



# AMENDED AGENDA

OCONEE COUNTY COUNCIL MEETING

December 19, 2017

6:00 PM

Council Chambers, Oconee County Administrative Offices  
415 South Pine Street, Walhalla, SC

## Call to Order

**Public Comment Session** *[Limited to a total of forty (40) minutes, four (4) minutes per person.]*

## Council Member Comments

## Moment of Silence

## Invocation by County Council Chaplain

## Pledge of Allegiance to the Flag of the United States of America

## Presentation to Council

- Emily DeRoberts / Duke Energy

## Approval of Minutes

- December 5, 2017 Regular Meeting

## Administrator Report & Agenda Summary

## Public Hearings for the Following Ordinances

**Ordinance 2017-28** "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOTHILLS FARMSTEAD AS LESSEE; AND OTHER MATTERS RELATED THERETO."

**Ordinance 2017-29** "AUTHORIZING OCONEE COUNTY, SOUTH CAROLINA, TO ENTER INTO AN EQUIPMENT ACQUISITION AND USE AGREEMENT FOR THE PURPOSE OF ACQUIRING CERTAIN EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$6,552,500; AUTHORIZING THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO."

**Ordinance 2017-30** "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE AGREEMENT BETWEEN OCONEE COUNTY AND ITECH SOUTH, LLC, DATED AS OF APRIL 1, 2015, PROVIDING FOR THE INCLUSION OF EUGENE CARLTON MORRIS AND JUNE COPELAND MORRIS AS SPONSORS; AND OTHER MATTERS RELATED THERETO."

**Ordinance 2017-31** "AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACK LANGUAGE FOR MULTI-FAMILY HOUSING STRUCTURES; AND OTHER MATTERS RELATED THERETO."

Council's meetings shall be conducted pursuant to the South Carolina Freedom of Information Act, Council's Rules and the Model Rules of Parliamentary Procedure for South Carolina Counties, latest edition. This agenda may not be inclusive of all issues which Council may bring up for discussion at this meeting. Items are listed on Council's agenda to give public notice of the subjects and issues to be discussed, acted upon, received as information and/or disposed of during the meeting. Items listed on Council's agenda may be taken up, tabled, postponed, reconsidered, removed or otherwise disposed of as provided for under Council's Rules, and Model Rules of Parliamentary Procedure for South Carolina Counties, latest edition, if not specified under Council's rules.

## Third Reading of the Following Ordinances

Ordinance 2017-28

*[see caption above]*

Ordinance 2017-29

*[see caption above]*

Ordinance 2017-30

*[see caption above]*

Ordinance 2017-31

*[see caption above]*

## Second Reading of the Following Ordinances

### First Reading of the Following Ordinances

**Ordinance 2017-32** “AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A RESIDENTIAL LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND KENT CROOKS AS LESSEE FOR CERTAIN REAL PROPERTY, INCLUDING ALL IMPROVEMENTS THEREON, LOCATED AT 207 CROOKS ROAD, SENECA, SOUTH CAROLINA; AND OTHER MATTERS RELATED THERETO.”

**Ordinance 2017-33** “AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING THE LAKE OVERLAY DISTRICT WITH PARTICULAR REFERENCE BEING MADE TO THE NATURAL VEGETATIVE BUFFER; AND OTHER MATTERS RELATED THERETO.”

**Ordinance 2017-34** *[in title only]* “AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN EXTENSION AGREEMENT BETWEEN OCONEE COUNTY AND PROJECT BREMEN, AMENDING THE FEE AGREEMENT BETWEEN THE TWO, DATED AS OF AUGUST 1, 2013, BY AN EXTENSION OF THE TERM THEREOF BY FIVE YEARS, AND INCLUDING AMENDING THE SPECIAL SOURCE REVENUE CREDIT AND INCREASING THE REQUIRED INVESTMENT; AND OTHER MATTERS RELATED THERETO.”

### First & Final Reading for the Following Resolutions

**Resolution 2017-13** “A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS HOSPITAL REVENUE BONDS (SC HEALTH COMPANY) SERIES 2017, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,500,000,000 AND AUTHORIZING A PLEDGE OF REVENUES OF SC HEALTH COMPANY IN CONNECTION HEREWITH.”

## Discussion Regarding Action Items

Letter of support for JAG Court System Efficiency grant application

### Passive Landfill Gas Vent Trench / Solid Waste / \$132,211.00

At the September 5, 2017 Council Meeting, Council approved awards to Smith Gardner, Inc. for related engineering services and to Regenesys BioRemediation Products, Inc., to provide remediation products and their application to the Seneca Landfill for remediation as mandated by DHEC. The installation of a passive landfill gas vent trench is required as part of this remedial effort.

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It is the staff's recommendation that Council [1] approve the award of bid ITB 17-05, Passive Landfill Gas Vent Trench to Martin & Son Contracting, of Spartanburg, SC, in the amount of \$120,192.00, with a 10% contingency of \$12,019.00, for a total award of \$132,211.00 and [2] authorize the County Administrator to approve any Change Orders within the contingency amount.

Review / approve subleases between (1) the Fair Oak Youth Center, Inc. and Lifeline Community Church and (2) the Fair Oak Youth Center, Inc. and Hyatt Landworks, Inc.

<b>Board &amp; Commission Appointments (IF ANY)</b>	[Seats listed are all co-terminus seats]
Building Codes Appeal Board.....	1 At Large Seat
Conservation Bank Board.....	District II
Board of Zoning Appeals.....	District V

**Unfinished Business** [to include Vote and/or Action on matters brought up for discussion, if required] [None scheduled.]

**New Business** [may include items which may be scheduled for final action at a future meeting, if required] [None scheduled.]

**Council Committee Reports** [None scheduled.]

### Executive Session

[upon reconvening Council may take a Vote and/or take Action on matters brought up for discussion in Executive Session, if required]

*For the following purposes, as allowed for in § 30-4-70(a) of the South Carolina Code of Laws:*

[1] to receive legal advice and discuss a contractual matter related to the Oconee Joint Regional Sewer Authority and operation of the Golden Corner Commerce Park pump station and associated infrastructure.

[2] to discuss employment matter related to evaluations and related forms.

### Adjourn

Assisted Listening Devices (ALD) are available to accommodate the special needs of citizens attending meetings held in Council Chambers.

ALD requests should be made to the Clerk to Council at least 30 minutes prior to the meeting start time.

County Council, Committee, Board & Commission meeting schedules agendas are posted at the Oconee County Administration Building & are available on the County Council Website.

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE**

**ORDINANCE 2017-28**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF  
A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS  
LESSOR AND THE FOOTHILLS FARMSTEAD AS LESSEE; AND OTHER  
MATTERS RELATED THERETO.

**WHEREAS**, Oconee County, South Carolina (the “County”) is a body politic and corporate and a political subdivision of the State of South Carolina and is authorized by the provisions of Title 4, Chapter 9 of the Code of Laws of South Carolina 1976, as amended, to lease real property and to make and execute contracts; and,

**WHEREAS**, the County currently desires to execute and enter into a Ground Lease Agreement (the “Lease”) with the Foothills Farmstead, a South Carolina nonprofit entity, (“Lessee”) in relation to certain County-owned property consisting of approximately sixteen (16) acres, as shown on Exhibit “A,” attached hereto, and designated thereon as Lease Parcel 2 (“Ground Lease Premises”); and,

**WHEREAS**, the Oconee County Council (the “Council”) has reviewed the form of the Lease, attached hereto as Exhibit “B,” and determined that it is in the best interest of the County and its residents and citizens for the County to execute and enter into the Lease, and the Council wishes to approve the same and to authorize the County Administrator to execute and deliver the Lease and all related agreements and documents necessary or incidental thereto; and,

**WHEREAS**, Lessee agrees to use the Ground Lease Premises for the purpose of constructing and operating a historical farmstead (the “Farmstead”) that will represent how many people in the Appalachian Foothills lived between the years 1900 and 1950; the Farmstead will include period-appropriate structures and activities such as crop and livestock farming, heritage festivals, woodworking, bee keeping, cotton ginning, and other activities that are related and ancillary thereto, all of which shall be for the public good and welfare in the form of heritage tourism and education as well as community and economic development; among other related activities; and,

**WHEREAS**, the Ground Lease Premises are suitable for the uses proposed by Lessee.

**NOW THEREFORE**, be it ordained by Council in meeting duly assembled that:

Section 1. Lease Approved. The Lease is hereby approved, and the County Administrator is hereby authorized to execute and deliver the Lease in substantially the same form as Exhibit “B,” attached hereto.

Section 2. Related Documents and Instruments; Future Acts. The County Administrator, with counsel from the County Attorney, is hereby authorized to negotiate such documents and instruments which may be necessary or incidental to the Lease and to execute and deliver any such documents and instruments on behalf of the County.

Section 3. Severability. Should any term, provision, or content of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such determination shall have no effect on the remainder of this Ordinance.

Section 4. General Repeal. All ordinances, orders, resolutions, and actions of the Oconee County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and superseded.

Section 5. Effective Date. This Ordinance shall become effective and be in full force and effect from and after public hearing and third reading in accordance with the Code of Ordinances of Oconee County, South Carolina.

**ORDAINED** in meeting, duly assembled, this \_\_\_\_ day of \_\_\_\_\_, 2017.

**ATTEST:**

\_\_\_\_\_  
Katie Smith  
Clerk to Oconee County Council

\_\_\_\_\_  
Edda Cammick  
Chair, Oconee County Council

First Reading: November 21, 2017  
Second Reading: December 5, 2017  
Third Reading: December 19, 2017  
Public Hearing: December 19, 2017

**EXHIBIT A**

*(See Attached)*

EXHIBIT B

*To be produced following negotiations and/or execution*





**GROUND LEASE**

between

**THE COUNTY OF OCONEE, SOUTH CAROLINA**

as Lessor

and

**THE FOOTHILLS FARMSTEAD**

as Lessee

## GROUND LEASE

**THIS GROUND LEASE** ("Lease") is made and entered into by **THE COUNTY OF OCONEE, SOUTH CAROLINA**, as lessor ("Lessor") and **THE FOOTHILLS FARMSTEAD**, as lessee ("Lessee"), dated as of \_\_\_\_\_, 2017 (the "Lease Commencement Date").

