meets its mission established by Council, is financially viable, legally sound, and truly successful for our small business owners. By ensuring we lay the proper groundwork on the front end, we can help ensure this occurs.

# Richland County Council Request of Action

## **Subject**

Hopkins Magistrate Office: Relocation of the Hopkins Magistrate Office, lease agreement for 8012 Garners Ferry Road, Suite E, Columbia, SC 29209 **[PAGES 87-109]**

## **Reviews**

## Richland County Council Request of Action

**Subject:** Hopkins Magistrate Office: Relocation of the Hopkins Magistrate Office, lease agreement for 8012 Garners Ferry Road, Suite E, Columbia, SC 29209

### **A. Purpose**

County Council is requested to approve the lease with CBRE, relocating the Hopkins Magistrate Office to 8012 Garners Ferry Road, Suite F, Columbia, SC, 29209, which is within the Hopkins District.

### **B. Background / Discussion**

Currently, the Hopkins Magistrate Office is located at 6108 Cabin Creek Road, Hopkins, which rents for \$1093.00. The facility is inadequate to support the basic functions of the staff and visiting public. The goal is to relocate the magistrate and staff to an adequate office space until such time as the Hopkins Magistrate can be converted to a County owned facility.

The facility, located at 8012 Garners Ferry Road, Suite F, is owned by CBRE. The terms of the lease are for 1260 square feet, \$1093.00 a month, month to month tenancy (See appendix 1, page 1, Term C), with no security deposit required (See appendix 1, page 17, number 30). The proposed commercial lease is attached. The date of commencement shall to be determined based on Council action.

### **C. Legislative / Chronological History**

This is a staff initiated request for a relocation and new lease agreement. Therefore, there is no legislative history.

### **D. Financial Impact**

The monthly costs remain the same. The funds are allocated in the Hopkins Magistrate budget under the line item for rent.

### **E. Alternatives**

1. Approve the request to relocate the Hopkins Magistrate office and sign the lease agreement. The proposed location is within the Hopkins Magistrate District lines and will provide an adequate facility for staff and visiting public.
2. Do not approve the relocation and lease, leaving the Hopkins Magistrate office in a dilapidated, inadequate building.

### **F. Recommendation**

It is recommended that County Council approve the relocation and lease of the Hopkins Magistrate to 8012 Garners Ferry Road, Suite F, Columbia, SC, 29209.

Recommended by: Donald J. Simons Department: Magistrate Date: May 14, 2014

**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: 5/20/14

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

**Legal**

Reviewed by: Elizabeth McLean

Date: 5/22/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Policy decision left to Council’s discretion; however, Legal cannot recommend the attached Lease for Richland County. I would suggest that the committee forward the item without recommendation (or defer) and before the item is reported out, Legal will draft an acceptable Lease for Council’s approval. Legal has discussed its recommendations with Judge Simons.

**Administration**

Reviewed by: Warren Harley

Date:

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval pending legal drafting of an acceptable lease agreement.



Part of the CBRE affiliate network

**COMMERCIAL LEASE  
(Net Lease I)**

**PARTIES A- PARTIES:**

THIS LEASE made and entered into this 25th of May, 2014, by and between Walter M Patrick Trust B, hereinafter called "Landlord", and Richland County, SC, hereinafter called "Tenant".

**WITNESSETH**

In consideration of the covenants and agreements of the respective parties herein contained, the parties hereto, for themselves, their heirs, successors, distributees, executors, administrators, legal representatives and permitted assigns, do hereby agree as follows:

**PREMISES B- DEMISED PREMISES:**

Landlord by these presents does hereby demise and let unto Tenant, and Tenant hereby leases and hires from Landlord, all those certain premises, together with the buildings and other improvements thereon, for the term and upon the rental and the covenants and agreements of the respective parties herein set forth. Said premises are situate, lying and being in the State of South Carolina, County of Richland, (hereinafter the "Demised Premises"), and more fully described as follows:

8012 Garners Ferry Rd., Suite E, Columbia,  
SC 29209

**TERM C- TERM AND DELIVERY OF PREMISES:**

The initial term of this lease shall commence on the 25th of May, 2014, (the commencement date) and shall be a month to month tenancy.

**RENT D- RENT:**

- 1- **Rent:** Tenant covenants and agrees to pay as rental to Landlord the monthly sum of One Thousand Ninety Three Dollars and no/100ths (\$1093.00) , said sum to be in lawful money of the United States. Said rental shall be payable

*Appendix 1*

monthly in advance to the office of CBRE/Columbia, Agents for Landlord. Rent is due on the first day of each month and shall not be withheld for any reason whatsoever. In the event Tenant shall fail to pay each rental on the due date, a late charge of Two (2%) percent of the monthly rental, compounded monthly with a minimum of Twenty Five and No/100 (\$25.00) Dollars per month, shall be added to the rental and paid to Landlord for each such late payment, and the same shall be treated as additional rent.

**CONDITIONS E- COVENANTS AND CONDITIONS OF LEASE:**

This Lease is made on the following covenants and conditions which are expressly agreed to by Landlord and Tenant:

- 1- **Late Delivery Clause:** It is further agreed and understood that if Landlord is unable to deliver possession of the demised premises to the Tenant at the commencement of the term of this Lease because of the retention of possession thereof by other parties than Landlord, or because Landlord is unable to get the demised premises ready for occupancy by Tenant, if such is required of Landlord hereunder, then Landlord shall not be liable to Tenant for damages and this Lease shall not terminate, provided however, that Tenant shall have no obligation to pay hereunder until possession of the Demised Premises is delivered to Tenant. Landlord shall use all reasonable diligence to deliver possession of the Demised Premises to Tenant at the commencement of the within term.

It is anticipated that possession may be had on May 25<sup>th</sup>, 2014, however, if for any reason Landlord fails to give possession of the Demised Premises on that date, then this Lease and payment of rent will commence as of the day possession is given with the further understanding that possession must be had by June 1, 2014, or Tenant may terminate this Lease by written notice prior to the Landlord tendering possession of the Demised Premises to the Tenant. If the term of this Lease shall commence on a day other than the first day of a calendar month, rental shall be paid for the portion of the month in proportion to the monthly rental rates as herein provided and the term provided for in this Lease shall be extended so as to cause the expiration of the term to be on the last day of the last month of the term.

- 2- **Authorized Use:** Tenant agrees not to abandon or vacate the Demised Premises and shall use the Demised premises for the following purpose, and for no other purpose whatsoever, without the written consent of Landlord at Landlord's sole discretion first had and obtained:

Office Use only for the Hopkins Magistrate and support staff.  
No court or hearings shall be held in or on the Premises.

Tenant shall use and occupy the Demised Premises in a careful, safe, and proper manner and shall keep the Demised Premises in a clean and safe condition in accordance with this lease and State, Federal, and local laws, ordinances, and regulations.

Tenant will not permit or suffer anything to be done nor keep anything in or about the Demised Premises which would render the insurance thereon void or voidable or cause cancellation. Tenant will not keep, use or sell, or allow to be kept, used or sold in or about the Demised Premises, any article or material which is prohibited by law or by standard fire insurance policies of the kind customarily in force with respect to premises of the same general type as those covered by this Lease, nor will Tenant allow anything to be stored that will create any problem or controversy by SCDHEC Agency. If Tenant does store goods that are or become controversial, Tenant will clean Demised Premises to the satisfaction of an environmental engineer so that a clean letter can be issued by said engineer.

3- **Insurance / Indemnity:**

- a- "Injuries and Property Damage" Tenant shall at all times during the term hereof keep in effect in responsible companies liability insurance in the names of and for the benefit of Tenant, Agent and Landlord with limits as follows:

Bodily Injury and Property Damage:  
\$1,000,000 Single Limit Per Occurrence

Such insurance may, at Tenant's election, be carried under any general blanket coverage of Tenant. A renewal policy shall be procured not less than ten (10) days prior to the expiration of any policy.

Each original policy or certified copy thereof, or a satisfactory certificate of the insurer evidencing insurance carried, shall be deposited with the Landlord, naming the Landlord and Wilson/Kibler, Inc. as Agent, as additional insured. The limits of said insurance shall not, however, limit the liability of Tenant hereunder. In the event that the Demised Premises constitute a part of a larger property, said insurance shall have a Landlord's Protective Liability endorsement attached thereto. If Tenant shall fail to procure and maintain said insurance Landlord may, but shall not be required to, procure and maintain the same, but at the expense of Tenant. Tenant shall have the right to settle and adjust all liability claims and all claims against the insuring companies, but without subjecting Landlord and Agent to any liability or obligation.

- b- "Property Insurance" Landlord shall obtain and keep in force during the term of this Lease a policy or policies of insurance covering loss or damage to the Demised Premises, in the amount of the full replacement value thereof, providing against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, special extended perils (all risk) and loss of rents. Tenant shall pay during the term hereof, in addition to rent, the amount of any increase in premiums for the insurance required under this Paragraph 3(b) over and above such premiums paid by Landlord during the first full year of the term of this Lease in which Landlord shall have maintained the insurance required under this Paragraph 3(b), whether such premium increase shall be the result of the nature of Tenant's occupancy, any act or omission of Tenant, requirements of the holder of a mortgage or deed of trust covering the Demised Premises, increased valuation of the premises, or otherwise. Tenant shall pay as additional rent any such premium increases to Landlord within thirty (30) days after receipt by Tenant of a copy of the premium statement or other satisfactory evidence of the amount due. If the insurance policies maintained hereunder cover other improvements in addition to the Demised Premises, Landlord shall also deliver to Tenant a statement of the amount of such increase attributable to the Demised Premises and showing in reasonable detail the manner in which such amount was computed. If the term of this Lease shall not expire concurrently with the expiration of the period covered by such insurance, Tenant's liability for premium increases shall be pro-rated on an annual basis. If the Demised Premises are less than the total property, the base pro-rata share shall be the same as in Paragraph 8.
- c- "Insurance Policies" Insurance required to be carried by Tenant hereunder shall be in companies rated A-Plus or better in "Best's Insurance Guide". Tenant shall deliver to Landlord copies of policies of liability insurance required under Paragraph 3(a) or certificates evidencing the existence and amounts of such insurance. No such policy shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days' prior written notice to Landlord. Tenant shall, within thirty (30) days prior to the expiration of such policies, furnish Landlord with renewals or "binders" thereof, or Landlord may order such insurance and charge the cost thereof to Tenant, which amount shall be payable by Tenant upon demand. Tenant shall not do or permit to be done anything which could invalidate the insurance policies referred to in Paragraph 3(a) and (b).
- d- "Waiver of Subrogation" Tenant and Landlord each hereby waive any and all rights of recovery against the other, or against the

officers, directors, partners, employees, agents and representatives of the other, for loss of or damage to such waiving party or its property or the property of others under its control, where such loss or damage is insured against under any insurance policy in force at the time of such loss or damage. Tenant and Landlord shall, upon obtaining the policies of insurance required hereunder, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

- e- "Indemnity" Tenant shall indemnify and hold harmless Landlord and Agent from any and all claims arising from Tenant's use or occupancy of the Demised Premises, or from any activity, work or things done, permitted or suffered by Tenant in or about the Demised Premise or elsewhere and shall further indemnify and hold harmless Landlord and Agent from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any negligence of the Tenant, or any of Tenant's agents, contractors, or employees, and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Landlord and Agent by any reason of any such claim, Tenant upon notice from Landlord or Agent shall defend the same at Tenant's expense by counsel satisfactory to Landlord or Agent. Tenant, as a material part of the consideration to Landlord and Agent, hereby assumes all risk of damage to property or injury to persons, in, upon or about the Demised Premises arising from any cause and Tenant hereby waives all claims in respect thereof against Landlord and Agent.
  
- f- "Exemption of Landlord and Agent from Liability" Tenant hereby agrees that Landlord and Agent shall not be liable for injury to Tenant's business or any loss of income therefrom or from damage to the goods, wares, merchandise, or other property of Tenant, Tenant's employees, invitees, customers, or any other person in or about the Demised Premises, nor shall Landlord or Agent be liable for injury to the person of Tenant, Tenant's employees, invitees, customers, agents or contractors, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether the said damage or injury results from conditions arising upon the Demised Premises or upon other portions of the building(s) of which the Demised Premises are a part, or from other sources or places, and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible

to Tenant. Landlord nor Agent shall not be liable for any damages arising from any act or neglect of any other tenant, if any, of the building(s) in which the Demised Premises are located.

- 4- **Condition of the Demised Premises:** Tenant has inspected and accepts the Demised Premises in the same condition they are in at the time of commencement of the term of this Lease. Tenant will at its cost and expense make any alterations and improvements in or to the Demised Premises which may be required by reason of any Federal, State, or local law, ordinance, or regulation.
- 5- **Repair and Care of Building by Tenant:** Tenant shall, throughout the initial term of this lease and any renewals thereof at its own expense maintain in good order and repair the leased premises, including the building and other improvements located thereon, except those repairs expressly required to be made by Landlord. Such repairs by Tenant shall include as applicable but not limited to, repairs to electrical and plumbing systems and fixtures, air-conditioning, heating and ventilation equipment systems (as outlined herein). Tenant shall at its expense contract with a reputable firm for periodic servicing of the heating, air-conditioning and ventilation systems as recommended by the manufacturer of such equipment and shall keep on file with Landlord or its agent a copy of said contract or other substantial proof of such servicing. Tenant shall be responsible for all minor repairs to heating, air-conditioning, and ventilating equipment including parts and labor, and including repair to major components, but not replacement of major components. Tenant shall also maintain pest control (including termite) inspection and treatment of the premises as required. Tenant agrees to return said premises to Landlord at the expiration or prior termination of this lease in as good condition and repair as when received, natural wear and tear, damage by storm, fire, lightning, or other natural casualty excepted.
- 6- **Repair and Care of Building by Landlord:** Landlord shall keep and maintain the foundations, roof and structural portions of the exterior walls of the premises (exclusive of all glass and exterior doors) in good condition and repair, except for any repairs required thereto by reason of the acts of the Tenant, its employees, agents, invitees, licensees, or contractors. So long as Tenant maintains proper servicing and repairs of heating, air-conditioning and ventilation equipment as outlined above, Landlord shall be responsible for all required replacements of major components of the said equipment including all cost of installation. Landlord gives to Tenant exclusive control of premises and shall be under no obligation to inspect the premises. Tenant shall promptly report in writing to Landlord any defective condition which Landlord is required to repair or replace, and failure to report such defects makes Tenant responsible to Landlord for any liability, costs or attorney's fees incurred by Landlord by reason of such defect. Landlord shall not be

obligated to make any repair or replacement required of it until notice in writing from Tenant of need for same. Landlord shall have reasonable time in which to make such repair or replacement.