### RECITALS:

**WHEREAS**, Lessor is the owner of that certain real property, including all improvements thereon, as shown and designated as Tract 2, containing 29.423 acres, more or less, on Plat of Survey prepared by Stephen Edwards, PLS #19881, recorded February 14, 2017 in Plat Book B578 at Pages 8 and 9, records of Oconee County, said survey being attached hereto as Exhibit "A," (Lessor's Property); and,

**WHEREAS**, Lessor desires to lease to Lessee and Lessee desires to lease from Lessor a portion of Lessor's Property as shown on Exhibit "B," attached hereto, and designated thereon as Lease Parcel 2 ("Ground Lease Premises"); and

**WHEREAS**, Lessee desires to enter into a ground lease with Lessor for the Ground Lease Premises for the purpose of constructing and operating a historical farmstead that would represent how many people in the Appalachian Foothills lived between the years 1900 and 1950. This working farm would include a main farm house, tenant farm housing, and a large barn, and it would potentially include accommodations for a smokehouse, a chicken coop, a blacksmith shop, and related period-appropriate structures (collectively, the "Farmstead").

**NOW, THEREFORE**, in consideration of the mutual covenants and promises of the parties, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the foregoing recitals are true and correct and incorporated herein by this reference, and further agree as follows:

### ARTICLE 1 - DEMISE OF GROUND LEASE PREMISES

Section 1.1. Ground Lease Premises. Lessor, for and in consideration of the rents, covenants, and conditions herein set forth, does hereby lease to Lessee, and Lessee does hereby lease from Lessor, the Ground Lease Premises, subject to all easements, restrictions, rights of way, and encroachments of record and subject to the terms, conditions, and provisions hereof.

Section 1.2. Quiet Enjoyment. Lessor covenants and agrees that Lessee, upon paying the rent herein provided and observing and keeping the covenants, conditions, and terms of this Lease on Lessee's part to be kept or performed, shall lawfully and quietly hold, occupy and enjoy the Ground Lease Premises during the "Term" (as hereinafter defined) of this Lease without hindrance of Lessor or any person claiming under Lessor. Notwithstanding the foregoing, Lessee's rights established under this Lease are subject to Lessor's rights to use the Ground Lease Premises as provided herein. Lessor hereby retains the right to enter upon and inspect the Ground Lease Premises at reasonable times and upon reasonable notice; and Lessor further reserves the right to enter upon the Ground Lease Premises, without prior notice, in the event of an emergency condition or situation, as reasonably determined by Lessor.

## **ARTICLE 2 - LEASE TERM**

Section 2.1. Lease Term. The term of this Lease (the "Term") shall commence on the Lease Commencement Date and shall continue through the day immediately preceding the twentieth (20<sup>th</sup>) anniversary of the Lease Commencement Date, unless earlier terminated as provided herein. Notwithstanding the foregoing, and provided that Lessee is not in material default of the Lease on the twentieth (20<sup>th</sup>) year anniversary of the Lease Commencement Date, the Term may be extended at Lessee's option for ten (10) additional years so that the Term will thereafter expire on the day immediately preceding the thirtieth (30<sup>th</sup>) anniversary of the Lease Commencement Date.

Section 2.2. Reversion. At the expiration or earlier termination of this Lease, whether by default, eviction or otherwise, all improvements/infrastructure existing upon the Ground Lease Premises shall, without compensation to Lessee or any other party, then become the sole property of Lessor or Lessor's designee, free and clear of all claims to or against them by Lessee or any third person attributable to Lessor or Lessee, and all claims, liens, security interests, and encumbrances, other than those claims that are attributable to any act or omission of Lessor or created hereafter in accordance with the terms of this Lease. All alterations, improvements, additions and utility installations which may be made on the Ground Lease Premises shall be the property of Lessor and shall remain upon and be surrendered with the Ground Lease Premises at the expiration or earlier termination of this Lease. Notwithstanding the foregoing, any structure, machinery or equipment owned by Lessee or any sublessee, other than that which is permanently affixed to the Ground Lease Premises so that it cannot be removed without material damage to the Ground Lease Premises, shall remain the property of Lessee or any sublessee, as may be applicable, and may be removed; provided, however, that Lessee removes or causes its removal prior to the expiration of the Lease or prior to the effective date of termination of the Lease, whichever is applicable.

## **ARTICLE 3 - RENT, TAXES AND UTILITIES**

Section 3.1. Rent. In consideration for use of the Ground Lease Premises, Lessee shall pay Lessor the sum of ten dollars (\$10.00) upon execution of the Lease.

Section 3.2. Taxes. Lessee shall be responsible for any and all taxes, fees, assessments, and charges, if any, that are attributable to the Ground Lease Premises and the improvements and activities located thereon during the Term.

Section 3.3. Utilities. From and after the Lease Commencement Date, Lessee shall pay or cause to be paid any and all charges for water, heat, gas, electricity, cable, trash disposal, and any and all other utilities used by Lessee and its agents, successors, assigns, and sublessees upon the Ground Lease Premises throughout the Term, including any extension, including, without limitation, any connection and servicing fees, permit fees, inspection fees, and fees to reserve utility capacity.

Section 3.4. No Security Deposit. No security deposit is required hereunder.

Section 3.5. Development Fees. Lessor shall not have any liability or responsibility for any development fees, impact fees or other similar fees or charges. Lessee shall pay any such fees or otherwise cause payment by the proper party responsible for payment. However, Lessor shall cooperate with Lessee with the construction of the Farmstead so long as Lessor shall incur no cost for such cooperation.

Section 3.6. Costs. It is the intent of the parties, except as otherwise provided in this Lease,

that Lessee pay all costs, charges, insurance premiums, taxes, utilities, expenses, and assessments arising during the Term of every kind and nature incurred for, against, or in connection with the Ground Lease Premises.

#### **ARTICLE 4 - USE OF PREMISES**

Section 4.1. Permitted Uses. Lessor shall allow Lessee, its agents, employees, successors, assigns, and sublessees to use the Ground Lease Premises for constructing and operating the Farmstead, as described above, which may include activities such as crop and livestock farming, heritage festivals, wood working, bee keeping, cotton ginning, and other activities that are related and ancillary thereto, all of which shall be for the public good and welfare in the form of heritage tourism and education as well as community and economic development (the "Permitted Uses"). Lessee and its sublessees, successors and assigns shall only use the Ground Lease Premises for the Permitted Uses unless written consent for any other purpose is given by the Lessor, which consent shall not be unreasonably withheld.

#### **ARTICLE 5 – HAZARDOUS MATERIALS**

Section 5.1. Definitions. "Hazardous Materials" shall mean any material, substance or waste that is or has the characteristic of being hazardous, toxic, ignitable, reactive or corrosive, including, without limitation, petroleum, PCBs, asbestos, materials known to cause cancer or reproductive problems and those materials, substances and/or wastes, including infectious waste, medical waste, and potentially infectious biomedical waste, which are or later become regulated by any local governmental authority, the State of South Carolina or the United States Government, including, but not limited to, substances defined as "hazardous substances," "hazardous materials," "toxic substances" or "hazardous wastes" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, *et seq.*; all corresponding and related State of South Carolina and local statutes, ordinances, and regulations, including without limitation any dealing with underground storage tanks; and in any other environmental law, regulation, or ordinance now existing or hereinafter enacted (collectively, "Hazardous Materials Laws").

#### Section 5.2. Use of Premises by Lessee; Remediation of Contamination Caused by Lessee.

(a). Use. Lessee hereby agrees that Lessee and Lessee's officers, directors, employees, representatives, agents, contractors, subcontractors, successors, assigns, sublessees, invitees and any other occupants of the Ground Lease Premises (for purpose of this Section, referred to collectively herein as "Lessee Parties") shall not use, generate, manufacture, refine, produce, process, store or dispose of, on, under or about the Ground Lease Premises or transport to or from the Ground Lease Premises in the future for the purpose of generating, manufacturing, refining, producing, storing, handling, transferring, processing, or transporting Hazardous Materials, except in compliance with all applicable Hazardous Materials Laws. Furthermore, the Lessee Parties shall, at their own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for the storage or use by the Lessee Parties of Hazardous Materials on the Ground Lease Premises, including without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Ground Lease Premises.

(b). Remediation. If at any time during the Lease Term any contamination of the Ground Lease Premises by Hazardous Materials shall occur where such contamination is caused by the act or omission of the Lessee Parties (“Lessee Contamination”), then the Lessee Parties, at no expense to Lessor, shall promptly and diligently remove such Hazardous Materials from the Ground Lease Premises, or the groundwater underlying the Ground Lease Premises, to the extent reasonably possible in accordance with the requirements of the applicable Hazardous Materials Laws and industry standards then prevailing in the Hazardous Materials management and remediation industry in the State of South Carolina. However, Lessee shall not take any required remedial action in response to any Lessee Contamination in or about the Ground Lease Premises or enter into any settlement agreement, consent, decree or other compromise in respect to any claims relating to any Lessee Contamination without first notifying Lessor of Lessee’s intention to do so and affording Lessor the opportunity, at Lessor’s expense, to appear, intervene or otherwise appropriately assert and protect Lessor’s interest with respect thereto. In addition to all other rights and remedies of the Lessor hereunder, if Lessee does not promptly and diligently take all steps to prepare and obtain all necessary approvals of a remediation plan (the “Plan”) for any Lessee Contamination, and thereafter commence the required remediation, in accordance with the Plan, of any Hazardous Materials released or discharged in connection with Lessee Contamination within thirty (30) days after Lessor has reasonably approved the Plan and all necessary approvals and consents have been obtained and thereafter continue to prosecute said remediation to completion in accordance with the approved Plan, then Lessor, in its sole discretion, shall have the right, but not the obligation, to cause said remediation in accordance with the Plan to be accomplished, and Lessee shall reimburse Lessor within fifteen (15) business days of Lessor’s demand for reimbursement of all amounts reasonably paid by Lessor (together with interest on said amounts at the judgment rate until paid), when said demand is accompanied by proof of payment by Lessor of the amounts demanded. Lessee shall promptly deliver to Lessor copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Materials removed from the Ground Lease Premises as part of Lessee’s remediation of any Lessee Contamination.