- 7- **Alteration of Demised Premises and Installation of Fixtures and Other Appurtenances:** Tenant may, with consent of Landlord, at Landlord's sole discretion, but at Tenant's own cost and expense in a good, workmanlike manner and in accordance with applicable laws and building codes, make such alterations and repairs in the Demised Premises as Tenant may require for the conduct of its business without, however, materially altering the basic character of the Demised premises, or weakening any structure on the Demised Premises. Tenant shall have the right, without the permission of Landlord, to erect, at Tenant's sole cost and expense, such temporary partitions, including office partitions, as may be necessary to facilitate the handling of Tenant's business and to install electrical fixtures, additional lights and wiring and other trade appliances. Any alterations or improvements to the Demised Premises, including but not limited to partitions, all electrical fixtures, lights and wiring, shall at the option of Landlord, become the property of Landlord, at the expiration or sooner termination of this Lease. Should Landlord request Tenant to remove all or any part of the above-mentioned items, Tenant shall do so prior to the expiration of this Lease and repair the premises as described below. Temporary shelves, bins and machinery installed by Tenant shall remain the property of Tenant and may be removed by Tenant at any time; provided, however, that all covenants, including rent, due hereunder to Landlord shall have been complied with and paid. At the expiration or sooner termination of this Lease, or any renewals or extensions thereof, Tenant shall remove said shelves, bins and machinery, and repair, in good and workmanlike manner, all damage done to the Demised Premises by such removal. Tenant shall not exercise the right and privilege granted by this Paragraph 7 in such a manner as to damage or affect the structural qualities of the Demised Premises or the buildings, of which it is a part, if applicable. Before any work is begun, Tenant agrees to furnish Landlord with holdharmless agreements from all contractors protecting against mechanics liens.
- 8- **Payment of Taxes and Other Assessments:** Landlord shall pay annually all real estate taxes on the Demised Premises existing at the commencement of this Lease. However, Tenant shall pay any and all increases in the taxes and assessments assessed or levied against the Demised Premises over and above amounts assessed for the year 2014 (to be known as "base year"), as well as any special assessment imposed upon the Demised Premises for any purpose whatsoever during the term, whether the increase in taxation results from a higher tax rate or an increase in the assessed valuation of the Demised Premises or of both. However, if the improvements upon the Demised Premises are not fully assessed by the local assessor's office during the agreed upon base year, the tax base will be amended in the following

manner. The millage rate established in the year as set out above shall be applied to the assessed value of the Demised Premises when fully assessed by the Tax Assessor's office. Should the full assessment not be completed until after this lease expires or is terminated, this increase will be due and payable upon demand. If the taxes on the Demised Premises are increased because of the fixtures added by Tenant, Tenant shall reimburse Landlord for all taxes assessed because of said improvements. Such payment shall be made by Tenant to Landlord as additional rent not later than thirty (30) days following the date on which Landlord provides Tenant with written evidence of such increase. In the event the Demised Premises are less than the entire property assessed for such taxes for any such year, then the tax for any such year applicable to the Demised Premises shall be determined by pro-ration on the basis that the rentable floor area of the Demised Premises bears to the rentable floor area of the entire property assessed. If the final year of the Lease term fails to coincide with the tax year, then any excess for the tax year during which the term ends shall be reduced by the pro-rata part of such tax beyond the Lease term. For the purpose of this covenant, it is agreed that the premises demised hereunder contains 1260 square feet and that the rentable area of the building is 6300 square feet. Tenant's Pro-Rata share is 20%.

In the event that any documentary stamp tax, or tax levied on the rental, leasing or letting of the Demised Premises whether local, state, or federal, is required to be paid due to the execution hereof, the cost thereof shall be borne by the Tenant. Tenant at all times shall be responsible for and shall pay, before delinquency, all municipal, county, state, or federal taxes assessed against any leasehold interest, or any fixtures, furnishings, equipment, stock-in-trade, or other personal property of any kind owned, installed, or used in or on the Demised Premises.

Should any governmental taxing authority acting under any present or future law, ordinance, or regulation, levy, assess, or impose a tax, excise and/or assessment (other than an income or franchise tax), upon or against the rental payable by Tenant to Landlord, either by way of substitution or in addition to any existing tax on land or buildings or otherwise, Tenant shall be responsible for and shall pay such tax, excise and/or assessment, or shall reimburse the Landlord for the amount thereof, as the case may be.

- 9- **Subordination of Lease:** Tenant's rights under this Lease shall remain subordinate to any bona fide mortgage or deed to secure debt which is now, or may hereafter be placed, upon the Demised Premises by Landlord. Tenant shall, if requested, execute and deliver a subordination agreement.
- 10- **Condemnation:** If the whole of the Demised Premises shall be taken by any public authority under the power of eminent domain, this Lease shall terminate as of the day possession shall be taken by such public authority,

and Tenant shall pay all rental and other sums due hereunder up to that date with an appropriate refund by Landlord of such amounts thereof as shall have been paid in advance for a period subsequent to the date of the taking. If twenty-five (25%) percent or less of the gross leasable area of the Demised Premises shall be taken, this Lease shall terminate only with respect to the part so taken as of the day possession shall be taken by such public authority, and Tenant shall pay all rental and other sums due hereunder up to that day within appropriate refund by Landlord of such rents as may have been paid in advance for a period subsequent to the date of the taking, and thereafter, the rent shall be equitably adjusted, and Landlord shall at its expense make all necessary repairs or alterations to the basic building and exterior work so as to constitute the remainder of the Demised Premises a complete architectural unit. If more than twenty-five (25%) percent of the gross leasable area of the demised premises shall be so taken, then this Lease shall terminate with respect to the part so taken from the date possession shall be so taken by such public authority, and Tenant shall pay all rental and other sums due hereunder up to that date with an appropriate refund by Landlord of such amounts thereof as may have been paid in advance for a period subsequent to the date of taking, and either party shall have the right to terminate this Lease upon notice in writing within sixty (60) days after taking of possession. In the event that Tenant remains in possession, and if Landlord does not so terminate, all of the terms herein provided shall continue in effect except that the rent shall be equitably abated, and Landlord shall make all necessary repairs or alterations to the basic building and exterior work so as to constitute the remaining demised premises a complete architectural unit. In the event Landlord is obligated to restore the demised premises to a complete architectural unit, as above provided, such work shall not exceed the scope of work to be done by Landlord in constructing the demised premises, nor shall Landlord be required to spend for such work an amount in excess of the amount received by Landlord as damages for the part of the demised premises so taken, less any amount paid to Landlord's mortgagee from such award. The entire compensation award, including but not limited to, all damages or compensation for diminution in value of the leasehold, reversion, and fee, shall belong to the Landlord. Tenant shall have the right to claim and recover from the condemning authority, but not from the Landlord, such compensation as may be separately awarded or recoverable by the Tenant in Tenant's own right on account of damage to Tenant's business by reason of the taking and for or on account of any cost or loss to which Tenant might be put in removing Tenant's merchandise, furniture, fixtures, improvements and equipment.

11. **Erection and Removal of Signs:** Tenant may place suitable signs on demised premises for the purpose of indicating the nature of the business carried on by Tenant in said demised premises; provided, however, that such signs shall be in keeping with other signs in the district where the demised

premises are located. Tenant agrees to exonerate, save harmless, protect and indemnify Landlord from and against any and all losses, damages, claims, suits, or actions and all costs and expenses including attorney's fees, in connection therewith, arising from any damage or injury to persons or property caused by an erection and maintenance of such signs or parts thereof, and insurance coverage for such signs shall be included in the public liability policy which Tenant is required to furnish. The location, design, size and construction of such signs shall be approved by Landlord at Landlord's sole discretion, prior to the erection, and shall not damage the demised premises in any manner. At the termination of this Lease, Landlord may require that Tenant remove its signs, and any damage to the demised premises caused by removal shall be promptly repaired by Tenant at Tenant's own cost and expense.

12. **Glass Breakage and Vandalism:** Tenant agrees to immediately replace broken or damaged glass with glass of comparable quality and characteristics which meet appropriate agency building code requirements, excepting breakage covered under Landlord's normal fire and extended coverage insurance policy. Tenant shall make any repairs or replacements caused by vandalism to the demised premises or any part thereof, if said damage is not covered by Landlord's insurance.
13. **Right of Entry by Landlord:** Tenant at any time during this Lease term shall permit inspection of the demised premises during reasonable business hours by Landlord or Landlord's agents or representatives for the purpose of ascertaining the condition of the demised premises, to exhibit the same to prospective purchasers, mortgagees, and tenants, and in order that Landlord may make such repairs as may be required to be made by Landlord under the terms of this Lease and/or to adjacent areas. Sixty (60) days prior to the expiration of this Lease, Landlord may post suitable notice on the demised premises that the same are "For Rent", which notice shall not be removed, obliterated, or hidden by Tenant. Landlord may not, however, thereby unnecessarily interfere with the use of demised premises by Tenant. The exercise of such right of entry shall not be deemed an eviction or disturbance of Tenant nor will Tenant be allowed any abatement of rent for inconvenience caused thereby.
14. **Payment of Utilities:** Tenant shall contract for and pay all charges for sewerage, water, gas, electricity and other public utilities used on the demised premises, including all replacement of light bulbs, tubes, ballasts, and starters. Landlord may pay any delinquent bills incurred by Tenant during the lease term which bills may create a lien on the demised premises and shall upon demand be immediately reimbursed by Tenant. Said payments shall be treated as additional rental even though the lease term may have expired.

15. **Assignment and Subletting:** Neither this Lease nor any interest herein may be assigned by Tenant voluntarily or involuntarily, by operation of law, or otherwise, and neither all nor any part of the demised premises shall be sublet by Tenant without the written consent of Landlord, at Landlord's sole discretion, first had and obtained. In the event this Lease or any interest herein is assigned or the demised premises or any part thereof is sublet, whether with or without Landlord's consent, Tenant shall remain fully liable under all terms, covenants, and conditions of this Lease. In no event will any provision herein stated to renew, extend, or purchase be available to any assignee or sub-tenant. Any consent by Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting.
16. **Damage or Destruction:** If the building on the demised premises, or any part thereof, shall be damaged or destroyed by fire or other casualty, Landlord shall promptly repair all such damage and restore the said demised premises without expense to Tenant, subject to delays due to adjustment of insurance claims, strikes, and other causes beyond Landlord's control. If such damage or destruction shall render the said building untenable in whole or in part, the rent shall be abated wholly or proportionately as the case may be until the damage shall be repaired and the demised premises restored. If the damage or destruction shall be so extensive as to require the substantial rebuilding (i.e., expenditure of fifty percent (50%) or more of the replacement cost) of the said demised premises, or the damage is due to a peril not covered by Landlord's insurance, or the damage occurs within the last three (3) years of the term of this Lease, Landlord or Tenant may elect to terminate this Lease by written notice to the other given within thirty (30) days after the occurrence of such damage or destruction. In no event shall Landlord be required to repair or replace Tenant's stock-in-trade, trade fixtures, furniture, furnishings, special equipment, or other items of construction and personal property, nor to expend a sum to restore the demised premises in excess of that received by the Landlord from insurance proceeds, less any amount paid to Landlord's mortgagee from such insurance proceeds.
- Landlord and Tenant hereby release each other from liability for loss or damage occurring on or to the demised premises or the premises of which they are a part or to the contents of either thereof, caused by fire or other hazards ordinarily covered by fire or other hazards ordinarily covered by fire and extended coverage insurance policies and each waives all rights of recovery against the other for such loss or damage. Wilful misconduct lawfully attributable to either party, whether in whole or in part a contributing cause of the casualty giving rise to the loss or damage, shall not be excused under the foregoing release and waiver.
17. **Surrender of Demised Premises:** Tenant agrees to deliver all keys and to

surrender the demised premises at the expiration, or sooner termination, of this Lease, or any extension or renewal thereof, broom-clean in the same condition as when said demised premises were delivered to Tenant, or as altered, pursuant to the provisions of this Lease, ordinary wear, tear and damage by the elements excepted, and Tenant shall remove all of its property. Tenant agrees to pay a reasonable cleaning charge should it be necessary for Landlord to restore or cause to be restored the demised premises to the same condition as when said demised premises were delivered to Tenant.

18. **Holdover: Intentionally deleted**
19. **Quiet Enjoyment:** If and so long as Tenant pays the rents reserved by this Lease and performs and observes all the covenants and provisions hereof, Tenant shall enjoy the demised premises, subject, however, to the terms of this Lease, without any manner of let or hindrance from Landlord or any person or persons lawfully claiming the demised premises.
20. **Waiver of Covenants:** No waiver of any condition or legal right or remedy shall be implied by the failure of the Landlord to declare a forfeiture, or for any other reason and no waiver of any conditions or covenants shall be valid unless it is in writing signed by Landlord. No waiver of any condition shall be claimed or pleaded to excuse a future breach of the same condition or covenant.
21. **Default by Tenant:** This Lease is made upon the condition that the Tenant shall punctually and faithfully perform all of the covenants and agreements by it to be performed as herein set forth, and if any of the following events or default shall occur, to wit:
- (a) Any installments of rent, additional rent, taxes, or any other sums required to be paid by Tenant hereunder, or any part thereof, shall at any time be in arrears and unpaid for five (5) days after written demand therefor, or
  - (b) There be any default on the part of Tenant in the observance or performance of any of the other covenants, agreements, or conditions of this Lease on the part of Tenant to be kept and performed, and said default shall continue for a period of fifteen (15) days after written notice thereof from Landlord to Tenant (unless such default cannot reasonably be cured within fifteen (15) days and Tenant shall have commenced to cure said default within said fifteen (15) days and continues diligently to pursue the curing of same), or
  - (c) Tenant shall file a petition in bankruptcy or be adjudicated a bankrupt, or file any petition or answer seeking any reorganization,

arrangement, composition, readjustment, liquidation, dissolution or similar relief for itself under any present or future federal, state or other statute, law or regulation, or make an assignment for the benefit of creditors, or

- (d) Any trustee, receiver or liquidator of Tenant or of all or any substantial part of its properties or of the demised premises shall be appointed in any action, suit or proceeding by or against Tenant and such proceeding or action shall not have been dismissed within thirty (30) days after such appointment, or
- (e) The Leasehold estate hereby created shall be taken on execution or by other process of law, or
- (f) Tenant shall admit in writing its inability to pay its obligations generally as they become due, or
- (g) Tenant shall vacate or abandon the demised premises, then and in any of said cases, Landlord at its option may terminate this Lease and re-enter upon the demised premises and take possession thereof with full right to sue for and collect all sums or amounts with respect to which Tenant may then be in default and accrued up to the time of such entry, including damages to Landlord by reason of any breach or default on the part of Tenant, or Landlord may, if it elects to do so, bring suit for the collection of such rents and damages without entering into possession of the demised premises or voiding this Lease.

In addition to, but not in limitation of, any of the remedies set forth in this Lease or given to Landlord by law or in equity, Landlord shall also have the right and option, in the event of any default by Tenant under this Lease and the continuance of such default after the period of notice above provided, to retake possession of the demised premises from Tenant without process of law, by summary proceedings or otherwise, and it is agreed that the commencement and prosecution of any action by Landlord in forcible entry and detainer, ejectment or otherwise, or any execution of any judgment or decree obtained in any action to recover possession of the demised premises, shall not be construed as an election to terminate this Lease unless Landlord expressly exercises its option hereinabove provided to declare the term hereof ended, whether or not such entry or re-entry be had or taken under summary proceedings or otherwise, and shall not be deemed to have absolved or discharged Tenant from any of its obligations and liabilities for the remainder of the term of this Lease, and Tenant shall, notwithstanding such entry or re-entry, continue to be liable for the payment of the rents and the

performance of the other covenants and conditions hereof and shall pay to Landlord all monthly deficits after such re-entry in monthly installments as the amounts of such deficits from time to time are ascertained and, in the event of any such ouster, Landlord rents or leases the demised premises to some other person, firm or corporation (whether for a term greater, less than or equal to the unexpired portion of the term created hereunder) for an aggregate rent during the portion of such new lease co-extensive with the term created hereunder which is less than the rent and other charges which Tenant would pay hereunder for such period. Landlord may immediately upon the making of such new lease or the creation of such new tenancy sue for and recover the differences between the aggregate rental provided for in said new lease for the portion of the term co-extensive with the term created hereunder and the rent which Tenant would pay hereunder for such period, together with any expense to which Landlord may be put for brokerage commission, placing the demised premises in tenable condition or otherwise. If such new lease or tenancy is made for shorter term than the balance of the term of this Lease, any such action brought by Landlord to collect the deficit for that period shall not bar Landlord from thereafter suing for any loss accruing during the balance of the unexpired term of this Lease.

If Tenant at any time shall fail to pay any taxes, assessments, or liens, or to make any payment or perform any act required by this Lease to be made or performed by it, Landlord, without waiving or releasing Tenant from any obligation or default under this Lease, may (but shall be under no obligation to) at any time thereafter make such payment or perform such act for the account and at the expense of Tenant. All sums so paid by Landlord and all costs and expenses so incurred shall accrue interest at the rate of eighteen percent (18%) per annum from the date of payment or incurring thereof by Landlord and shall constitute additional rent payable by Tenant under this Lease and shall be paid by Tenant to Landlord upon demand. All other sums payable by Tenant to Landlord under this Lease, if not paid when due, shall accrue interest at the rate of eighteen percent (18%) per annum from their due date until paid, said interest to be so much additional rent under this Lease and shall be paid to Landlord by Tenant upon demand.

22. **Costs and Attorney Fees:** The Tenant agrees and covenants to pay all costs and expenses, including reasonable attorney fees, incurred by the Landlord in the enforcement of any covenant or agreement contained in this Lease.
23. **Failure to Perform Covenant:** Any failure on the part of either

party to this Lease to perform any obligation hereunder, and any delay in doing any act required hereby shall be excused if such failure or delay is caused by any strike, lockout, governmental restriction or any other similar cause beyond the control of the party so failing to perform, to the extent and for the period that such continues, save and except that the provisions of this paragraph shall not excuse a non-payment of rent or other sums due hereunder on its due date.

24. **Rights of Successors and Assigns:** The covenants and agreements contained in the within Lease shall apply to, inure to the benefit of, and be binding upon the parties hereto, their heirs, successors, distributees, executors, administrators, legal representatives, assigns and upon their respective successors, in interest, except as expressly otherwise hereinbefore provided. No assignment or subletting by, from, through, or under Tenant, not in strict compliance with the provisions of this Lease shall vest in the assignee or subtenant any right, title, or interest whatever in the Lease or in the demised premises.
25. **Liens:** Tenant will not permit to be created nor to remain undischarged any lien, encumbrance, or charge (arising out of any work of any contractor, mechanic, laborer, or materialman or any mortgage, conditional sale, security agreement or otherwise) which might be or become a lien or encumbrance or charge upon the demised premises or any part thereof or the income therefrom, and Tenant will not suffer any other matter or thing whereby the estate, right and interest of Landlord in the demised premises or any part thereof might be impaired. If any lien or notice of lien on account of an alleged debt of Tenant or any notice of contract by a party engaged by Tenant or Tenant's contractor to work on the demised premises shall be filed against the demised premises or any part thereof, Tenant, within ten (10) days after notice of the filing thereof, will cause the same to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction or otherwise. If Tenant shall fail to cause such lien or notice of lien to be discharged within the period aforesaid, then, in addition to any other right or remedy, Landlord may, but shall not be obligated to, discharge the same either by paying the amounts claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings, and in any such event Landlord shall be entitled, if Landlord so elects, to compel the prosecution of an action for the foreclosure of such lien by the lienor and to pay the amount of the judgment in favor of the lienor with interest, costs, attorney's fees and allowances. Any amount so paid by Landlord and all costs and expenses, including attorney's fees, incurred by Landlord in connection therewith,

together with interest thereon at the maximum legal rate from the respective dates of Landlord's making of the payment or incurring of the cost and expense shall constitute additional rent payable by Tenant under this Lease and shall be paid by Tenant to Landlord on demand.

- 26. **Construction of Lease:** The word "Landlord" as used herein shall refer to the individual, individuals, partnership or corporation called "Landlord" at the commencement of this Lease, and the word "Tenant" shall likewise refer to the individual, individuals, partnership, or corporation called "Tenant". Words of any gender used in this Lease shall be held to include any other gender, and words in the singular number shall be held to include the plural when the sense requires.
- 27. **Paragraph Headings:** The paragraph headings as to the contents of particular paragraphs herein, are inserted only for convenience and are in no way to be construed as part of such paragraph or as a limitation on the scope of the particular paragraph to which they refer.
- 28. **Commissions:** Intentionally Deleted
- 29. **Notices:** It is agreed that the legal address of the parties for all notices required or permitted to be given hereunder, or for all purposes of billing, process, correspondence, and any other legal purposes whatsoever, shall be deemed sufficient, if given by a communication in writing by United States mail, postage prepaid and certified, return receipt requested, and addressed as follows: To the Landlord at the following address:

CBRE/Columbia  
1333 Main St. Suite 700  
Columbia, SC 29201

To the Tenant at the following address:

Richland County  
Attn: County Administrator  
2020 Hampton St., Columbia, SC 29204

Such notice shall be deemed given upon being so mailed. The notice

address may be changed from time to time by notice given pursuant hereto.

30. **Security Deposit:** As security for the faithful performance by Tenant of all the terms and conditions of this Lease on Tenant's part to be performed, Tenant has deposited with Landlord the sum of Zero Dollars (\$0.00). Such amount shall be returned to Tenant, without interest, within thirty (30) days after the day set forth for the expiration or sooner termination of the term herein if Tenant has fully and faithfully carried out all of the terms, covenants, and conditions of this Lease on its part to be performed. Landlord shall have the right to apply any part of said deposit to cure any defaults of Tenant, including, but not limited to, damages and payment of rent. The application of said deposit shall be at the sole discretion of Landlord. It is expressly understood that this remedy is in addition to all other remedies vested in Landlord.

In the event of sale of the demised premises or lease of the land on which it stands subject to this Lease, Landlord shall have the right to transfer the security to the purchaser and Landlord and his agent shall be released by Tenant from all liability for the return of such security and Tenant shall look to new Landlord solely for the return of the said security. It is agreed that this provision shall apply to every transfer or assignment made of the security to a new Landlord. The security deposited under this Lease shall not be mortgaged, assigned, or encumbered by Tenant without the written consent of Landlord. In the event of any authorized assignment of this Lease by Tenant the said security deposit shall be deemed to be held by Landlord as deposit made by the assignee and Landlord shall have no further liability with respect to the return of said security deposit to Tenant.

31. **Entire Agreement:** This Lease, and the exhibits attached hereto and any addendums attached hereto and forming a part hereof, if any, set forth all the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant concerning the demised premises, and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between them other than as are herein set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change, or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by them. Tenant agrees that Landlord and its agents have made no representations or promises with respect to the demised premises, or the building or property of which the same are a part, if applicable, except as herein expressly set forth.

32. **No Option:** The submission of this Lease for examination does not constitute a reservation of or option for the demised premises or any other space of Landlord and shall vest no right in either party. This Lease will become effective as a Lease only upon execution and delivery thereof by the parties hereto.
33. **Liability of Landlord:** In the event of the sale or other transfer of Landlord's right, title, and interest in the demised premises, Landlord will be released thereby from all liability and obligations hereunder to Tenant.
34. **Accord and Satisfaction:** No payment by Tenant or receipt by Landlord of a lesser amount than the rent herein stipulated or other sums due hereunder will be deemed to be other than on account of the earliest stipulated rent or other sum nor shall any endorsement or statement on any check or any letter accompanying any check or payment of rent or other sum be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or sum or pursue any other remedy provided for in this Lease or available at law or in equity.
35. **Relationship of Parties:** Nothing herein contained shall be deemed or construed by Landlord or Tenant as creating the relationship of principal and agent or of a partnership or joint venture or as establishing a fiduciary relationship responsibility between the Landlord and Tenant, it being understood and agreed that none of the provisions herein, nor any acts of Landlord or Tenant, will be deemed to create any relationship other than that of Landlord and Tenant.
36. **No Third Party Rights:** The rights and obligations arising under this Lease are personal between Landlord and Tenant and such rights and obligations shall not be enforceable by any third party. Furthermore, Tenant recognizes that it has no third party rights arising out of any agreement between Landlord and any party other than Tenant regardless of any benefits accruing to Tenant by virtue of such agreement.
37. **Authority:** If Tenant is a corporation, Tenant warrants and represents to Landlord that the execution of this Lease by the person or persons so signing has been authorized by a resolution of Tenant's Board of Directors or other appropriate corporate action. If Tenant is a partnership, Tenant warrants and represents to Landlord that Tenant's execution of this Lease by the partner or partners so signing is in accordance with its partnership documents.

38. **Environmental Activities:** All operations and activities of the Tenant on the property shall be within the authorized uses of the premises and conducted in full compliance with all federal, state or local laws and regulations concerning the protection of the environment and any hazardous or toxic substances, as those terms are defined within such laws and regulations. Tenant further covenants and agrees that any such hazardous or toxic substances introduced or generated on the premises will be generated, stored, treated, removed, utilized, and disposed of in accordance with all such laws and regulations.

Tenant shall and does hereby agree to indemnify, defend, and hold harmless the Landlord, its agents and Landlord's lender(s) holding liens on the Demised Premises against any loss, claim, damage, expense, or liability including, without limitation, required repairs, clean up, detoxification, removal, or liability to any third party resulting from Tenant's use, storage, generation, manufacture, treatment, or handling of Hazardous Materials or other contaminants.

39. **Reciprocal Covenant on Notification of ADA Violations:** Within ten (10) days after receipt, Landlord and Tenant shall advise the other party in writing, and provide the other with copies of (as applicable), any notices alleging violation of the Americans with Disabilities Act of 1990 ("ADA") relating to any portion of the Property or of the Premises; any claims made or threatened in writing regarding noncompliance with the ADA and relating to any portion of the Property or of the Premises; or any governmental or regulatory actions or investigations instituted or threatened regarding noncompliance with the ADA and relating to any portion of the Property or the Premises.