(c). Disposition of Hazardous Materials. Except as otherwise removed from the Ground Lease Premises in strict accordance and conformity with all applicable Hazardous Materials Laws, Lessee shall cause any and all Hazardous Materials removed from the Ground Lease Premises as part of the required remediation of Lessee Contamination to be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposal of such materials and wastes.

Section 5.3. Notice of Hazardous Materials Matters. Each party hereto (for purposes of this Section, “Notifying Party”) shall immediately notify the other party (the “Notice Recipient”) in writing of: (a) any enforcement, clean-up, removal or other governmental or regulatory action instituted, contemplated or threatened concerning the Ground Lease Premises pursuant to any Hazardous Materials Laws; (b) any claim made or threatened by any person against the Notifying Party or the Ground Lease Premises relating to damage contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials on or about the Ground Lease Premises; and (c) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Ground Lease Premises, including any complaints, notices, warnings or asserted violations in connection therewith, all upon receipt by the Notifying Party of actual knowledge of any of the foregoing matters. Notifying Party

shall also supply to Notice Recipient as promptly as possible, and in any event within five (5) business days after Notifying Party first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Ground Lease Premises or Lessee's use thereof.

Section 5.4. Indemnification by Lessee. Lessee shall indemnify, defend (by counsel reasonably acceptable to Lessor), protect, and hold Lessor and each of Lessor's officers, Council members, employees, agents, affiliates, subsidiaries, attorneys, successors, and assigns free and harmless from and against any and all claims, actions, causes of action, liabilities, penalties, forfeitures, damages, losses, or expenses (including, without limitation, attorneys' fees and costs through litigation and all appeals) resulting from death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly by (a) any Lessee Contamination, (b) Lessee's failure to comply with any Hazardous Materials Laws with respect to the Ground Lease Premises, or (c) a breach of any covenant, warranty or representation of Lessee under this Article 5. Lessee's obligations hereunder shall include all costs of any required or necessary repair, clean-up, detoxification, or decontamination of the Ground Lease Premises, and the preparation and implementation of any closure, remedial action, or other required plans in connection therewith.

## **ARTICLE 6 – IMPROVEMENTS**

Section 6.1. Improvements. Subject to all restrictions contained herein, Lessee shall, at its sole cost and expense, construct the Farmstead and any related improvements/infrastructure on the Ground Lease Premises. Lessee shall cause all improvements/infrastructure to conform in all respects with local requirements and ordinances. All work shall be performed in a good and workmanlike manner and shall comply with all applicable governmental permits, laws, ordinances, and regulations. Design plans and specifications for all improvements requiring a building permit shall be submitted to Lessor in advance for approval by the County Administrator, which approval shall not be unreasonably withheld. If the County Administrator does not object in writing to the plans and specifications submitted for approval within thirty (30) days of the date they are submitted, the plans and specifications shall be deemed approved.

Section 6.2. Title; Subordination. Subject to the terms and conditions of this Lease, Lessee shall own and hold title to all improvements/infrastructure located on or in the Ground Lease Premises until expiration or earlier termination of this Lease, at which time title to any and all improvements/infrastructure locate on or in the Ground Lease Premises shall be transferred to the Lessor. Lessee's title to said improvements/infrastructure on the Ground Lease Premises shall be subject to and subordinate to this Lease.

## **ARTICLE 7 – MAINTENANCE**

Section 7.1. Maintenance of Ground Lease Premises. Lessee agrees that it will, at its sole cost and expense, maintain or cause to be maintained the Ground Lease Premises and any other improvements/infrastructure located thereon and appurtenances thereto and every part thereof, in good order, condition and repair and in accordance with all applicable laws, rules, ordinances, orders and regulations of all governmental authorities. In the event any repairs required to be made under the provisions of this Lease are not made or commenced and diligently pursued thereafter, within sixty (60) days after written notice from Lessor to do so, then Lessor may, at its option, enter

upon said Ground Lease Premises and repair the same, and the cost and expense of such repairs, with interest accruing thereon at a rate 7% per annum from the date of the invoice for same, shall be due and payable by Lessee as additional rent to Lessor within 30 days of Lessee's receipt of the invoice for same.

Section 7.2. Emergency Repairs. Notwithstanding the provisions of Section 7.1, in the event of an emergency, Lessor, at its option, may without notice enter on the Ground Lease Premises to effect repairs needed as a result of the emergency. The reasonable cost of such repairs shall be due and paid by Lessee to Lessor on demand as additional rent due hereunder.

Section 7.3. As Is Condition of the Ground Lease Premises. The Ground Lease Premises is presented to Lessee by Lessor without representation or warranty as to the condition of the Ground Lease Premises in general, or as to Lessee's contemplated uses specifically.

## **ARTICLE 8 – MECHANICS' LIENS**

Section 8.1. Prohibition of Liens on Fee or Leasehold Interest. Unless removed as set forth in Section 8.2 below, Lessee shall not suffer, create or permit any mechanic's liens or other liens to be filed against the Ground Lease Premises or any buildings or improvements/infrastructure on the Ground Lease Premises, by reason of any work, labor, services or materials supplied or claimed to have been supplied to Lessee or anyone holding the Ground Lease Premises or any part thereof through or under Lessee.

Section 8.2. Removal of Liens by Lessee. If any such mechanic's or laborer's liens or materialman's lien shall be recorded against the Ground Lease Premises, or any improvements/infrastructure thereof, within sixty (60) days after notice of the filing thereof, or fifteen (15) days after Lessee is served with a complaint to foreclose said lien or Lessor advises Lessee in writing that Lessor has been served with such a complaint, whichever is earlier, Lessee shall cause such lien to be removed, or will transfer the lien to bond pursuant to applicable South Carolina law. If Lessee in good faith desires to contest the lien, Lessee may do so, but in such case Lessee hereby agrees to indemnify and save Lessor harmless from all liability for damages, including reasonable attorneys' fees and costs, occasioned thereby and shall, in the event of a judgment of foreclosure upon any mechanic's lien, cause the same to be discharged and removed prior to the execution of such judgment.

## **ARTICLE 9 – CONDEMNATION**

Section 9.1. Condemnation. In the event the entire Lease Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking or conveyance made in lieu thereof and Lessor and Lessee shall thereupon be released from any further duties or obligations hereunder. If a portion of the Lease Premises is taken, or conveyance made in lieu thereof, then Rent shall be equitably apportioned according to the portion of Lease Premises so taken, and Lessee shall, at its own expense, restore the remaining portion of Lease Premises to operate as a Permitted Purpose. All compensation awarded or paid upon such a total or partial taking of Lease Premises shall belong to and be the property of Lessor without any participation by Lessee; provided, however, Lessee shall have the right to pursue a collateral action seeking recovery of its costs and expenses associated with the termination of the Lease.

## **ARTICLE 10 - ASSIGNMENT AND SUBLETTING**

Section 10.1. Limitation on Assignment and Subletting. Lessee may not sell, assign, sublease, convey or transfer all, or any portion, of Lessee's interest in this Lease and the leasehold estate created hereby, without the prior written consent of Lessor, which consent will not be unreasonably withheld or delayed. Any assignment, sublease, conveyance or transfer of Lessee's interest in this Lease shall be subject to compliance with the provisions of this Lease. In the event of an assignment, sale or transfer of all, or substantially all, of Lessee's interest in this Lease, any such assignee, buyer or transferee shall be required to assume in writing all of the Lessee's obligations and shall be bound by all of the terms of this Lease.

## **ARTICLE 11 - INSURANCE**

Section 11.1. Comprehensive Liability Insurance. Lessee shall maintain a policy of Comprehensive General Liability (CGL) insurance, including public liability, bodily injury, and property damage, written by a company licensed to do business in the State of South Carolina, covering the use and activity contemplated by this Lease with combined single limits of no less than One Million and 00/100 (\$1,000,000) Dollars per occurrence and One Million and 00/100 (\$1,000,000) Dollars aggregate, with Two Million and 00/100 (\$2,000,000) Dollars umbrella coverage, by the terms of which Lessor and Lessee, and any holder of a mortgage on the Ground Lease Premises or Lessee's leasehold interest, are named as insureds and are indemnified against liability for damage or injury to property or persons (including death) entering upon or using the Ground Lease Premises, or any structure thereon or any part thereof. Such insurance policy or policies shall be stated to be primary and noncontributing with any insurance which may be carried by Lessor. A certificate of said insurance, together with proof of payment of the premium thereof shall be delivered to Lessor, and renewal certificates and proof of payment of premium therefor shall be delivered to Lessor not less than fifteen (15) days prior to the renewal date of any such insurance policies during the Term. Such insurance shall be cancelable only after thirty (30) days' prior written notice to Lessor and Lessee, and any holder of a mortgage on the Ground Lease Premises. In the event Lessee fails to timely pay any premium when due, Lessor shall be authorized to do so, and may charge all costs and expenses thereof, including the premium, to Lessee, to be paid by Lessee as additional rent hereunder.