40. **Additional Provisions:** Insofar as the following provisions conflict with any other provisions of the Lease, the following shall control:
1. Tenant agrees to vacate premises upon thirty days written notice by Landlord.
  2. Tenant agrees to allow the Landlord to leave the existing furniture in the space.

**In Witness Whereof**, the parties hereto have caused these presents to be executed the day and year first above written.

**WITNESS:**

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

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

**LANDLORD: Walter M Patrick Trust B**

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

**TENANT: Richland County, SC**

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

# Richland County Council Request of Action

**Subject**

Richland County Water/Sewer/Industrial Waste User Rates [**PAGES 110-125**]

**Reviews**

# Richland County Council Request of Action

**Subject:** Richland County Water/Sewer/Industrial Waste User Rates

## **A. Purpose**

*"County Council is requested to approve utility rate guides as attached for Domestic/Commercial Water, Domestic/Commercial Sewer and Industrial Pretreatment/Scavenger Waste."*

## **B. Background / Discussion**

Richland County Utilities operates all utility systems as self-supporting enterprise funds. The enterprise funds are currently supported by connection and monthly user fees. These fees cover the cost of labor, material and expenses for daily operation, and all debt service expenses associated with the various systems. While daily operations consume the majority of the Utility Department's staff time, a significant amount of time is also consumed coordinating new customer connection applications, inspecting and re-inspecting customer pipe installation, reviewing subdivision and commercial plans, permitting and inspecting grease traps and servicing customer accounts to include disconnects and reconnects as a result of nonpayment. Currently all of these services are provided at no additional cost to the customer. These services are specific to an individual customer and should be paid by that customer and not all existing customers on the system. Therefore, the proposed new rate structure includes fees to cover expenses of new customer connections and account service fees for delinquent payments but does not increase fees for existing customers.

The proposed rate guides incorporate previously approved customer connection fees and monthly user fees for Domestic/Commercial water and sewer customers. The proposed Domestic/Commercial Sewer Rate Guide (*Attachment 1*) also includes the monthly user fee of \$37.60 for the Lower Richland Sewer System. This is the initial monthly user fee established in the USDA Rural Development Letter of Conditions to be implemented to fund the Lower Richland Sewer System operation. This fee, as are all fees, is subject to review and modification annually.

Also included in the rate guides are proposed fees for Industrial Pretreatment and Scavenger Waste. The County currently does not have any industrial customers but has developed an industrial pretreatment program as required by DHEC to address future industrial customers that may require sewer service.

Also attached is a detailed explanation of how the water, sewer and industrial pretreatment fees were derived (*Attachment 2*). This document is provided as additional information for Council to review when evaluating the proposed rate guides.

## **C. Legislative / Chronological History**

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



River Utilities and Lower Richland Utilities system. The Broad River system is self-sufficient however the Lower Richland Water and Sewer System require an annual subsidy of approximately \$300k from the Stormwater system. Approval would have a positive effect on the County's revenue stream and therefore will improve the ability to move the Lower Richland Systems closer to being self-supporting.

One note of importance is that the current late payment rate is approximately 25% of users therefore while the implementation of a late fee, reconnection fee, etc is good fiscal policy and encouraged it will have an immediate direct effect on a large number of users. Additionally since this will increase the cost to the end-user, the County should expect an increase in the delinquency and disconnection rate in the short term.

In order to provide appropriate resources to implement and sustain the program, approval would require an additional cost for one (1) FTE Senior Accountant in Finance in order to appropriately staff the billing and collection of the additional revenue sources, maintain appropriate documentation on the new payment plans and ensure proper implementation of the new late fee program. The additional cost will be One (1) FTE for an annual cost of \$60,000. This will require a budget amendment.

#### Legal

Reviewed by: Elizabeth McLean

Date: 5/20/14

Recommend Council approval

Recommend Council denial

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

Things for Council to consider:

*S.C. Code Ann.1976 (2008) §6-1-330 provides:*

*§6-1-330. Local fee imposition limitations*

- (A) *A local governing body, by ordinance approved by a positive majority, is authorized to charge and collect a service or user fee. A local governing body must provide public notice of any new service or user fee being considered and the governing body **is required to hold a public hearing** on any proposed new service or user fee prior to final adoption of any new service or user fee. Public comment must be received by the governing body prior to the final reading of the ordinance to adopt a new service or user fee. A fee adopted or imposed by a local governing body prior to December 31, 1996, remains in force and effect until repealed by the enacting local governing body, notwithstanding the provisions of this section.*
- (B) *The revenue derived from a service or user fee imposed to finance the provision of public services must be used to pay costs related to the provision of the service or program for which the fee was paid. If the revenue generated by a fee is five percent or more of the imposing entity's prior fiscal year's total*

*budget, the proceeds of the fee must be kept in a separate and segregated fund from the general fund of the imposing governmental entity.*

Additionally, *S.C. Code Ann. 1976 (2008) §6-1-310* defines service or user fee as:

*(6) “Service or user fee” means a charge required to be paid in return for a particular government service or program made available to the payer that benefits the payer in some manner different from the members of the general public not paying the fee. ‘Service or user fee’ also includes ‘uniform service charges’.*

**Administration**

Reviewed by: Sparty Hammett

Date: 5/22/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: As indicated, there is no financial impact to existing water and sewer customers except wholesale customers whose rates have not been modified for several years.

**RICHLAND COUNTY UTILITIES**  
**Domestic/Commercial Sewer Rate Guide**  
**Effective April 1, 2014**

**Domestic Sewer** \$44.54 monthly / \$133.62 quarterly per REU\* Broad River System  
 \$37.60 monthly / \$112.80 quarterly per REU Lower Richland System  
 Minimum of one (1) REU per customer or building unit

**Standard Residential Sewer Connection Fees<sup>∞</sup>**

Per REU*	\$4000
Includes review of plans, on-site recommendations, initial piping inspection, and final inspection	
All other site inspections/re-inspections	\$50 per visit

**STEP System Sewer Connection Fees**

Per REU*	\$4000
Includes basic design review, on-site recommendations Initial piping & tank inspection	
Final inspection	\$50
All other site inspections/re-inspections	\$50 per visit

**DRAFT****Subdivision/Commercial Sewer Plan Fees**

Plan reviews up to 50 lots or (REUs)	\$125
Each additional 50 lots or REUs	\$50
Plus SCDHEC Delegated Review Fees if applicable	

**Grease Interceptors/Traps**

Initial Permit and Inspection	\$50
Annual inspection & permit renewal	\$30

**Wholesale Transport & Treatment only**

2/3 of full rate or otherwise contracted

**Miscellaneous Customer Charges**

Late payment fee	10% of outstanding balance
Returned Check	\$30
Establish new account	\$30
Solids Interceptor pump-out	\$100 for first 500 gals + \$25 /500 thereafter
Reconnect terminated customer (standard)	\$75
Reconnect terminated customer (excavation)	\$375
Reconnect Inspection using customer plumber	\$75
Damage to equipment or infrastructure	Cost to replace/repair
Tampering with equipment or infrastructure (non-terrorism)	\$200 per incident and/or imprisonment & damages

Unpermitted connections - \$200 + the normal tap fees + back user fees + the cost of all inspections

\*Residential Equivalent Units (REUs) are based on 400 gals/day average and SCDHEC Contributory Loading Guidelines. Fractions of an REU greater than 0.25 REU shall be considered an additional REU.

<sup>∞</sup> Customers may request a payment plan for connection fees subject to approval in accordance with County policy.

**RICHLAND COUNTY UTILITIES**  
**Domestic/Commercial Water Rate Guide**  
**Effective April 1, 2014**

DRAFT

**Monthly Water Consumption**

1 <sup>st</sup> 1000 gallons (minimum base charge standard meter)	\$14.00
Next 8000 gallons	\$3.80/1000 gallons
Next 11,000 gallons	\$3.50/1000 gallons
Next 10,000 gallons	\$3.00/1000 gallons
Next 30,000 gallons	\$3.00/1000 gallons
Next 60,000 gallons	\$3.00/1000 gallons

Example: An average customer using approximately 5,500 gallons per month would have a monthly water bill of \$31.10.

$$[\$14.00 + (5500 \text{ gals} - 1000 \text{ gals}) \times \$3.80/1000 \text{ gals}] = \$31.10$$

Monthly Capacity charge for 2" meter or larger on standby \$28.00

**Standard Water Connection Fees\*\***

5/8" - 3/4" meter (new service)	\$1000
1"-2" meter (new service)	\$1500
Includes review of individual plans, up to two piping inspections (does not include plumber's fees by others) and setting of meter	
All other site inspections	\$50 per visit

**Subdivision/Commercial Water Plan Review Fees**

Plan reviews up to 50 lots or taps	\$125
Each additional 50 lots or taps	\$50
Plus SCDHEC Delegated Review Fees if applicable (Combined water & sewer projects multiply water fees by 1.5)	

**Testable Backflow Prevention Devices**

Initial permit & site inspection	\$65
Monthly tracking & administration	\$1
Annual inspection if not submitted by certified tester	\$150 DCVA \$200 RPZ

(Failure to submit certified tests may result in disconnection)

**Wholesale/Bulk Connection** 2/3 of full rate or otherwise contracted

**Miscellaneous Customer Charges**

Late payment fee	10% of outstanding balance
Returned Check	\$30
Establish new account	\$30
Bulk water tank withdrawal up to 5000 gallons	
If available	\$30 + \$3.75/1000 gallons
Reconnect terminated customer	\$65
Meter testing	\$65
Damage to equipment or infrastructure	Cost to replace/repair

Tampering with equipment or infrastructure (non-terrorism) \$200 per incident and/or imprisonment & damages

Unpermitted connections - \$200 + the normal tap fees + back user fees + the cost of all inspections

\*\* Customers may request a payment plan for connection fees subject to approval in accordance with County policy.

**RICHLAND COUNTY UTILITIES**  
**Industrial Pretreatment/Scavenger Wastes Rate Guide**  
**Effective April 1, 2014**

<b>Monthly Treatment &amp; Collection</b>	Broad River	Lower Richland
first 10,000 gallons	\$44.54	\$37.60
each 1000 gallons thereafter	\$3.71	\$3.13

**Industrial Sewer Connection Fees**

Per REU	\$4000
Design review & construction permit	\$125 + consultant & SCDHEC fees if required
Initial site inspection	\$100
Final inspection	\$150
All other site inspections/re-inspections	\$75 per visit

DRAFT

**Industrial User Fees**

Initial Standard Discharge Permit	\$200
Initial SIU Discharge Permit <sup>‡</sup>	\$300
Permit revision	\$150 + construction permit if required
Late report fee	\$25 + \$5/day thereafter
Monthly Pretreatment Permit fees <sup>†</sup> :	
Flows less than 25,000 gallons/day	\$104
Flows of 25,000 gpd to less than 100,000 gpd	\$156
Flows of 100,000 gpd to less than 250,000 gpd	\$260

<sup>†</sup> IU fees are in addition to lab analyses, extra strength waste surcharges, collection & treatment fees, penalties and other standard charges.

<sup>‡</sup>SIU – A significant Industrial user is one that discharges 25,000 gallons/day or more, and/or falls under categorical standards.

**Extra Strength Waste Surcharges**

BOD above 250 mg/l	\$0.275/lb
TSS above 250 mg/l	\$0.275/lb
Fats, Oils & Grease above 100 mg/l	\$0.275/lb

<sup>†</sup>Plus lab analyses fees

Grease trap wastes & similar FOGs are not accepted unless otherwise approved

**Septage/Scavenger Wastes** (if receiving is available; surcharges may apply)

Septage/Portable Toilet disposal from within Richland County <sup>▫</sup>	\$30/500 gallons, min. \$45
Septage/Portable Toilet disposal from outside Richland County	\$32.50/500 gallons, min. \$50
Personal campers, boats, etc. from within Richland County <sup>▫</sup>	\$5 /visit/unit, max 2 units/month
Other wastes arranged by individual assessment.	

<sup>▫</sup>Proof of residency required



**Proposed FY 2013-14 Water, Sewer &  
Industrial Pretreatment Fees  
Derivation of Fees**



**13.2 Domestic/Commercial Sewer Rates**

**13.2.A Broad River Domestic Sewer \$44.54 monthly or \$133.62 quarterly**

This fee was adopted by County Council in 2008 and was lowered to current rate in 2013.

**Lower Richland Domestic Sewer \$37.60 monthly**

This fee has been developed by HGBD based on projected revenues & expenses, and has been approved by USDA Rural Development and County Council as part of the Lower Richland Sewer Expansion project.

**13.2.B Standard Residential/Commercial Sewer Connection \$4000**

This fee was adopted by County Council in 2008 and remained in place with a sliding time period in which the last increase to \$4000 occurred on July 16, 2013.

**13.2.B.5 et al Other site visits/re-inspections \$50**

This is a nominal fee to cover the cost of return site visits or other purposes when the Developer/contractor has not properly addressed corrections from previous inspections:

Estimate \$30/man-hour x 1.5 man-hr = \$45 plus billing, fuel, etc. Round to \$50.  
(includes overhead)

**13.2.C.2 & 3 STEP System Construction Inspections \$50**

New STEP systems require additional inspections due to additional tanks, piping and pumping equipment that are not required in standard gravity system connections.  
Estimate for each inspection:

Estimate \$30/man-hour x 1.5 man-hr = \$45 plus billing, fuel, etc. Round to \$50.

**13.2.D.2 Engineering Plan Review for Subdivisions & Commercial Facilities \$125**

Subdivision, commercial work and other similar projects can require considerable engineering review prior to approval.

Estimate \$37/man-hr x 3.5+ hrs = \$129.50+. Assume some review, etc. is factored into the standard connection fee so say, \$125.