Section 11.2. Fire and Extended Coverage Property Insurance. Lessee shall, at its cost and expense and at all times during the Term, maintain in force, for the joint benefit of Lessor and Lessee, and any holder of a mortgage on the Ground Lease Premises, or any holder of a mortgage on the leasehold interest on the Ground Lease Premises, a policy of insurance insuring the Ground Lease Premises and any improvements/infrastructure thereon against loss or damage by fire, lightning, and earthquake, and such other perils as are covered under a broad form of "extended coverage" or "all risk" endorsement as available in South Carolina. Lessor shall be named as an additional insured on such policy of insurance, and the leasehold mortgagee, if any, shall be named as required by its loan documents, and subject to terms of any mortgage encumbering the Ground Lease Premises or any interest therein. Any insurance proceeds shall be applied in the manner as set forth in this Lease. The insurance shall be carried and maintained to the extent of full replacement cost of the improvements/infrastructure, in such amounts as may be reasonably acceptable to Lessor from time to time during the Term of this Lease; provided however, that during a period of construction, Lessee shall provide or cause to be provided, in lieu thereof, builders' risk or similar type of insurance to the full replacement cost thereof. Such insurance policy or policies



shall be stated to be primary and noncontributing with any insurance which may be carried by Lessor. In addition, the deductible for such insurance shall not exceed \$10,000.00. A certificate of said insurance, together with proof of payment of the premium thereof, shall be delivered to Lessor. Any renewal certificates and proof of payment of premium therefor shall be delivered to Lessor not less than five (5) days prior to the renewal date of any such insurance policies during the Term. Such insurance shall be cancelable only after thirty (30) days' prior written notice to Lessor, Lessee, and any holder of a mortgage on the Ground Lease Premises. In the event Lessee fails to timely pay any premium when due, Lessor shall be authorized to do so, and may charge all costs and expenses thereof, including the premium, to Lessee, to be paid by Lessee as additional rent hereunder.

Section 11.3. Waiver of Subrogation. Lessee and all parties claiming under it releases and discharges Lessor from all claims and liabilities arising from or caused by any casualty or hazard covered or required hereunder to be covered in whole or in part by the casualty and liability insurance to be carried on the Ground Lease Premises or in connection with any improvements/infrastructure on or activities conducted on the Ground Lease Premises, and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, and shall evidence such waiver by endorsement to the required insurance policies, provided that such release shall not operate in any case where the effect is to invalidate or increase the cost of such insurance coverage (provided that in the case of increased cost, Lessor shall have the right, within thirty (30) days following written notice, to pay such increased cost, thereby keeping such release and waiver in full force and effect).

Section 11.4. Indemnification. Lessee hereby agrees to indemnify, protect, defend, and save Lessor and its officers, Council members, employees, agents, attorneys, successors, and assigns harmless from and against any and all losses, damages, actions, fines, penalties, demands, damages, liability, and expense, including attorneys' fees and costs through litigation and all appeals, in connection with the loss of life, personal injury, and damage to property, resulting (in whole or in part) from the negligence or intentional misconduct of Lessee, its employees, agents, or sublessees and arising from or out of (i) any occurrence in, upon, at or about the Ground Lease Premises and/or (ii) the occupancy, use, or construction upon and maintenance of the Ground Lease Premises. Nothing contained herein shall be construed to make Lessee liable for any injury or loss primarily caused by the gross negligence or willful misconduct of Lessor or any agent or employee of Lessor.

Section 11.5. Insurance Requirements for Sublessees, Contractors, and Managers. Lessee shall require the persons described below to carry the following insurance:

- (a) Lessee shall require all of its sublessees to:
  - (i) maintain customary insurance required of lessees in similar properties;
  - (ii) include Lessor and Lessee as additional insureds on their commercial general liability policies (or equivalent policies);
  - (iii) obtain a waiver of subrogation endorsement in all policies in favor of Lessor and Lessee; and

(iv) include any leasehold mortgagee as: (i) a loss payee or mortgagee on each sublessee's property damage insurance policy under a standard mortgagee clause; and (ii) an additional insured on each sublessee's liability insurance policies.

The policy limits set forth above may be adjusted by Lessor not more than once every five (5) years from the Lease Commencement Date if reasonably required to protect the Lessor from potential uninsured losses.

Each of the required coverages shall contain a waiver of subrogation endorsement, in form and substance reasonably satisfactory to Lessor, in favor of Lessor and Lessee.

## **ARTICLE 12 - DAMAGE AND DESTRUCTION**

Section 12.1. Lessee's Duty to Restore Premises. At any time during the Term, or any extensions thereof, and so long as no Event of Default has occurred, if any buildings or improvements/infrastructure now or hereafter located on the Ground Lease Premises are damaged and/or destroyed in whole or in part by fire, theft, the elements, or any other cause, this Lease shall continue in full force and effect, and Lessee, at its sole cost and expense, shall repair and restore the damaged or destroyed Ground Lease Premises and related improvements/infrastructure according to the original plan hereof or according to such modified plans as shall be reasonably approved in writing by Lessor. The work of repair and restoration shall be commenced by Lessee as soon as possible after the damage or destruction occurs, and shall be completed with due diligence.

Section 12.2. Application of Insurance Proceeds. Any and all fire or other insurance proceeds that become payable at any time during the Term, or any extensions thereof, because of damage to or destruction of any buildings or improvements/infrastructure on the Ground Lease Premises shall be paid jointly to Lessee and Lessor, and shall be applied toward the cost of repairing and restoring the damaged or destroyed buildings or improvements/infrastructure.

## **ARTICLE 13 - DEFAULTS AND REMEDIES**

Section 13.1. Defaults. Each of the following events shall be a default by Lessee and a breach of this Lease and constitute an "Event of Default":

(a). Abandonment. Abandonment of the Ground Lease Premises, or the improvements/infrastructure now or hereafter constructed thereon, where such abandonment continues for a period of Sixty (60) consecutive days. Such abandonment shall not include any time that the Ground Lease Premises are vacated due to a casualty.

(b). Attachment or Other Levy. The subjection of any right or interest of Lessee in the Ground Lease Premises to attachment, execution or other levy, or to seizure under legal process, if not released within sixty (60) days, after written notice of same.

(c). Default of Performance Under this Lease. The failure of Lessee to observe or perform any of its material covenants, conditions or agreements under this Lease; or the material breach of any warranties or representations of Lessee under this Lease.

(d). Insolvency; Bankruptcy. An assignment by Lessee for the benefit of creditors, or the filing of a voluntary or involuntary petition by or against Lessee under any law for the

purpose of adjudicating Lessee a bankrupt; or for extending time for payment, adjustment or satisfaction of Lessee's liabilities; or reorganization, dissolution, or arrangement on account of, or to prevent bankruptcy or insolvency; unless, in case of such that are involuntary on Lessee's part, the assignment, proceedings, and all consequent orders, adjudications, custodies and supervisions are dismissed, vacated, or terminated within sixty (60) days after the assignment, filing or other initial event.

Section 13.2. Notice and Right to Cure. Lessee shall have sixty (60) days to cure a default after written notice is given by Lessor to Lessee and to the leasehold mortgagee, specifying the nature of the default; provided, however, that if after exercise of due diligence and its best efforts to cure such default Lessee is unable to do so within the sixty (60) day period, then the cure period may be extended, upon written agreement by Lessor, for a such reasonable time as may be deemed necessary by Lessor to cure the default.

Section 13.3. Remedies. If any default by Lessee shall continue uncured by Lessee and/or the leasehold mortgagee upon expiration of the applicable cure period, Lessor may exercise any one or all of the following remedies in addition to all other rights and remedies provided by law or equity, from time to time, to which Lessor may resort cumulatively or in the alternative:

- (a). Termination of Lease in its Entirety. Lessor may, at Lessor's election, terminate this Lease upon thirty (30) days written notice to Lessee. Thereafter, all of Lessee's rights in the Ground Lease Premises and in and to all improvements/infrastructure located thereon shall terminate upon termination of this Lease. Promptly upon any such termination, Lessee shall surrender and vacate the Ground Lease Premises and any other improvements/infrastructure located thereon, and Lessor may re-enter and take possession of the Ground Lease Premises and all improvements/infrastructure located thereon. Termination under this paragraph shall not relieve Lessee from any claim for damages previously accrued, or then accruing, against Lessee.
- (b). Re-entry Without Termination. Lessor may, at Lessor's election, re-enter the Ground Lease Premises and improvements/infrastructure located thereon, and without terminating this Lease, at any time, relet the Ground Lease Premises and improvements/infrastructure thereon, or any part(s) of them, for the account, and in the name of Lessee or otherwise, all upon rates and terms determined by Lessor, without hereby obligating Lessor to relet the Ground Lease Premises or make an effort to relet either or both of them in whole or in part, at any time. Any reletting may be for the remainder of the Term or for any longer or shorter period. Lessor shall have the further right, at Lessor's option, to make such reasonable and necessary alterations, repairs, replacements and/or restorations which shall not operate or be construed to release Lessee from liability hereunder. No act by or on behalf of Lessor under this provision shall constitute a termination of this Ground Lease unless Lessor gives Lessee written notice of termination.
- (c). Lessee's Personal Property. Lessor may, at Lessor's election, use Lessee's personal property and trade fixtures or any of such property and fixtures left on the Ground Lease Premises after termination or expiration of this Lease without compensation and without liability for use or damage, or Lessor may store them for the account and at the cost of Lessee. The election of one remedy for any one item shall not foreclose an election of any other remedy for another item, or for the same item at a later time.
- (d). Appointment of Receiver. Lessor may, if Lessor elects to file suit to enforce this Lease and/or protect its rights hereunder, in addition to the other remedies provided in this

Lease and by law, have the appointment of a receiver of the Ground Lease Premises and the improvements/infrastructure thereon.

Section 13.4. Remedies Cumulative. Suit or suits for the recovery of such damages, or any installments thereof, may be brought by Lessor from time to time at its election, and nothing contained herein shall be deemed to require Lessor to postpone suit until the date when the term of this Lease would have expired nor limit or preclude recovery by Lessor against Lessee of any sums or damages which, in addition to the damages particularly provided above, Lessor may lawfully be entitled by reason of any default hereunder on the part of Lessee. All the remedies hereinbefore given to Lessor and all rights and remedies given to it at law and in equity shall be cumulative and concurrent.

Section 13.5. Lessee's Liability After Default. If Lessee shall default in the performance of any of its obligations under this Lease, Lessor, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account and at the expense of Lessee, without notice in a case of emergency, and in any other case only if such default continues after the expiration of the curing period applicable under this Lease. Any reasonable expenses incurred by Lessor in connection with any such performance, and all reasonable attorneys' fees (subject to §15-77-300 of the South Carolina Code of Laws, 1976, *as amended*), including appellate, bankruptcy and post-judgment proceedings involved in collecting or endeavoring to collect the rent or any additional rent or any part thereof or enforcing or endeavoring to enforce any rights against Lessee or Lessee's obligations hereunder, shall be due and payable upon Lessor's submission of an invoice therefor. All sums advanced by Lessor on account of Lessee under this Section, or pursuant to any other provision of this Lease, and all rent, if delinquent or not paid by Lessee and received by Lessor when due hereunder, shall bear interest at the rate of twelve percent (12%) per annum from the due date thereof until paid and the same shall be and constitute additional rent and be due and payable upon Lessor's demand therefor.

Section 13.6. Holdover. If Lessee remains in possession of the Ground Lease Premises or any part thereof after the expiration or earlier termination of this Lease, Lessee shall become a Lessee at sufferance. Notwithstanding that Lessor may allow Lessee to continue in possession after the expiration or earlier termination of this Lease, neither that nor the provisions of this Section shall constitute a waiver of any of Lessor's rights under this Section or this Lease.

#### **ARTICLE 14 - SURRENDER AND REMOVAL**

Section 14.1. Surrender of Possession. Upon the expiration of the Term or any earlier termination thereof, Lessee shall surrender to Lessor possession of the Ground Lease Premises and all improvements/infrastructure constructed located and installed thereon. If Lessee is not then in default under any of the covenants and conditions hereof, Lessee may remove, or cause to be removed, all personal property and equipment of Lessee from the Ground Lease Premises prior to the expiration or effective date of termination of this Lease; thereafter all such personal property and equipment not removed shall belong to Lessor without the payment of any consideration.

Section 14.2. Lessee's Quitclaim. Upon the expiration of the Term, or any earlier termination of this Lease, Lessee agrees to execute, acknowledge and deliver to Lessor, if requested by Lessor, a proper instrument in writing, releasing and quitclaiming to Lessor all right, title and interest of Lessee in and to the Ground Lease Premises and all improvements/infrastructure thereon.

#### **ARTICLE 15 – GENERAL PROVISIONS**

Section 15.1. Conditions and Covenants. All of the provisions of this Lease shall be deemed as running with the land, and construed to be “conditions” as well as “covenants” as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

Section 15.2. Survival. All representations and warranties of Lessee or Lessor under this Lease shall survive the expiration or sooner termination of this Lease for acts occurring prior to expiration or termination of this Lease.

Section 15.3. No Waiver of Breach. No failure by either Lessor or Lessee to insist upon the strict performance by the other of any covenant, agreement, term or condition of this Lease, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Lease, but each and every covenant, condition, agreement and term of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

Section 15.4. Unavoidable Delay - Force Majeure. If either party shall be delayed or prevented from the performance of any act required by this Lease by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws, or regulations or other cause, without fault and beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

Section 15.5. Notices. Unless otherwise specifically provided in this Lease or by law, any and all notices or other communications required or permitted by this Lease or by law to be served on, given to, or delivered to any party to this Lease shall be writing and shall be deemed duly served, given, delivered and received when personally delivered (including confirmed overnight delivery service to the party to whom it is directed), or in lieu of such personal delivery, when three (3) business days have elapsed following deposit thereof in the United States mail, first-class postage prepaid, certified, return receipt requested, addressed to:

LESSOR:

Oconee County  
415 South Pine Street  
Walhalla, SC 29691  
Attn: County Administrator

with a copy to:

Oconee County  
415 South Pine Street  
Walhalla, SC 29691  
Attn: County Attorney

LESSEE:

The Foothills Farmstead  
158 Grant Road  
Westminster, SC 29693

with a copy to:

Either party may change its address for the purpose of this paragraph by giving written notice of such change to the other party in the manner provided in this paragraph.

Section 15.6. Gender. The use herein of (1) any gender includes all others, and (2) the singular number includes the plural and vice-versa, whenever the context so requires.

Section 15.7. Captions. Captions in this Lease are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Lease or any of the terms hereof.

Section 15.8. Waiver; Amendment. No modification, waiver, amendment, discharge or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

Section 15.9. Attorney's Fees. If either party retains an attorney to enforce or interpret this Lease, the prevailing party shall be entitled to recover, in addition to all other items of recovery permitted by law, reasonable attorneys' fees and costs incurred through litigation, bankruptcy proceedings and all appeals. This provision is subject to §15-77-300 of the South Carolina Code of Laws, 1976, *as amended*.

Section 15.10. Time. Time is of the essence of each obligation of each party hereunder.

Section 15.11. Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of South Carolina, without regard to conflict of law principles.

Section 15.12. Binding Effect. Subject to any provision of this Lease that may prohibit or curtail assignment of any rights hereunder, this Lease shall bind and inure to the benefit of the respective heirs, assigns, personal representatives, and successors of the parties hereto.

Section 15.13. Execution of Other Instruments. Each party agrees that it shall, upon the other's request, take any and all steps, and execute, acknowledge and deliver to the other party any and all further instruments necessary or expedient to effectuate the purpose of this Lease.

Section 15.14. Severability. If any term, provision, covenant or condition of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable or is otherwise challenged and determined to be invalid, illegal or incapable of being enforced as a result of any rule of law or public policy issued by an administrative or judicial forum that is not subject to further appeal or is not actually appealed, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated. In such event or if an opinion of counsel is provided to the effect that this Lease is not so enforceable, the parties hereto shall negotiate in good faith to modify this Lease so as to effect the original intent of the parties as closely as possible and to comply with applicable law, regulations or published governmental interpretations thereof, in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

Section 15.15. Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and when taken together will constitute one instrument.

Section 15.16. Estoppel Certificate. Either party shall execute, acknowledge and deliver to the other party, within twenty (20) days after requested by the other party, a statement in writing certifying, if such is the case, that this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified); the date of the commencement of this Lease; any alleged defaults and claims against the other party; and such other information as shall be reasonably requested.

Section 15.17. Memorandum of Lease. On or before the Lease Commencement Date, Lessor and Lessee shall execute and acknowledge a memorandum of this Lease for the purpose of recordation. The memorandum of this Lease shall be in the form attached hereto as Exhibit "C" and incorporated herein by reference.

Section 15.18. Dispute Resolution; Waiver of Trial by Jury.

- (a). Any conflict, dispute or grievance (collectively, "Conflict") by and between Lessor and Lessee shall be submitted to mediation before initiating court proceedings. The mediator selected to conduct the mediation must be mutually agreed upon by Lessor and

Lessee. Unless the parties otherwise agree, the mediator must be certified in South Carolina state and federal courts and have experience in matters forming the basis of the Conflict. The site for the mediation shall be Oconee County, South Carolina, and the mediation hearing shall be held within thirty (30) days of the selection of the mediator, unless otherwise agreed. Each party shall bear its own expenses associated with the mediation and the parties shall split the fees and expenses of the mediator evenly. Failure to agree to the selection of a mediator or failure to resolve the Conflict through mediation will entitle the parties to pursue other methods of dispute resolution, including without limitation, litigation. Notwithstanding any other provision contained herein, nothing in this Agreement shall be construed as requiring either party to participate in mediation prior to initiating court proceedings in which a temporary restraining order or preliminary injunction is sought. In such situations, the parties shall conduct mediation within thirty (30) days after the hearing on such motions or within such other time as is prescribed by the Court.

(b). LESSOR AND LESSEE MUTUALLY, EXPRESSLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY FOR ANY PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, OR ARISING OUT OF ANY CONDUCT OR COURSE OF DEALING OF THE PARTIES, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PERSONS. THIS WAIVER IS A MATERIAL INDUCEMENT OF LESSEE AND LESSOR TO ENTER INTO THIS LEASE.