**13.2.D.3 Larger Plan Review (per 50 REUs) \$50**

Larger projects such as subdivisions with a large number of houses, etc. require further review so estimate:

$\$37/\text{man-hr} \times 1.5 \text{ hr} = \$55.50$  Again, assume some of this additional work is factored into standard connection fees so say additional \$50 per 50 REUs.

**13.2.E.1 Grease Interceptors/Traps Initial Fee \$50**

The fee to establish a new grease interceptor/trap permit is based on setting up a tracking file and conducting an initial inspection:

$\$30/\text{man-hr} \times 1.5 \text{ hr} = \$45$  plus accounting, etc. so say \$50

**13.2.E.2 Grease Interceptors/Traps Annual Renewal Fee \$30**

Annual inspection and update file; estimate:

$\$30/\text{man-hr} \times 1 \text{ hr} = \$30$

**13.2.F Miscellaneous Customer Fees**

**13.2.F.1 Late Payment 10%**

Currently there is no late fee established for delinquent accounts and therefore less incentive to pay bills in a timely manner. The proposed fee of 10% of the outstanding balance is consistent with the fee established by USDA Rural Development for delinquent water accounts and is acceptable to the Finance Department.

**13.2.F.2 Returned Check/Non-sufficient Funds \$30**

This \$30 fee is established by the Finance Department to recoup costs associated with return checks due to non-sufficient funds and similar matters and is in line with accepted banking practices.

**13.2.F.3 New Account \$30**

Currently there is no fee established to set up a new customer account. This fee would be obtained by the Finance Department to cover the cost to set up an account and conduct credit checks, etc. The \$30 fee is in line with other utility agencies. Customers with no or limited credit history may also be required to provide a deposit.

**13.2.F.4 Reconnection of Delinquent Account \$75**

Currently there is no fee to disconnect and/or reconnect a delinquent account and therefore less incentive to pay bills on time. The proposed fee is intended to offset the cost to have staff physically disconnect or otherwise shut off a delinquent or terminated account. The estimated cost to shutoff an account using an air plug or pre-installed "elder valve" is:

$\$25/\text{man-hr} \times 2 \text{ hrs} = \$50$  plus posting when necessary, coordination with Finance, etc. so say \$75.

**13.2.F.5 Reconnection of Delinquent Account Requiring Excavation \$375**

Currently there is no fee to disconnect and/or reconnect a delinquent account and therefore less incentive to pay bills on time. The proposed fee is intended to offset the cost to have staff and/or contractor physically disconnect by excavation (when other means are not available) a delinquent or terminated account. The estimated cost to shutoff an account by excavation and installing an "elder valve" is:

Materials – about \$70

Labor (contracted rate) & Equipment: Excavator & Operator \$75/hr x 3 hrs = \$225

Plumber \$72/hr x 2 hrs = \$144

Total: \$439

However, in-house labor would be less, and not to be overly burdensome to the property owner the suggested fee would be \$375. Whenever possible, work is done by in-house staff.

When the Owner requests to use his own plumber for the work, a standard inspection fee as noted above of \$50 plus \$25 to cover other processing for a total of \$75 in addition to delinquent fees, etc. is proposed in lieu of the \$375.

**13.2.F.6 Pump-out of Solids Interceptor/Pump Tanks \$100 +**

Currently there is no established fee for pumping out private pump tanks or solids interceptors; however, the user agreement indicates that it may be charged. This may be done at the request of the owner or while having to repair a malfunctioning system:

Vacuum Truck & Operator (contracted rate) 87.50/hr x 1.5 hr = \$131.25

Most work would be performed by in-house staff with less overhead so suggest a base rate for the first 500 gallons of \$100 plus \$25 for each additional 500 gallons or portion thereof. A typical system with a 500-gallon pump tank and 1000-gallon interceptor tank would be charged \$150. There would be no charge for disposal as the waste would be returned elsewhere in the system. Septic tank haulers for residential individual septic tank systems typically charge \$200 and greater for 1000-gallon tanks.

**13.2.G.1 Unintentional Damage to Equipment or Infrastructure At Cost**

A reasonable approach to recoup unintentional damages would be to charge the actual cost of labor and materials and/or contract costs to repair/replace the damaged components using the current employees' labor rate and cost of materials.

**13.2.G.2 Willful Damage to Equipment or Infrastructure \$200 + Costs**

Current County Ordinance 24-10 allows for a maximum penalty of \$200 and/or imprisonment for willful damage or tampering of County property. Therefore this amount plus the actual cost to repair/replace as above should be charged.

**13.2.G.3 Penalty for Unpermitted Connections \$200 + Fees**

As a deterrent to installing unpermitted connections the Owner should be charged the current tap fee plus the number of months identified of back user fees for a period up to three (3) years plus the maximum penalty allowed under Section 24-10 plus any inspection fees for inspecting the installation which may require excavation for verification at the Owner's cost.

**13.2.G.4 Septage/Portable Toilet Disposal**

The City of Columbia currently charges \$60.00 for the first 500 gallons and \$12.00 each additional 500 gallons; however their rates were established in 2000. RCU's contractor charges \$195/1000 gallons for disposal. Rates for domestic septage typically are \$6-7 per 100 gallons; therefore a rate of \$6.00/100 gallons in 500-gallon increments is recommended. Commercial haulers would be charged to the nearest 500 gallons if a measuring device is permanently mounted on the vehicle otherwise the charge would be based on the full volume of the tank. Out of County haulers would be charged an additional \$0.50/100 gallons. It is also suggested, to cover the basic labor for a minimal load, a charge of \$45/\$50. The following rates would be in place:

Volume	In County	Out of County
1-500	45.00	50.00
>500≤1000	60.00	65.00
>1000≤1500	90.00	97.50
>1500≤2000	120.00	130.00
>2000≤2500	150.00	162.50
>2500≤3000	180.00	195.00
>3000≤3500	210.00	227.50
>3500≤4000	220.00	260.00
>4000≤5000	250.00	292.50
>5000≤5500	280.00	325.00
>5500≤6000	310.00	357.50
>6000≤6500	340.00	390.00

As a courtesy to Richland County residents a minimal fee of \$5 for personal campers, boats, etc. with no more than one visit per month per unit be allowed and no more than two units per household.

**13.2.H Wholesale or Bulk Treatment Rates**

The total cost for wastewater service is made up of three components: collection, transport, and treatment. When a satellite sewer system connects to the County's system the County would not be responsible for the initial collection; therefore, a reduction of one-third would be made and the customer would pay for two-thirds of the normal fee. Other arrangements may be made by negotiated contract for wholesale rates or when long-term bulk deliveries are made by contract.

### **13.4 Industrial Pretreatment Fees**

#### **13.4.A Broad River Collection & Treatment \$44.54 monthly or \$133.62 quarterly**

The Residential/Commercial fee was adopted by County Council in 2008 and remains in place; however, as industrial wastes have the potential for greater risk, the minimum REU is based on 10,000 gallons discharged rather than 12,000 gallons. Anything over the base rate is charged the standard Domestic rate. Industrial Users will be required to monitor and report actual flow; therefore any amount above the base volume will be charged on a per gallon basis based on the standard rate.

#### **Lower Richland Collection & Treatment \$37.60 monthly**

This fee has been developed by HGBD based on projected revenues & expenses, and has been approved by USDA Rural Development and County Council as part of the Lower Richland Sewer Expansion project; however, as industrial wastes have the potential for greater risk, the minimum REU is based on 10,000 gallons discharged rather than 12,000 gallons. Anything over the base rate is charged the standard Domestic rate. Industrial Users will be required to monitor and report actual flow; therefore any amount above the base volume will be charged on a per gallon basis based on the standard rate.

#### **13.4.B.1 Industrial Sewer Connection \$4000**

The Residential/Commercial REU or "tap" fee was adopted by County Council in 2008 and remains in place which increased to \$4000 on July 16, 2013. The connection fee for industrial sewer connections is the same as the standard connection fee and is based on the number of assigned REUs. The customer is responsible for all construction costs for connection to the public sewer system.

#### **13.4.B.3 Industrial Sewer Connection Engineering Design Review \$125 +**

Industrial work and other similar projects can require considerable engineering review prior to approval.

Estimate  $\$37/\text{man-hr} \times 3.5+ \text{ hrs} = \$129.50+/-$ . Assume some review, etc. is factored into the standard connection fee so say, \$125.

This is in addition to any fees that may be required by SCDHEC or an outside consultant depending on the complexity of the project.

#### **13.4.B.4 Industrial Facility Engineering Inspections \$100-150**

i. Initial - This is a nominal fee to cover the cost of site visits or other purposes to review the progress of piping from the facility to the sewer main and may include other site locations within the facility. It may also include additional staff familiar with the project:

Estimate Engineer at  $\$37/\text{man-hour} \times 1.5 \text{ man-hr} = \$55.50$

Inspector at  $\$30/\text{man-hour} \times 1.5 \text{ man-hr} = \$45$  (includes overhead). Say total of \$100.

ii. Final Facility Inspection – This fees covers the cost to conduct a final walk-through of the facility and review system processes, etc.

Estimate Engineer at \$37/man-hour x 1.5 man-hr = \$55.50

IPT/Lab Director \$31/mh x 1.5 mh = \$46.50

Operations Supervisor \$31/mh x 1.5 mh = \$46.50

= \$148.50 so say \$150

**13.4.B.5 Other site visits/re-inspections \$75**

This is a nominal fee to cover the cost of return site visits or other purposes when the Owner/contractor has not properly addressed corrections from previous inspections:

Estimate 1-2 staff with average of \$33/m-hr x 1.5m x 1 m-hr = \$74.25 so round to \$75.

**13.4.C Industrial Pretreatment Permit Fees**

**13.4.C.1 Industrial Pretreatment Discharge Permit Initial Standard Permit \$200**

IU Initial Permit Fees				
Staff	Avg Rate	With Overhead	Initial IU Permit	Total
IPT Director Operations Supervisor	21.54	31.23	2	\$62.47
Lab Technician	14	20.30		\$0.00
Sup of Ops	28.54	41.38	0.5	\$20.69
Dep Director	31.79	46.10	0.5	\$23.05
Sanitary Engineer	25.64	37.18	0.25	\$9.29
Director	38.46	55.77	0.25	\$13.94
Inspector	20.51	29.74		\$0.00
In-house analysis	50	72.50		\$0.00
Administrative	14.6	21.17	0.25	\$5.29
Finance	14.6	21.17	0.25	\$5.29
Supplies, fuel, etc.		25	0.25	\$6.25
Consultant		80	0.5	\$40.00
<b>Total Cost</b>				<b>\$194.08</b>

**13.4.C.2 Industrial Pretreatment Initial SIU Discharge Permit \$300**

Due to the increased complexity of a Significant Industrial User permit it is estimated that it would take approximately 1.5 times the standard rate to prepare; therefore, \$300.

**13.4.C.3 Industrial Pretreatment Discharge Permit Revisions \$150**

As a permit already exists, but is being modified it is assumed there would be a little less review required compared to an initial permit. Estimate 25% less review; therefore \$150 as supported below.

PERMIT Revision						
Staff	Avg Rate	With Overhead	IU Permits	Consult	Billing	Annual Cost
IPT Director	21.54	31.23	1	0.25		\$39.04
Operations Supervisor	21.54	31.23				\$0.00
Lab Technician	14	20.30				\$0.00
Sup of Ops	28.54	41.38	0.25	0.25		\$20.69
Dep Director	31.79	46.10	0.25	0.1		\$16.13
Sanitary Engineer	25.64	37.18	0.25			\$9.29
Director	38.46	55.77	0.25			\$13.94
Inspector	20.51	29.74				\$0.00
In-house analysis	50	72.50				\$0.00
Administrative	14.6	21.17			0.25	\$5.29
Finance	14.6	21.17			0.25	\$5.29
Supplies, fuel, etc.		25	0.1			\$2.50
Consultant		80	0.5			\$40.00
<b>Total Cost</b>						<b>\$152.19</b>

**13.4.C.4 Late Reporting \$25 + \$5/day**

Estimate IPT Director to review and follow-up: \$31/mh x 0.75 mh = \$23.25 so say \$25. As incentive to submit the delinquent report an additional \$5/day would seem reasonable.

**13.4.D.2 Industrial Pretreatment Administrative Program \$104/\$156/\$260/month**

i. Standard base flow

Administration						
Staff	Avg Rate	With Overhead	IU Permits	Consult	Billing	Annual Cost
IPT Director	21.54	31.23	2	1		93.699
Operations Supervisor	21.54	31.23	0.5	0.5	6	218.631
Lab Technician	14	20.30	2			40.6
Sup of Ops	28.54	41.38		1	3	165.532
Dep Director	31.79	46.10	0.5	1		69.14325
Sanitary Engineer	25.64	37.18		0.5		18.589
Director	38.46	55.77	0.25	0.5		41.82525
Inspector	20.51	29.74		0.5		14.86975
In-house analysis	50	72.50	4			290
Administrative	14.6	21.17			3	63.51

Finance	14.6	21.17		6	127.02
Supplies, fuel, etc.		25	1		25
Consultant		80	0.5	0.5	80
<b>Total Annual Cost</b>					<b>\$1248.419</b>

ii. For categorical users or those with higher flows it is estimated the administrative review and monitoring would increase by 1.5 times the base rate; therefore  $\$104 \times 1.5 = \$156/\text{month}$ .

iii. For categorical users or those with much higher flows it is estimated the administrative review and monitoring would increase by 2.5 times the base rate; therefore  $\$104 \times 2.5 = \$260/\text{month}$ .

**13.4.F. Extra Strength Wastes**

**13.4.G Septage/Scavenger Waste Fees** See 13.2.G.4 Septage/Portable Toilet Wastes

Other scavenger waste fees shall be negotiated on an individual basis dependent on proposed waste streams.

# Richland County Council Request of Action

**Subject**

Richland County Utilities Tap Fee Assistance Program [**PAGES 126-141**]

**Reviews**

## Richland County Council Request of Action

**Subject:** Richland County Utilities Tap Fee Assistance Program

### A. Purpose

*"County Council is requested to approve the Tap Fee Assistance Program as developed by the Richland County Utilities Department."*

### B. Background / Discussion

During the November 9, 2010 Council meeting, Councilman Malinowski made the following motion:

*Base on the new sewer planned for the Lower Richland County area and the possibility of assistance being provided to Low/Moderate Income households (LMIH) I move that staff create an ordinance that sets forth criteria for qualification to receive assistance and that it will apply equally to all LMIH throughout Richland County.*

Richland County currently provides water and sewer service to a large portion of unincorporated Richland County. County Council has recently approved a sewer project that will expand sewer service into the southeastern portion of unincorporated Richland County. As these utility systems are expanded, water and sewer service will become available to a greater number of households which may not be financially able to pay the cost associated with connecting to these facilities. A plan has been developed to offer assistance to those households which may have household income less than the median income in Richland County.

The Tap Fee Assistance Program (*Attachment 1*), as developed, greatly mirrors a similar program previously established by the Community Development Department. This program relates household income to the reduction or waiving of tap fees. Household income data is gathered and published on an annual basis by the Department of Housing and Urban Development (HUD). This data provides the median income levels for various political boundaries to include Richland County.

The assistance program as drafted would establish a two tier system. The first tier would waive tap fees for "very low income" households where the maximum household income within the dwelling unit does not exceed fifty-percent (50%) of the most recent median annual income in Richland County. The second tier would reduce by fifty-percent (50%) the tap fee for "low income" households where the maximum household income within the dwelling unit does not exceed eighty-percent (80%) of the most recent median annual income in Richland County. A copy of the proposed assistance plan containing the 2013 HUD Section 8 Income Limits is attached for review.

This program will be implemented countywide on all systems operated by the Richland County Utilities Department.

### C. Legislative / Chronological History

- November 9, 2010, Regular Council Meeting - Councilman Malinowski made the following motion:

Item# 14

Base on the new sewer planned for the Lower Richland County area and the possibility of assistance being provided to Low/Moderate Income households (LMIH) I move that staff create an ordinance that sets forth criteria for qualification to receive assistance and that it will apply equally to all LMIH throughout Richland County.

- November 23, 2010, D&S Committee Meeting – item deferred to December
- December 21, 2010, D&S Committee Meeting – Councilman Malinowski’s motion was forwarded to the A&F Committee Meeting
- April 24, 2012, A&F Committee Meeting Update provided to and accepted as information by the Committee.

#### **D. Financial Impact**

The financial plan previously submitted to County Council for the development of the Lower Richland Sewer System did consider the implementation of a sewer tap fee assistance program. In a preliminary survey, approximately 205 households in the Lower Richland Community will qualify for some assistance under the proposed tap fee assistance program. The proposed financial plan has also been submitted to and approved by Rural Development including the reduced tap fee income for Low to Moderate Income Households (LMIH). The plan remains self-supporting with the reduced tap fee revenue.

The financial impact on the Broad River Sewer System should be minimal as most tap fee revenue on this system is derived from new developments and not existing houses connecting to the system after initial construction.

The financial impact on the Lower Richland Water System should also be minimal as most of this system was constructed with grant funds with no new tap fees included in the revenue projections.

#### **E. Alternatives**

1. Approve the Tap Fee Assistance Program as presented.
2. Approve the Tap Fee Assistance Program with modifications.
3. Do not approve. This alternative may require the financial plan for the Lower Richland Sewer Project to be re-evaluated.

#### **F. Recommendation**

"It is recommended that Council approve the Tap Fee Assistance Program as drafted."

Recommended by: Andy H. Metts

Department: Utilities

Date: 2/5/14

#### **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: 5/5/14

 Recommend Council approval Recommend Council denial

Comments regarding recommendation:

Recommendation is based on inability to financially sustain (cash flow) program and not the merits of the program.

The County currently operates three independent Utility Systems; Broad River Sewer, Lower Richland Water and Lower Richland Sewer.

- Lower Richland Water and LR Sewer currently have an annual operating deficit
- All three systems currently budget to utilize the revenue generated from tap fee sales to fund the system operating costs therefore a program that delays the collection period could create a cash flow problem for the system to cover operating cost.
- Based on the cash need for all three systems, approval will likely require a user fee increase in order to produce the cash necessary for the system operation.

**Legal**

Reviewed by: Elizabeth McLean

Date: 5/20/14

 Recommend Council approval Recommend Council denial

Comments regarding recommendation: Policy decision left to Council's discretion. If approved, would require an ordinance amendment as the tap fees were passed by ordinance. Please see attorney/client privileged legal opinion provided under separate cover.

**Administration**

Reviewed by: Sparty Hammett

Date: 5/22/14

 Recommend Council approval Recommend Council denial

Comments regarding recommendation: The tap fee assistance program was part of the financial plan approved by Rural Development for the Lower Richland Sewer project. If the program is not approved, the County would have to identify additional funding for the project. As indicated, the program should have minimal impact on the Broad River system as most tap revenue is derived from new developments.



# **Tap Fee Assistance Program**

## **Policies & Procedures Guide**

*Richland County Utilities reserves the right to grant assistance to households that qualify as low-to-moderate income by reducing or waiving applicable tap fees for those property owners that wish to request water and/or sanitary sewer service from Richland County Utilities.*

*RCU Tap Fee Assistance Program Policies & Procedures Guidelines  
Rev. 04/13/14*

*Page 1 of 12*



**Purpose of Program**

- To ensure that properties in unincorporated areas of Richland County, which are served by Richland County Utilities (RCU) water and sanitary sewer systems, have the ability to request and connect to RCU’s water and sewer system
- To increase the availability of water and sanitary sewer service, provided by RCU, to those households that qualify as Low-to-Moderate Income (LMI) households
- To wave or reduce the applicable water and/or sewer tap fee costs to potential property owners who meet the low to moderate family income limits, as established by the U.S. Department of Housing and Urban Development (HUD) , in the RCU service area, as outlined in the program guidelines

**Eligible Participants**

- Must be a resident of Richland County and living within the RCU service area
- Must be requesting water and/or sanitary sewer service for a primary residence, which is owner occupied by the applicant. RCU may require additional information to verify and determine home ownership status.
- Must show an acceptable form of income, as requested in section **II. HOUSEHOLD INCOME** of the **TAP FEE ASSISTANCE PROGRAM APPLICATION**, for the entire household. If applicant is not employed, he/she must have income documentation supporting one of the following:
  - 1) Disability Benefits
  - 2) Social Security Benefits
  - 3) Other Retirement Benefits
  - 4) Proof of Job Displacement
  - 5) Proof of Registration with Employment Security Commission
  - 6) Proof of self-employment
  - 7) Child Support
  - 8) Alimony
- Must be qualified as a household of low to moderate income (Richland County will use the Section 8 definition of income – based on 80% of the area median income with adjustments for household size. This information will be updated annually —see 2013 information below):

Number of Members In Family	Maximum Allowable Income		
	80%	60%	30%
1	\$34,350	\$25,800	\$12,900
2	\$39,250	\$29,460	\$14,750
3	\$44,150	\$33,120	\$16,600
4	\$49,050	\$36,780	\$18,400
5	\$53,000	\$39,780	\$19,900
6	\$56,900	\$42,720	\$21,350
7	\$60,850	\$45,660	\$22,850
8	\$64,750	\$48,600	\$24,300



*\*SOURCE: 2013 HUD Section 8 Income Limits. These income limits are updated on a yearly basis in April.*

- All information submitted will be treated confidentially and will not be disclosed to any outside parties, within the limits of the law.

### **Waiving/Reduction of Tap Fees**

RCU shall reduce and/or waive any applicable tap fees for qualified applicants who meet low to moderate income (LMI) as established by Federal guidelines.

RCU shall waive the applicable tap fees in its entirety for applicants that qualify as “*very low income*” as defined by the following:

The total maximum household income of the residents within the dwelling unit shall not exceed **fifty-percent (50%)** of the most recent median annual income of similar sized families in the Richland County statistical area as published by the Secretary of Housing and Urban Development.

RCU shall reduce the applicable tap fees by 50% for applicants that qualify as “*low income*”, as defined by the following:

The total maximum household income of the residents within the dwelling unit shall not exceed **eighty-percent (80%)** of the most recent median annual income of similar sized families in the Richland County statistical area as published by the Secretary of Housing and Urban Development.

Applicants that qualify “*very low income*” or “*low income*” will also be required submit a restricted covenant or agreement in a form approved by the County Attorney guaranteeing fulfillment of the criteria prior to the reduction or waiving of the applicable tap fees.

### **Application Fee**

RCU requires a non-refundable \$50.00 application fee in the form of a cashier’s check, money order, or cash. The application fee covers program administration and processing costs. RCU will not accept personal checks for this program.

### **Water and/or Sanitary Sewer Service Line**

RCU is not responsible for assisting with the cost of constructing the water and/or sanitary sewer service line that will connect the residence to RCU’s water and/or sewer system. The applicant is responsible for any and all costs associated with constructing service line(s) that will connect the residence to RCU’s water and/or sanitary sewer system.

### **Recapture Clause**

The Applicant receiving assistance from the Tap Fee assistance program must continue to reside at the residence receiving water and/or sewer service for at least one (1) year from the date of first service. If the Applicant does not maintain principal residency in the property for at least one (1) year from the date of receiving service, which includes maintaining the water and/or sewer service and paying the applicable user



fees, RCU will recapture all or a portion of the Tap Fee assistance to the Applicant. If the property is sold within one year of the applicant receiving assistance, RCU will require repayment of funds to be distributed from the net proceeds of the sale of the property. The recaptured amount will be for the full amount of the assistance and will not be pro-rated.

### **Eligible Property**

- The property must be within RCU's water and/or sanitary sewer service area. RCU must be able to provide service to the property.
- Property must be the **primary residence** of the applicant

### **Conflict of Interest**

It has been determined that employees of Richland County Government may be eligible, based on income, to participate in the Tap Fee Assistance Program with the exception of members and employees of:

- County Council
- County Administration Department
- Finance Department
- Utilities Department
- County Attorney's Office.
- And any other employee who exercises functions or responsibilities with respect to the activities assisted with this program.

All participants in the program must meet eligibility and program requirements.

Persons with questions or comments concerning this issue may contact, in writing, RCU at 7525 Broad River Road, Irmo, South Carolina 29063, or by calling (803) 401-0050.

Richland County Government does not discriminate on the basis of age, color, religion, sex, national origin, familial status, sexual orientation, gender identity, or disability in the admission or access to, or treatment of employees in its assistance programs or activities.

### **Grievance Procedures**

The purpose of these procedures is to set forth guidelines for processing appeals from RCU as to the regulation of grievances filed by participants in the Tap Fee Assistance Program. Any applicant may appeal decisions made by RCU if he/she believes these decisions are egregious or impinge on his/her rights. A written grievance must be submitted to; Director, 7525 Broad River Road, Irmo, South Carolina 29063.

The appeals process for property owners is as follows:

1. RCU Staff
2. Richland County Administration



**Level 1: RCU Staff**

After receiving a written complaint every effort will be made to resolve disputes at the staff level. The appropriate staff person will meet with the aggrieved parties and with others who may be involved to resolve disputes fairly and quickly. The staff will respond to written complaints within (30) thirty days. If the grievance is not resolved to the satisfaction of the program participant at this level, the aggrieved party can submit a written request for a hearing before Richland County Administration within (10) ten days from the receipt date of RCU's response in the form of a certified letter. This request should be sent to the Richland County Administrator, 2020 Hampton Street, Columbia, SC 29204.

**Level 2: Richland County Administration**

The aggrieved party is entitled to a hearing before the Richland County Administration. The County Administrator will respond to written appeals within (15) fifteen business days following the applicants hearing. This hearing represents the final level of appeal.

**Application Process**

Citizens interested in participating in RCU's Tap Fee Assistance Program can contact **RCU at (803) 401-0050 or at [purinid@rcgov.us](mailto:purinid@rcgov.us)**.

- The Tap Fee Assistance application, along with \$50.00 fee must be submitted to RCU at 7525 Broad River Road, Irmo, South Carolina 29063 at the time request for water and/or sanitary sewer service is made. **The Tap Fee Assistance Application fee is non-refundable.** Upon receipt of the application, RCU will review the application for income eligibility and will verify employment.
- **Incomplete applications will not be processed and will be returned with explanation. The applicant will receive, in writing, the status of the application within 30 days of receiving the application. If applicant is turned down for any reason, he/she must wait six (6) months before re-submitting an application.**

**Note: Income eligibility is valid for six months from the date of notification, after which household income will need to be re-verified.**

- All information submitted will be treated confidentially and will not be disclosed to any outside parties within the limits of the law.
- Applicants will receive written notification either approving or denying the tap fee assistance.
- If turned down for any reason, applicant must wait six (6) months before re-applying. That will be from the day of the letter stating the reason for being turned down.