**IN WITNESS WHEREOF**, this Lease has been executed on the respective dates set forth below.

IN THE PRESENCE OF:

LESSOR:

**THE COUNTY OF OCONEE,  
SOUTH CAROLINA**

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

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

LESSEE:

**THE FOOTHILLS FARMSTEAD**

\_\_\_\_\_

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

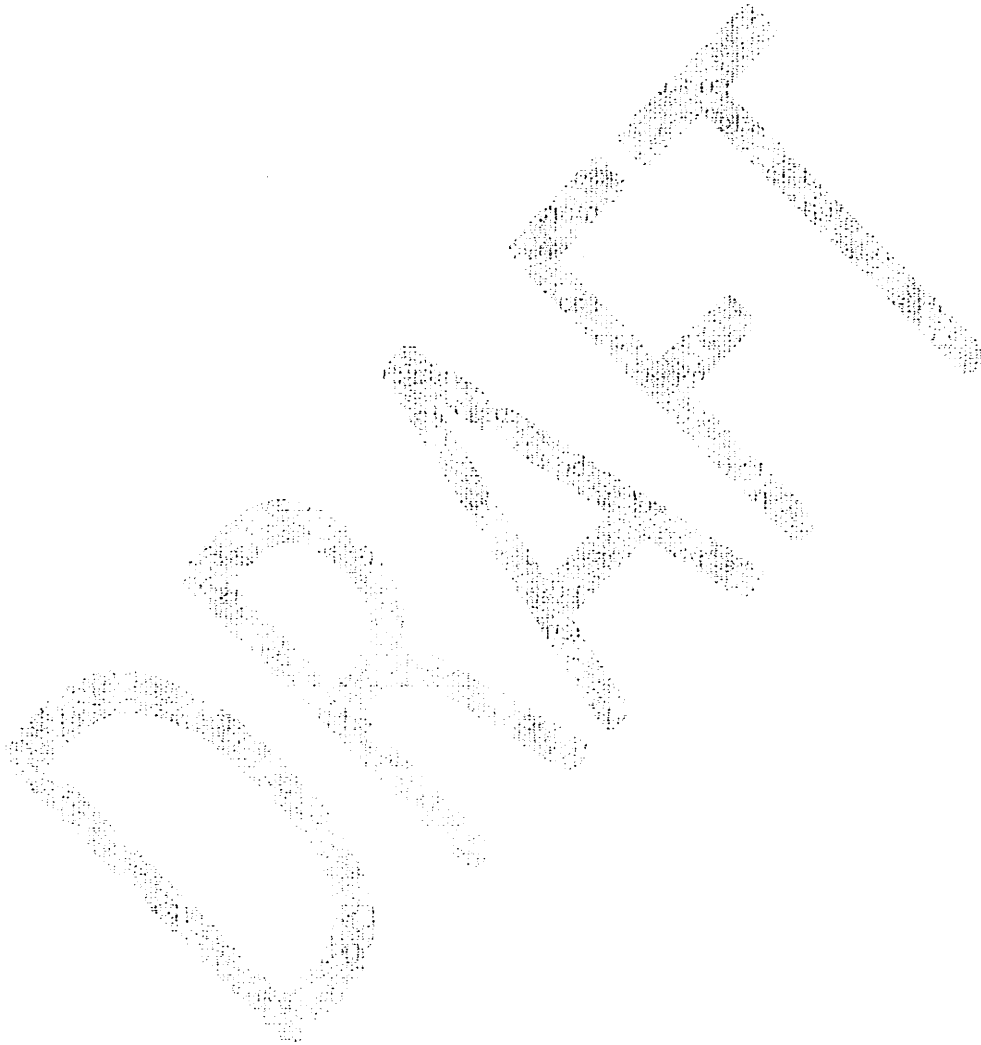
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**EXHIBIT A**  
**(SEE ATTACHED)**

DRAFT

**EXHIBIT B**  
**(SEE ATTACHED)**







**EXHIBIT A**

**(SEE ATTACHED)**

DRAFT

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OCONEE COUNTY, SOUTH CAROLINA

ORDINANCE NO. 2017-29

AUTHORIZING OCONEE COUNTY, SOUTH CAROLINA, TO ENTER INTO AN EQUIPMENT ACQUISITION AND USE AGREEMENT FOR THE PURPOSE OF ACQUIRING CERTAIN EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$6,552,500; AUTHORIZING THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO.

Enacted: \_\_\_\_\_, 2017

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BE IT ORDAINED BY THE COUNTY COUNCIL OF THE COUNTY OF OCONEE, SOUTH CAROLINA, IN COUNCIL ASSEMBLED:

Section 1. Findings and Determinations. The County Council (the "County Council") of Oconee County, South Carolina (the "County"), hereby finds and determines:

(a) Pursuant to Section 4-9-10, Code of Laws of South Carolina 1976, as amended (the "South Carolina Code"), the County operates under the Council-Administrator form of government and the Council constitutes the governing body of the County.

(b) Section 4-9-30 of the South Carolina Code empowers all counties to acquire real property by purchase or gift; to lease, sell or otherwise dispose of real and personal property; to acquire tangible personal property and supplies; and to make and execute contracts.

(c) The County owns and operates the Oconee County Rock Quarry (the "Rock Quarry") which provides crushed rock to be used on County roads and County property. Pursuant to Ordinance 91-10 enacted on October 1, 1991, the County has provided for a method of determining surplus gravel, stone and like products for sale to other parties after satisfaction of all present and reasonably foreseeable County future needs. There is a need to provide additional equipment for use at the Rock Quarry.

(d) The County desires to enter into an equipment acquisition and use agreement or other agreement (the "Acquisition Agreement") in the aggregate principal amount of not exceeding \$6,552,500 with a bank or other financial institution selected by the County Administrator for the purpose of financing the acquisition of some or all of the various items of equipment (the "Equipment") for use at the Rock Quarry and as described in Exhibit A attached hereto.

(e) The Acquisition Agreement will not constitute a "financing agreement" and the Equipment will not constitute an "asset" as such terms are defined in Section 11-27-110 of the South Carolina Code. Thus, the principal amount of the Acquisition Agreement will not be included when calculating the County's constitutional debt limit under Article X, Section 14 of the Constitution of the State of South Carolina.

(f) The County will have the option of making acquisition payments under the Acquisition Agreement from its general fund revenue or other approved revenue sources. Payments to be made under the Acquisition Agreement will be subject to annual appropriation by the County Council.

(g) It is in the best interest of the County to acquire the Equipment by entering into the Acquisition Agreement. The Acquisition Agreement will enable the County to purchase the Equipment which will used be in the operations of the Rock Quarry.

Section 2. Approval of Transaction. The Equipment described in Exhibit A shall be acquired pursuant to an equipment acquisition and use agreement which is hereby approved in the aggregate principal amount of not exceeding \$6,552,500.

Section 3. Authority to Determine Certain Matters Relating to the Transaction. Without further authorization, the County Council hereby authorizes the County Administrator to distribute a Request for Proposals for the financing of the Equipment in substantially the form set forth as Exhibit B hereto to various banks and other financial institutions in the County and other areas as the County's Director of Finance determines.

The County Council further authorizes and empowers the County Administrator to:

- (a) determine the principal amount of the Acquisition Agreement, if less than authorized by this Ordinance;
- (b) determine the Equipment (if different from such Equipment described herein) to be acquired pursuant to the Acquisition Agreement;
- (c) determine the payment schedule under the Acquisition Agreement;
- (d) determine the final payment date under the Acquisition Agreement;
- (e) determine the rate or rates of interest to be paid under the Acquisition Agreement;
- (f) determine the terms relating to any prepayment of the Acquisition Agreement;
- (g) determine the date and time for receipt of proposals under the Request for Proposals for the Acquisition Agreement; and
- (h) accept as well as negotiate with any responsible bidder under the terms of the Request for Proposals.

Section 4. Approval of Acquisition Agreement. Without further authorization, the County Administrator is authorized to approve the form, terms and provisions of the Acquisition Agreement proposed by the Bidder. The County Administrator is hereby authorized, empowered and directed to execute and deliver the Acquisition Agreement in the name and on behalf of the County and thereupon to cause the Acquisition Agreement to be delivered to the other party thereto. Any amendment to the Acquisition Agreement shall be executed in the same manner. The Acquisition Agreement is to be in the form as shall be approved by the County Administrator, his execution thereof to constitute conclusive evidence of such approval.

Section 5. Execution of Documents. The Chairman of County Council, County Administrator, Director of Finance, Clerk to County Council and County Attorney are fully empowered and authorized to take such further action and to execute and deliver such additional documents (including, but not limited to, any project fund agreements or escrow agreements) as may be reasonably requested by the bidder to effect the delivery of the Acquisition Agreement in accordance with the terms and conditions therein set forth, and the transactions contemplated hereby and thereby, and the action of such officers in executing and delivering any of such documents, in such form as the County Administrator shall approve, is hereby fully authorized.

Section 6. Filings with Central Repository. In compliance with Section 11-1-85 of the South Carolina Code, the County covenants that it will file or cause to be filed with a central repository for further availability in the secondary bond market when requested: (a) a copy of the annual audit of the County within thirty (30) days of the County's receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which, in the opinion of the County, adversely affects more than five percent (5%) of the County's revenue or its tax base.



Section 7. Employment of Professionals; Further Authorization. The County Council hereby authorizes the Chairman of the County Council, the County Administrator and the Director of Finance and the County Attorney to execute such documents and instruments as may be necessary to enter into the Acquisition Agreement or make modifications in any document including but not limited to the form of the Request for Proposals. The County Council hereby authorizes the County Administrator to retain McNair Law Firm, P.A., as special counsel, and Compass Municipal Advisors, LLC, as financial advisors, in connection with the execution and delivery of the Acquisition Agreement.

Section 8. Severability. All ordinances, orders, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the execution of the Acquisition Agreement are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its enactment.

Section 9. Effective Date. This Ordinance shall be effective upon its enactment by the County Council of Oconee County, South Carolina.

[Execution Page Follows]

Enacted this \_\_ day of \_\_\_\_\_, 2017.

OCONEE COUNTY, SOUTH CAROLINA

(SEAL)

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Chairman, County Council  
Oconee County, South Carolina

ATTEST:

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Administrator, Oconee County, South Carolina

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Clerk to County Council,  
Oconee County, South Carolina

Date of First Reading: November 21, 2017  
Date of Second Reading: December 5, 2017  
Date of Public Hearing: December 19, 2017  
Date of Third Reading: December 19, 2017

Exhibit A

Equipment

The equipment shall consist of rock crushing equipment related to the operation of the Oconee County Rock Quarry. Such equipment is expected to include one (1) jaw crusher, two (2) cone crushers, two (2) tertiary cone crushers, and screen decks; provided, however, the specific equipment to be acquired may adjust depending on bids received by the County from equipment vendors to satisfy production demands and specifications.