**Responsibilities of the Tap Fee Assistance Program**

- Provide information concerning the Tap Fee Assistance Program
- Provide assistance and follow up with applicants



- Verify employment and income(s) to determine eligibility of each applicant
- RCU staff will review applications for completeness and accuracy
- Provide notification to applicant(s) regarding program eligibility

### **Responsibilities of Applicant**

- Complete and submit the Tap Fee Assistance Program Application
- Provide RCU with the necessary income verification documents
- Keep in contact with RCU throughout the application process
- Ensure that all necessary program requirements are met
- Ensure the home is located in the RCU service area
- All information submitted will be treated confidentially and will not be disclosed to any outside parties within the limits of the law
- Construct and/or contract the construction of the service line that will connect the applicant's residence to RCU's water and/or sanitary sewer system.
- Maintain the service line connecting the residence to RCU's water and/or sanitary sewer system



## **Program Definitions for Further Understanding**

### **Income**

The amount of money or its equivalent received during a period of time in exchange for labor or services, from the sale of goods or property, or as profit from financial investments.

### **Low and Moderate Income (LMI)**

Based on 80% of the areas' median income with adjustments for household size.

### **Primary Residence**

The principal place a person lives for the majority of the year or the permanent home he/she plans to return to upon conclusion of a temporary stay elsewhere

### **RCU**

Richland County Utilities Department.

### **Total Maximum Household Income**

The combined income of all residents and dependents residing in the household

### **Unincorporated Areas**

Areas of Richland County that does NOT include the City of Columbia, Eastover, Forest Acres, Irmo, Blythewood, and Arcadia Lakes.

**For questions regarding the RCU Tap Fee Assistance Program, please contact:**

Dan Purini  
Richland County Utilities  
7525 Broad river Road  
Irmo, South Carolina 29063  
(803) 401-0050 (office)  
(803) 401-0030 (fax)  
purinid@rcgov.us





**II. HOUSEHOLD INCOME – PLEASE ATTACH LATEST INCOME TAX FORM**

HOUSEHOLD INCOME FROM EMPLOYMENT (GROSS MONTHLY INCOME)

Name of Family Member	#1.	#2.	#3.	#4.
Type	Monthly Amount #1	Monthly Amount #2	Monthly Amount #3	Monthly Amount #4
Base Employment				
Overtime				
Bonuses				
Commissions				
Self Employment				

HOUSEHOLD INCOME FROM OTHER SOURCES

TYPE	MONTHLY AMTOUNT	TYPE	MONTHLY AMOUNT
Pension	\$	TANF	\$
SSI	\$	Child Support	\$
Disability other than SS	\$	Business / Insurance	\$
Foster Care	\$	Alimony	\$
Social Security	\$	Rental Property	\$

**III. EMPLOYMENT HISTORY –LIST LAST TWO POSITIONS WITHIN FIVE YEAR PERIOD**

BEGIN WITH MOST RECENT JOB

1. Name of Family Member: (Primary)		2. Name of Family Member: (Secondary)	
Name & Address of Employer	Yrs/Mo. on Job	Name & Address of Employer	Yrs/Mo. on Job
Position:	Phone:	Position:	Phone:
Name & Address of Employer		Name & Address of Employer	
3. Other:		4. Other:	
Name & Address of Employer	Yrs/Mo on Job	Name & Address of Employer	Yrs/Mo on Job
Position:	Phone:	Position:	Phone:
Name & Address of Employer	Yrs/Mo on Job	Name & Address of Employer	Yrs/Mo on Job
Position:	Phone:	Position:	Phone:



**IV. ASSETS**

*Checking:*

Bank, S&L, or Credit Union	Address	Account #	Amount
----------------------------	---------	-----------	--------

*Savings:*

Bank, S&L, or Credit Union	Address	Account#	Amount
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*Life Insurance:*

Company Name	Address	Account #	Cash Value
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*Stocks & Bonds:*

Company Name	Address	Account #	Cash Value
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*Retirement Fund:*

Company Name	Address	Account#	Vested Interest
--------------	---------	----------	-----------------

I understand that Richland County will disqualify me from participating in the Tap Fee Assistance Program if false information is reported or if information has been omitted from this application.

I authorize Richland County Utilities Department officials to obtain information pertinent to program eligibility concerning statements made in this application in regard to income, employment, assets, deposits, or debts (including credit history). I agree that the application shall remain the property of Richland County Government Homeownership Assistance Program. I further understand that information obtained will be used only for the purpose of determining eligibility and will not be disclosed to any other organization or individual.

\_\_\_\_\_  
Applicants Signature

\_\_\_\_\_  
Date

Return this completed and signed application along with supporting documentation and \$50 application fee to:

**Richland County Government**  
**Richland County Utilities Department**  
 7525 Broad River Road  
 Irmo, South Carolina 29063  
 Phone (803) 401-0050 Fax (803) 401-0030  
 www.rcgov.com

Richland County does not discriminate on the basis of age, color, race, religion, sex, national origin, familial status, sexual orientation, gender identity, or disability in the admission, access to, or treatment or employment in its programs or activities.

*RCU Tap Fee Assistance Program Policies & Procedures Guidelines*  
 Rev. 04/15/14

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**Item# 14**



## CHECKLIST FOR SUBMITTING YOUR APPLICATION

- COMPLETED APPLICATION (Include self under **HOUSEHOLD MEMBER INFORMATION**)
- LATEST COMPLETED TAX RETURN (if self-employed bring the last 3 years)
- 6 MONTHS OF LATEST BANK STATEMENTS
- 2 MONTHS MOST RECENT PAY CHECK STUBS
- SIGNED WAIVER OF PERSONAL INFORMATION\*
- DRIVERS LICENSE OR FEDERAL/STATE ISSUED ID
- \*\*\$50 APPLICATION FEE (*IN THE FORM OF MONEY ORDER OR A CASHIER'S CHECK*)\*\*
- PROOF OF ADDITIONAL INCOME TO INCLUDE: CHILD SUPPORT, SSI, ALIMONY, ETC.
- ANY DOCUMENTATION OF LEGAL SEPARATION

\*\* IF YOU SUBMIT YOUR APPLICATION WITH A PERSONAL CHECK, RICHLAND COUNTY WILL NOT ACCEPT IT AND IT WILL BE GIVEN BACK TO YOU WITH A REQUEST FOR A MONEY ORDER OR CASHIER'S CHECK.

**PLEASE NOTE THAT RICHLAND COUNTY UTILITIES DEPARTMENT OFFICE WILL NOT ACCEPT AN APPLICATION WITHOUT ALL THE ABOVE LISTED ITEMS.**

### CALCULATING ANNUAL INCOME

<b>1. Name</b> <small>Click here to enter text.</small>		<b>2. Identification XXX-XX-</b> <small>Click here to enter text.</small>	
<b>ASSETS</b>			
Family Member	Asset Description	Current Cash Value Of Assets	Actual Income From Assets
<small>Click here to enter text.</small>	<small>Click here to enter text.</small>	<b>\$</b> <small>Enter amount</small>	<b>\$</b> <small>Enter amount</small>

*RCU Tap Fee Assistance Program Policies & Procedures Guidelines  
Rev. 04/15/14*

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Item# 14



Click here to enter text.	Click here to enter text.	\$Enter amount	\$Enter amount		
Click here to enter text.	Click here to enter text.	\$Enter amount	\$Enter amount		
Click here to enter text.	Click here to enter text.	\$Enter amount	\$Enter amount		
Click here to enter text.	Click here to enter text.	\$Enter amount	\$Enter amount		
<b>3. Net Cash Value of Assets.....</b>		<b>3. \$</b> Enter total amount			
<b>4. Total Actual Income from Assets.....</b>			<b>4. \$</b> Enter total amount		
<b>5. If line 3 is greater than \$5,000, multiply line by 2.5% (Passbook Rate) and enter results here; otherwise, leave blank</b>			<b>5. \$</b> Enter amount.		
ANTICIPATED ANNUAL INCOME					
<b>Family Members</b>	<b>Wages/ Salaries</b>	<b>Benefits/ Pensions</b>	<b>Public Assistance</b>	<b>Other Income</b>	<b>Asset Income</b>
Click here to enter text.	\$Enter amount	\$Enter amount	\$Enter amount	\$Enter amount	<b>Enter the greater of lines 4 or 5 from above in e.</b>
Click here to enter text.	\$Enter amount	\$Enter amount	\$Enter amount	\$Enter amount	
Click here to enter text.	\$Enter amount	\$Enter amount	\$Enter amount	\$Enter amount	
Click here to enter text.	\$Enter amount	\$Enter amount	\$Enter amount	\$Enter amount	
Click here to enter text.	\$Enter amount	\$Enter amount	\$Enter amount	\$Enter amount	
<b>6. Totals</b>	<b>a. \$</b> Enter total amount	<b>b. \$</b> Enter total amount	<b>c. \$</b> Enter total amount	<b>d. \$</b> Enter total amount	<b>e. \$</b> Enter amount
<b>Enter total of items from 6a. through 6e. This is Annual Income</b>					<b>7. \$</b> Enter total amount

# Richland County Council Request of Action

**Subject**

Water & Sewer Tap Fee Payment Plan [**PAGES 142-146**]

**Reviews**

# Richland County Council Request of Action

**Subject:** Water & Sewer Tap Fee Payment Plan

**A. Purpose**

*"County Council is requested to approve the Water and Sewer Tap Fee Payment Plan as presented by the Utilities Department."*

**B. Background / Discussion**

Through recently completed and current projects, water and sewer services have been or will be expanded to a greater portion of unincorporated Richland County. As these systems are expanded, service becomes available to existing homes previously without public water and sewer access. If these homeowners desire to connect to these systems, their ability may be limited by the upfront cost of paying tap fees and constructing service lines on their property as required for connection. To afford more homeowners the opportunity to connect, a tap fee payment plan over time is being recommended.

The Utilities Department Staff researched this issue by requesting information from similar utility providers. Upon review of the information obtained, the proposed policy was drafted and is very similar to those in place with the other public utilities (*Attachment 1*).

**C. Legislative / Chronological History**

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

**D. Financial Impact**

Implementation of a payment plan may allow a potential customer to connect to the public water and/or sewer service where they may not be able to afford the connection cost otherwise. This would be a financial benefit to the County as another monthly rate paying customer would be connected to the system.

**E. Alternatives**

1. Approve the water and sewer tap fee payment plan as presented.
2. Approve the water and sewer tap fee payment plan with modifications.
3. Do not approve.

**F. Recommendation**

"It is recommended that Council approve the Water and Sewer Tap Fee Payment Plan as submitted."

Recommended by: Andy H. Metts

Department: Utilities

Date: 2/5/14

**G. Reviews**

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

Item# 15

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: 5/5/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommendation is based on inability to financially sustain (cash flow) program and not the merits of the program.

The County currently operates three independent Utility Systems; Broad River Sewer, Lower Richland Water and Lower Richland Sewer.

- Lower Richland Water and LR Sewer currently have an annual operating deficit
- All three systems currently budget to utilize the revenue generated from tap fee sales to fund the system operating costs therefore a program that delays the collection period could create a cash flow problem for the system to cover operating cost.
- Based on the cash need for all three systems, approval will likely require a user fee increase in order to produce the cash necessary for the system operation.

### Legal

Reviewed by: Elizabeth McLean

Date: 5/20/14

Recommend Council approval

Recommend Council denial

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

- Sale language – policy states that if the property is sold (during repayment period) that the unpaid portion 1) becomes immediately due, 2) unless paid at closing), or 3) the new owner qualifies and assumes the payment plan.
  - i. The new potential owner would not have notice of the payment plan; the closing (closing attorney) would not include the unpaid portion in the closing. To the naked eye, it would appear to the buyer that water and sewer service were included.
  - ii. What is the plan for a non-voluntary sale/transfer? Foreclosure, death (deed of distribution), etc.
  - iii. It may be possible to have the payer, when signing the initial fee agreement, to consent to a lien on the property in the amount of the total due, which would only be released upon full payment.
- Collection of unpaid debts is not an easy process and the Legal Department has rarely been involved in such practice in the past. An assessment of potential time/manpower would need to be done to determine cost effectiveness. Having said that, the ways to collect unpaid debt are:
  - i. Contractual (file an action in a court of competent jurisdiction)
  - ii. Sebt-Off Debt Act (state law for collection of unpaid debts-used by County for EMS bills)
  - iii. Lien (if a lien is filed, can collect when property is sold)

## **Administration**

Reviewed by: Sparty Hammett

Date: 5/22/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: The cost of the tap fee is sometimes an impediment for adding new customers in existing homes to the County's water and sewer systems. Property owners who need to participate in the Tap Fee Financing Program would likely not become customers if the program was not implemented. In contrast to the Finance Director's comments, this program should increase system revenue and provide a means for the County to deliver needed services to citizens who cannot afford the upfront cost of the tap fees.

I also recommend that the Utilities Department work with the Legal Department to address their concerns regarding sale/transfer. Utilities has recommended that an agreement be drafted that would inform the property owner that the financing plan would place a lien on their property until the financed obligation was satisfied. This document would be a recordable document as any other mortgage or lien would be recorded. By recording this document up front, any potential buyer would be notified of the pending unpaid portion.



Richland County Utilities  
Water & Sewer Tap Fee Payment Plan

**Water Tap Fee Payment Plan.**

At the time of application for a water service connection, applicant may elect to pay the water tap and meter installation fee in full or pay the fee, or any portion thereof, in twenty-four (24) equal monthly installments with a fixed annual interest rate thereon. The fixed annual interest shall be the interest rate charged for all monthly installments set forth in the water installation fee agreement entered into during that fiscal year. The interest rate shall be calculated for each fiscal year as equal to the prime rate as listed in the first edition of the Wall Street Journal published in the month of May which precedes the upcoming fiscal year plus two and one-half percentage points. The monthly payments for the water tap and meter installation fee shall be added to and collected with the monthly water bill for the property to be served commencing with the first water bill, and shall be collected in the same manner as any other water charges by the County of Richland. In the event of the sale of the property being served by the water connection, the unpaid portion of the fees subject to the extended payment in accordance with this section shall be immediately due and payable unless purchaser(s) assume the extended payment obligation at closing. Unless purchaser(s) apply for transfer of service and/or assume or pay in full the unpaid extended payment, no further water service shall be provided to such property. The extended payment plan shall only apply to owner occupied single family residential dwellings to be used as the primary residence.

**Sewer Tap Fee Payment Plan.**

At the time of application for sewer service connection, applicant may elect to pay the sewer tap fee in full or pay the fee, or any portion thereof, in forty-eight (48) equal monthly installments with a fixed annual interest rate thereon. The fixed annual interest shall be the interest rate charged for all monthly installments set forth in the sewer fee agreement entered into during that fiscal year. The interest rate shall be calculated for each fiscal year as equal to the prime rate as listed in the first edition of the Wall Street Journal published in the month of May which precedes the upcoming fiscal year plus two and one-half percentage points. The monthly payments for the sewer tap fee shall be added to and collected with the quarterly sewer bill for the property to be served commencing with the first sewer bill, and shall be collected in the same manner as any other sewer charges by the County of Richland. In the event of the sale of the property being served by sewer connection, the unpaid portion of the fees subject to the extended payment in accordance with this section shall be immediately due and payable unless purchaser(s) assume the extended payment obligation at closing. Unless purchaser(s) apply for transfer of service and/or assume or pay in full the unpaid extended payment, no further sewer service shall be provided to such property. The extended payment plan shall only apply to owner occupied single family residential dwellings to be used as the primary residence.

# Richland County Council Request of Action

**Subject**

Election Commission and Voter Registration Budgets [**PAGES 147-151**]

**Reviews**

## Richland County Council Request of Action

**Subject:** Election Commission and Voter Registration Budgets

### A. Purpose

Richland County Council is requested to provide direction to staff with regards to the budgets for the Election Commission and Voter Registration Offices.

### B. Background / Discussion

At the April 15, 2014 Council meeting, Councilman Malinowski made the following motion:

**With the court ruling that the Richland County Election and Voter Registration Boards must now be two separate entities, I move that funding for the Voter Registration Board be rolled back to the 2011 funding amount.**

The funding history for these two offices for the past 5 years is shown below:

	2010 Adopted	2011 Adopted	2012 Adopted	2013 Adopted	2014 Adopted
Voter Registration (2010 - 2011) / Board of Elections & Voter Registration (2012 – 2014)	\$411,713	\$422,999	\$1,172,711	\$1,228,574	\$1,223,503
Election Commission	\$352,413	\$355,089	\$0	\$0	\$0
<b>Total</b>	<b>\$764,126</b>	<b>\$778,088</b>	<b>\$1,172,711</b>	<b>\$1,228,574</b>	<b>\$1,223,503</b>

The Legislature approved the following, effective FY 12: “The annual budget for the Board of Elections and Voter Registration of Richland County may not be less than the average of the two annual budgets for the Charleston County and Greenville County Boards of Election and Voter Registration for the prior fiscal year.”

However, with the most recent court ruling, these two offices are now separate entities again. Our Legal Department is not aware of any “specific” funding requirement currently; thus, Council can fund these departments at any level appropriate to maintain operations at each (which is required by law). Also, Council should be aware that legislation on this topic may pass very soon (and is in fact expected). Any such legislation could, but may not, contain a specific funding amount.

The FY 15 recommended budgets for these offices is \$1,263,928. (The requested amount is \$1,700,875.) Staff asked the two current directors (Ms. McBride and Mr. Selph) to advise us on how to split the funding. We are awaiting a response, and have been told that they are awaiting the State Budget. (Note: When this Request of Action reaches the May A&F Committee, the budget for these offices will have already been presented to Council in the budget binders with the \$1,263,928 FY 15 funding recommendation. However, as this item

was forwarded to a Committee during the Motion Period, staff is following the process in place.)

**C. Legislative / Chronological History**

- o SC State Legislature approved a funding formula for these offices, effective FY 12.
- o Recent court ruling(s) have separated the offices.
- o April 15, 2014 Motion by Mr. Malinowski re: budgets.

**D. Financial Impact**

If the budgets are rolled back to 2011 funding levels (\$778,088), per Mr. Malinowski's motion, this would equate to a cost savings of \$485,840 in FY 15.

**E. Alternatives**

1. Per Mr. Malinowski's motion, approve funding levels for these two offices at the 2011 funding level - \$778,088.
2. Approve the funding level recommended for FY 15 - \$1,263,928.
3. Approve another amount.

**F. Recommendation**

With the court ruling that the Richland County Election and Voter Registration Boards must now be two separate entities, I move that funding for the Voter Registration Board be rolled back to the 2011 funding amount.

Recommended by: Bill Malinowski      Date: April 15, 2014

**G. Reviews**

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

**Finance**

Reviewed by: Daniel Driggers

Date: 5/14/14

Recommend Council approval

Recommend Council denial

Recommend Council discretion

Comments regarding recommendation:

This is an item for Council discretion on level of funding to be provided to the departments. I would offer the following items for consideration:

- Since the request is effective for FY15 and the County is in the middle of the budget process, one option is for Council to move the item to the FY15 budget motion list. This would separate the item to ensure it is discussed, allow for one discussion to take place related to the departments funding level, and provide a few additional weeks for Council to determine if any additional direction is provided from the State on operational requirements for FY15
- When the County appropriated an increase in funding for the consolidated departments for FY12, 13, and 14 it included an increase in personnel funding (staffing level). Therefore if the funding level is reduced with the department

separation, it will be important to understand the impact the decision will have on the staffing level for each department

### **Voter Registration**

Reviewed by: Lillian McBride

Date: 5/23/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Any cuts or budget reduction will negatively impact Voter Registration's operations, staffing and services to the citizens of Richland County creating unnecessary inefficiencies to services such as voter registration, voter education, absentee voting, etc...

The Voter Registration office is requesting that County Council approve the FY15 requested amount. However this office will continue to exploring and evaluate ways to control spending in the most prudent manner possible.

### **Election Commission**

Reviewed by: Samuel Selph

Date: 5/23/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

To decrease the Election Commission's budget will jeopardize future elections. The bulk of the Election Commission's budget is dedicated to operational costs related to elections. These costs include voting machine maintenance and repairs, polling location supplies, purchasing ballots for the elections, laptops and supplies for polling locations, among many other things. The Election Commission's Precinct Division is responsible for managing over 1500 poll workers to assess their willingness to work for each election, recruiting additional poll workers, training all poll workers assigned to elections, processing poll worker HR paperwork, compiling all needed information to process poll worker payments, preparing poll worker supplies for 149 precincts, contacting all polling locations to secure space for elections, loading and downloading information for laptops to be deployed and utilized at polling locations among many other duties. The Election Commission's Elections Division is responsible for maintaining over 1100 voting machines owned by Richland County on a daily basis to ensure all voting machines are in proper working condition, ready to be deployed for all elections. When preparing for elections, the Elections Division is responsible for ensuring all machines are prepared and loaded with needed information to be deployed to 149 voting precincts, ensure that all voting machines are delivered to their assigned polling locations, as well as being responsible for all issues concerning voting machines that arise on Election Day.

The Election Commission is respectfully requesting that County Council approve the department's funding level requested for FY2015. On a forward going basis, the Election Commission is committed to work to reduce costs associated with the department's budget.

**Legal**

Reviewed by: Elizabeth McLean

Date: 5/23/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: The specific funding amount to keep each office operational is a policy decision left to Council's discretion.

**Administration**

Reviewed by: Tony McDonald

Date: 5/23/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: The recent court ruling places **only a temporary restraining order** on the previous legislation that joined Elections and Voter Registration. There is additional pending legislation that is intended to address the Elections and Voter Registration functions on a more permanent basis, as well as at a state-wide level. For this reason, it is recommended that the proposed motion not move forward at this time and, instead, be referred to the FY 15 budget process for resolution once the pending legislation has been finalized.

# Richland County Council Request of Action

**Subject**

Donations of Council via Discretionary Accounts [**PAGES 152-156**]

**Reviews**

# Richland County Council Request of Action

**Subject:** Donations of Council via Discretionary Accounts

## A. Purpose

In order to be in compliance with State law, Council is asked to approve FY 14 donations made by individual Council Members, and adopt a policy regarding donations to outside organizations made through Council discretionary accounts.

## B. Background / Discussion

The State of South Carolina adopted the following budget proviso for FY14 and is expected to approve it again in FY15:

**110.6.** (AS-TREAS: Transparency-Political Subdivision Appropriation of Funds) (A) A political subdivision receiving aid from the Local Government Fund may not: (1) appropriate money to any entity unless that appropriation appears as a separate and distinct line item in the political subdivision's budget or in an amendment to the political subdivision's budget; or (2) except in cases of emergency or unforeseen circumstances, donate funds to a non-profit organization unless the amounts donated are appropriated on a separate and distinct line item in the political subdivision's budget or an amendment to the political subdivision's budget that includes the names of the entities to which the donations are being made. In the case of an emergency or unforeseen circumstances, a political subdivision may donate funds to a non-profit organization if the amount and purpose of the proposed donation and the nature of the emergency or unforeseen circumstances necessitating the donation are announced in open session at a public meeting held by the governing body of the political subdivision and the funds are not delivered to the organization for five days following the announced intent to make the donation. (B) A political subdivision receiving aid from the Local Government Fund may not appropriate money to any entity without the requirement that the entity provides at the end of the fiscal year a detailed description of the purposes for which the money was used.

Finance has reviewed FY14 expenditures through April 18, 2014. The following are donations that need to be approved by the entire Council body:

Council Member	Post Date	Description	Amount
Jeter	4/2/2014	DELTA SIGMA THE Donation	250.00
Livingston	4/2/2014	DELTA SIGMA THE Donation	250.00
Rush	4/2/2014	DELTA SIGMA THE Donation	250.00
Manning	1/15/2014	BANK OF AMERICA 6207 RAZOODONA	100.00
Dixon	10/28/2013	ONE HOUSE FOUND Donation	150.00
Dixon	3/11/2014	WIDOWS OF OPPOR Donation	100.00
Washington	7/30/2013	HOPKINS HIGH SC Donation for F	100.00
Washington	12/11/2013	WESTWOOD HIGH S Donation for 1	100.00
Washington	4/2/2014	DELTA SIGMA THE Donation	250.00
Jackson	10/22/2013	COLUMBIA WRITER Donation SC Ch	100.00
Jackson	10/22/2013	JACKSON, NORMAN Donation - La	100.00
Jackson	2/5/2014	WIDOWS OF OPPOR Donation	200.00
Jackson	4/2/2014	DELTA SIGMA THE Donation	250.00

The State of South Carolina has mandated donations be approved by the governing body and appear in the budget; however, these donations were made through individual council discretionary accounts. Therefore, they must be formally approved by the Council body. Further, per 110.6(B), these organizations must provide at the end of the fiscal year a detailed description of the purpose(s) for which the money was used. This information should be requested by the Clerk of Council's Office, and maintained in their files.

With regards to a policy, it is recommended that Council approve the following: Any donations to a viable organization made by a Council member out of his/her Council Discretionary Account must be approved by the full body at a Council Meeting. If the item is approved, the Clerk of Council's Office will notify the organization of the approval, and will request the detailed description of the purpose(s) for which the money was used, which is to be submitted at the end of the fiscal year. The Clerk's Office will maintain this information in their files.

Council's current expense account policy guidelines, which were approved by Council, are attached. These requirements should be added to this document.

It is at this time that staff is requesting that Council approve the aforementioned FY 14 donations, and the proposed policy regarding these types of donations.

#### **C. Legislative / Chronological History**

The State of South Carolina adopted the budget proviso for FY14.

#### **D. Financial Impact**

There is no financial impact associated with this request.

#### **E. Alternatives**

1. Approve the aforementioned FY 14 donations, and the proposed policy regarding these types of donations.
2. Do not approve these items, and fail to be in compliance with State law. The implications of this are not known at this time.

#### **F. Recommendation**

It is recommended that Council approve the aforementioned FY 14 donations, and the proposed policy regarding these types of donations.

Recommended by: Daniel Driggers, Finance Date: 4/25/14

## G. Reviews

### Finance

Reviewed by: Daniel Driggers

Date: 5/15/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

### Legal

Reviewed by: Elizabeth McLean

Date: 5/21/14

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Such expenditures would require consent of the full Council and thus don't fall naturally under the discretionary fund policy. I would recommend that they be under a separate line item and be voted on in the same manner as discretionary grants, etc.

### Administration

Reviewed by: Tony McDonald

Date: May 23, 2014

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: It is recommended that Council adhere to the State mandate by approving the aforementioned expenditures, as well as related expenditures going forward. It is also recommended that Council adopt the proposed policy related to this item.

**Richland County Council's Individual Expense Accounts**  
**Policy Guidelines**

Policy: The Individual Expense Accounts are to be used as a general government reimbursement expense fund and not for the exercise of legislative functions.

Description of Allowed Expenses:  
(this list is not all-inclusive and should be used merely as a guideline)

- Cost of general business supplies not provided by the County
- Cost of general periodicals, professional journals, and reference books related to the operation of County government
- Cost of per diem and mileage involved in the conduct of County business
- Costs associated with community functions, conferences and training seminars, such as food, gas, mileage automobile rental, accommodations, tuition and materials

Categories of Non-Allowed Expenses:

- Any **legislative** function, including those already being acted on by the full Council and those not before the Council but involving traditionally legislative functions such as infrastructure, public recreation, etc.
- Using public funds for a private purpose or in furtherance of any particular religion
- Any disbursement of funds which would ordinarily be disbursed through another County process, such as the budget process, hospitality tax fund disbursements, etc.