Exhibit B

Form of Request for Proposals

**REQUEST FOR PROPOSALS**

**Oconee County, South Carolina  
Equipment Acquisition and Use Agreement, 2018 (Taxable)**

**THE INTEREST PAID ON THE ACQUISITION AGREEMENT WILL NOT BE EXEMPT  
FROM FEDERAL INCOME TAXATION**

Response Due: \_\_\_\_\_, 2018  
\_\_\_\_\_, South Carolina Time

Time and Place of Sale: NOTICE IS HEREBY GIVEN that proposals addressed to the undersigned will be received on behalf of the County Council ("Council") of Oconee County, South Carolina (the "County"), in the County's offices, 415 South Pine Street, Walhalla, South Carolina 29691, until \_\_\_:\_\_\_m., South Carolina time, on \_\_\_\_\_, 20\_\_\_, at which time said proposals will be publicly opened.

Equipment Acquisition and Use Agreement: The Council has authorized the County to fund the cost of certain equipment as described in Exhibit A hereto (the "Equipment"). Such funding is anticipated to be accomplished through the execution and delivery of an Equipment Acquisition and Use Agreement (the "Agreement").

Mailed or Hand Delivered Bids: Each mailed or hand delivered proposal should be mailed or delivered to:

Oconee County, South Carolina  
Attn: Scott Moulder, County Administrator  
415 South Pine Street  
Walhalla, SC 29691

E-Mail Bids: Electronic proposals may be e-mailed to the attention of Scott Moulder, County Administrator, at [smoulder@oconeesc.com](mailto:smoulder@oconeesc.com), with a copy to Michael W. Burns, Esq., Special Counsel, at [mburns@mcnair.net](mailto:mburns@mcnair.net), and a copy to Brian Nurick, Financial Advisor, at [proposals@compassmuni.com](mailto:proposals@compassmuni.com).

PROPOSALS MAY BE DELIVERED BY HAND, BY MAIL, OR BY E-MAIL, BUT NO PROPOSAL SHALL BE CONSIDERED WHICH IS NOT ACTUALLY RECEIVED BY THE COUNTY AT THE PLACE, DATE AND TIME APPOINTED, AND THE COUNTY SHALL NOT BE RESPONSIBLE FOR ANY FAILURE, MISDIRECTION, DELAY OR ERROR RESULTING FROM THE SELECTION BY ANY BIDDER OF ANY PARTICULAR MEANS OF DELIVERY OF BIDS.

Please note that this request for proposals is also being sent to a number of other institutions as well and that the County reserves the right to select the proposal determined to be the most advantageous to the County in its sole discretion. The selection process will be heavily weighted toward lowest financing costs; however, lowest financing cost is not the only factor that may be considered by the

County. The County reserves the right to reject any or all bid proposals as well as negotiate with the lowest bidder.

I. Terms and Conditions:

- (a) Amount to be Financed: Not exceeding \$6,552,500. The County reserves the right to reduce the principal amount financed under the Agreement by up to 10% after acceptance of the winning bid. A bid for less than the total principal amount of the Agreement will not be considered.
- (b) Payments: Annual principal and interest payments (“Acquisition Payments”) under the Agreement will be payable on December 1 in each of the years 2018 to and including 2029. The principal portion of such payments are anticipated to be in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>
2018	\$475,290.91
2019	450,619.22
2020	468,643.98
2021	487,389.74
2022	506,885.33
2023	527,160.75
2024	548,247.18
2025	570,177.06
2026	592,984.15
2027	616,703.51
2028	641,371.65
2029	667,026.52

The County reserves the right to adjust the principal repayment schedule of the Agreement. The County anticipates that it will adjust the principal repayment schedule of the Agreement in order to achieve approximately level annual debt service. In the event of any such adjustment, no rebidding or recalculation of the proposals submitted will be required or permitted. The successful bidder may not withdraw its bid as a result of any adjustment to the aggregate principal amount financed, or the principal repayment schedule as described above.

- (c) Interest: Bidders shall submit a bid containing one single fixed rate of interest. Unless otherwise designated by a bidder, interest on the Agreement will be calculated based on a 360-day year comprised of twelve 30-day months.

Bids containing rates of interest which may adjust upon the occurrence of specified events, including changes in the bidder’s capital requirements or cost of capital, or for any other reason, will be rejected.

- (d) Guarantee of Interest Rate: The interest rate, costs and other terms of the bid submitted must be guaranteed from the date of your proposal to the closing date (expected to be on or about \_\_\_\_, 2018).

- (e) Equipment: See attached Exhibit A.
- (f) Form of Equipment Acquisition and Use Agreement: The Agreement will be in such form as the County and the successful bidder (the “Bank”) agree upon.
- (g) Acquisition Payments and Release Dates: It is anticipated that Acquisition Payments will be made from the proceeds of general obligation bonds, general fund revenues or other approved sources. In return for each Acquisition Payment and on each Acquisition Payment date (December 1, being the “Release Date”) the County will obtain unencumbered ownership of certain percentage of the Equipment as set forth on Exhibit B hereto.
- (h) Non-appropriation: A non-appropriation provision acceptable to the County must be included in the Agreement. Any and all amounts due including, but not limited to, scheduled acquisition payments, reimbursements, penalties or fees under the Agreement or any Acquisition/Escrow Account (as defined below) must be subject to annual appropriation by the County.
- (i) Non-substitution: A non-substitution provision is not permitted to be included in the Agreement.
- (j) Deficiency Judgment: No deficiency judgment can be assessed or imposed against the County nor will the full faith, credit and taxing power of the County be pledged to the payment of the Agreement.
- (k) Title: Title to the Equipment will be in the name of the County subject to the Bank’s rights and security interest under the Agreement. The Agreement must allow the County to obtain full, unencumbered title to the various items of the Equipment on December 1 in each of the years 2018 to and including 2027 in accordance with the Equipment Release Schedule attached hereto as Exhibit B. Upon the closing of the Agreement, the successful bidder shall be responsible for taking all actions it deems necessary to impose its lien or perfect any security interest in the Equipment. The County will cooperate with the bidder to effect such result.
- (l) Use of Proceeds: At closing, the proceeds will be deposited into a special account (the “Acquisition Account”) created under the Agreement and disbursed to the County or a named vendor, either as reimbursement for or to pay the costs of issuance of the Agreement, and costs of the acquisition of the Equipment, upon receipt by the holder of the Acquisition Account of a disbursement request. The Acquisition Account must be an interest bearing account properly collateralized, if necessary, as required by South Carolina law. Interest earnings therein must accrue to the County. The Acquisition Account will be structured to allow payments therefrom to be made (1) to the County to reimburse it for amounts expended by the County on the Equipment; and (2) to the vendors for payment of the Equipment as directed by the County. Without limitation of the foregoing, funds on deposit in the Acquisition Account must be made available upon request of the County for periodic partial payments to Equipment vendors for the manufacture and/or assembly of Equipment prior to delivery and acceptance of such Equipment by the County. All funds invested or deposited in the Acquisition Account shall at all times be invested or deposited, as applicable,

in a manner which satisfies the requirements of the laws of the State of South Carolina relating to investment or deposit of public funds, including, without limitation, Section 6-5-10 or Section 6-5-15 of the Code of Laws of South Carolina 1976, as amended, as applicable.

- (m) Costs of Issuance: All costs relating to the preparation of the Agreement and fees of special counsel will be paid by the County. Any fees and costs of the bidder to be paid by the County must be stated in the response to this Request for Proposals. Any fees or charges of the bidder to be paid by the County will be treated as additional interest. The Agreement must allow the County to pay its legal fees and costs related to execution and delivery of the Agreement out of the proceeds of the Agreement.
- (n) Insurance: The County is insured through the South Carolina Insurance Reserve Fund. The Equipment will be insured in a similar manner at face value. The lessor may be listed as a loss-payee, but may not be listed as an additional insured under the County's insurance coverage.
- (o) Federal Tax Exemption: Interest on the Acquisition Agreement will NOT be exempt from federal income taxation.
- (p) Closing: The County expects to close the transaction on or about \_\_\_\_\_, 2018.
- (q) Prepayment: Unless otherwise specifically provided in a bidder's proposal and agreed to by the County, the Agreement will be subject to prepayment at the option of the County in whole or in part at any time without any prepayment penalty.

## II. Proposal Requirements.

- (a) Proposals must be in writing. It is preferred that a bidder's proposal not be subject to further credit or underwriting approval.
- (b) No proposal may be modified by a bidder after it has been submitted.
- (c) Proposals should include: the name, address, and telephone number of your institution; the primary contact; and identity of legal counsel, if any.
- (d) Proposals must be accompanied with a list of all requirements and conditions associated with its bid.
- (e) Proposals must indicate a single interest rate for the lease term and it is requested that proposals include an amortization schedule showing annual payment amounts for the term of the financing.
- (f) Proposals must provide full disclosure of all financing costs, including any closing, legal, and tax opinion charges.
- (g) Any prepayment penalty or other fee requirements should be detailed in the proposal.

III. Evaluation of Proposals and Award.

The Acquisition Agreement will be awarded to the bidder that provides the most advantageous proposal, as determined by the County in its sole and absolute discretion. Proposals will be evaluated by the officials of the County based on various factors, including, but in no way limited to, the interest rate, redemption terms, additional credit or underwriting approval, additional covenants and terms, if any, and other conditions set forth therein. The County reserves the right to reject any and all bids or to waive irregularities in any proposal. The County expects to accept the successful proposal on \_\_\_\_\_, 2017.

IV. Legal Opinion. The execution and delivery of the Agreement is subject to the respective approving opinions of the McNair Law Firm, P.A., Special Counsel and David Root, Esq., the County Attorney.

V. Financial Advisor. Compass Municipal Advisors, LLC is acting as Financial Advisor to the County in connection with the Acquisition Agreement. In this capacity, Compass Municipal Advisors, LLC has provided technical assistance in the preparation of this Request for Proposals and assisted the County in preparing for this financing.

VII. Certificate of Lender: The successful purchaser of the Acquisition Agreement will be required to execute a Written Confirmation of Lender in substantially the form attached hereto as Exhibit C and incorporated herein by reference.



VIII. Additional Information.

If you should have any questions regarding the Request for Proposals, you should contact:

Scott Moulder, ICMA-CM  
Oconee County Administrator  
864.638.4244  
e-mail: [smoulder@oconeesc.com](mailto:smoulder@oconeesc.com)

Ladale V. Price  
Oconee County Finance Director  
864.638.4235  
email: [lprice@oconeesc.com](mailto:lprice@oconeesc.com)

Michael W. Burns, Esq.  
McNair Law Firm, P.A.  
864.271.4940  
email: [mburns@mcnair.net](mailto:mburns@mcnair.net)

Brian Nurick  
Compass Municipal Advisors, LLC  
Managing Director  
859.368.9616  
e-mail: [brian.nurick@compassmuni.com](mailto:brian.nurick@compassmuni.com)

Brandon T. Norris, Esq.  
McNair Law Firm, P.A.  
864.271.4940  
email: [bnorris@mcnair.net](mailto:bnorris@mcnair.net)

Dated: \_\_\_\_\_, 2017

Exhibit A

Description of Equipment

<u>Description</u>	<u>Estimated Cost*</u>
One Jaw Crusher	\$ _____
Two Cone Crushers	_____
Two Tertiary Cone Crushers	_____
	<u>\$ _____</u>

\_\_\_\_\_  
\*To be adjusted to reflect the actual cost of each item of the Equipment.

Exhibit B

Equipment Release Schedule

<u>Principal Paid</u>	<u>Percentage Released *</u>	<u>Release Dates (December 1 )</u>
		2018
		2019
		2020
		2021
		2022
		2023
		2024
		2025
		2026
		2027

\*The percentage of Equipment in the order set forth in Exhibit A hereto to be released upon a payment under the Agreement shall be revised as the time of closing of the Agreement to reflect any adjustment to the repayment schedule as permitted by Section I(b).

Exhibit C

Written Confirmation of Lender

[Date of Closing]

Oconee County, South Carolina  
Walhalla, South Carolina

McNair Law Firm, P.A.  
Greenville, South Carolina

Compass Municipal Advisors, LLC  
Columbia, South Carolina

§ \_\_\_\_\_ Equipment Acquisition and Use Agreement

Ladies and Gentlemen:

The undersigned, on behalf of [NAME OF LENDER], as lessor under the above-referenced Agreement (the "Lender"), has agreed to enter into the above-referenced Agreement with Oconee County, South Carolina (the "County") in order to finance the acquisition of certain equipment to be used by the County.

The Lender hereby represents to you that:

- (1) The Agreement is non-transferable or restricted to transfer to acquirers similar to Lender.
- (2) The Agreement may be transferred through participation or syndication only.
- (3) The financing arrangement between the Lender and the County is represented solely by the Agreement, which is a contract between the parties thereto.
- (4) The Agreement is not rated by a credit rating agency.
- (5) The Agreement is not assigned a CUSIP number.
- (6) Assignment of Lender's rights under the Agreement is subject to the terms and conditions of the Agreement.
- (7) There is no agreement facilitating creation of a market for trading, such as a marketing or remarketing agreement or continuing disclosure agreement, with respect to the Agreement or any obligations thereunder.

- (8) The terms of the Agreement have been negotiated between Lender and the County.
- (9) The obligations of the Lender under the Agreement will be those of the Lender, not the securities affiliate of the Lender.
- (10) Lender will treat the transaction contemplated by the Agreement as a loan, not a security, for accounting and regulatory purposes.
- (11) [Registration is in physical form, in name of the Lender.]
- (12) The Lender has sufficient knowledge and experience in financial and business matters, including those involving loans to public bodies, to be able to evaluate the risks and merits of the credit represented by the execution and delivery of the Agreement.
- (13) The Lender understands that no official statement, prospectus, offering circular or other comprehensive offering statement containing material information with respect to the County and the Agreement is being issued, and that, in due diligence, it has made its own inquiry and analysis with respect to the County, the Agreement, and other material factors affecting the security for and payment of the County's obligations under the Agreement.
- (14) The Lender acknowledges that it has either been supplied with or has access to information, including financial statements and other financial information, regarding the County, to which a reasonable lender would attach significance in making credit decisions, and has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the County, the Agreement and the security therefor, so that as a reasonable lender, it has been able to make its decision to execute and deliver the Agreement.
- (15) The Lender understands that the scope of engagement of McNair Law Firm, P.A., as Special Counsel, with respect to the Agreement has been limited to matters set forth in their opinion based on their view of such legal proceedings as they deem necessary to approve the validity of the Agreement.

[LENDER]

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE  
ORDINANCE 2017-30**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE AGREEMENT BETWEEN OCONEE COUNTY AND ITECH SOUTH, LLC, DATED AS OF APRIL 1, 2015, IN THE FORM OF AN AMENDED FEE AGREEMENT, PROVIDING FOR THE INCLUSION OF EUGENE CARLTON MORRIS AND JUNE COPELAND MORRIS AS CO-SPONSORS; AND OTHER MATTERS RELATED THERETO.

WHEREAS, as of April 1, 2015, the County of Oconee, South Carolina (the "County"), a body corporate and politic and a political subdivision of the State of South Carolina, acting by and through its governing body, the Oconee County Council (the "County Council") entered into a Fee in Lieu of Tax Agreement (the "Fee Agreement") with Itech South, LLC ("ITECH") to provide a fee in lieu of tax for ITECH for its investments in a manufacturing facility in Oconee County; and

WHEREAS, ITECH agreed to invest not less than \$5,000,000 in qualified economic development property in the Oconee County facility within five (5) years of the end of the year of execution of the Fee Agreement, and ITECH has to date reported that it has invested over \$8,000,000 in the facility and has thus exceeded its commitment to the County; and

WHEREAS, ITECH desires to include Eugene Carlton Morris and June Copeland Morris as co-sponsors (the "Co-Sponsors") in the Fee Agreement as such co-sponsors are defined in Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended (the "Act"); and

WHEREAS, the investments made to date qualify the Company to have Co-Sponsors pursuant to the terms of the Act.

NOW, THEREFORE, BE IT ORDAINED, by the County Council, in meeting duly assembled, that

1. The County hereby agrees that the Fee Agreement shall be amended, in the form of an Amended Fee Agreement (attached hereto, and hereby incorporated herein by reference, as Attachment A), in all necessary aspects so as to include the Co-Sponsors pursuant to the Amended Fee Agreement and the terms of the Act, and the Amended Fee Agreement and all other documents related thereto, once executed and delivered, are deemed to be in the name of and running fully to the benefit of ITECH and the Co-Sponsors.
2. The Chairman of County Council, the County Administrator, and the Clerk to County Council are hereby authorized and directed to execute and deliver the Amended Fee Agreement in the name of and on behalf of the County. The Amended Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall not be

materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of counsel to the County, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Amended Fee Agreement now before this meeting.

3. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

4. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

5. The County hereby agrees to waive, to the full extent allowed by law, the requirements of Section 12-44-55 of the Act with regard to the Fee Agreement for the Project, to the extent and so long as the Company makes and continues to make all filings required by the Act and provide copies thereof to the County within thirty (30) days of the date of filing.

6. This Ordinance shall take effect immediately on enactment and the consent for inclusion in the Amended Fee Agreement by the Co-Sponsors, will be given retroactive recognition and ratification of the events described herein, respectively, to the extent allowed by law.

Done in meeting duly assembled this \_\_\_\_ day of December, 2017

OCONEE COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
Edda Cammick, Chair of County Council  
Oconee County, South Carolina

ATTEST:

By: \_\_\_\_\_  
Katie D. Smith, Clerk to County Council  
Oconee County, South Carolina

First Reading: November 21, 2017  
Second Reading: December 5, 2017  
Public Hearing: December 19, 2017  
Third Reading: December 19, 2017

AMENDED FEE AGREEMENT

between

OCONEE COUNTY, SOUTH CAROLINA

and

ITECH SOUTH, LLC,  
A North Carolina Limited Liability Company

And

Eugene Carlton Morris and June Copeland Morris, Co-Sponsors  
(jointly with the Company hereinafter the "Sponsors")

Dated as of December 1, 2017

The County and the Company hereby agree to waive, to the full extent allowed by law, the requirements of Section 12-44-55 with regard to the Fee Agreement for the Project, to the extent and so long as the Company makes and continues to make all filings required by the Act, and provides copies of all such filings to the County.



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Oconee County, South Carolina

AMENDED FEE AGREEMENT

THIS AMENDED FEE AGREEMENT (this "Amended Fee Agreement") is made and entered into as of December 1, 2017, by and between OCONEE COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), acting by and through the Oconee County Council (the "County Council") as the governing body of the County, and ITECH SOUTH, LLC (the "Company"), organized and existing under the laws of the State of North Carolina, and Eugene Carlton Morris and June Copeland Morris as Co-Sponsors (jointly hereinafter the "Sponsors"), and is an amendment and continuation of the Fee Agreement (hereinafter defined).

WITNESSETH:

Recitals.

The County is authorized by Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended (the "Act") to enter into a fee agreement with entities meeting the requirements of such Act, which identifies certain property of such entities as economic development property, to induce such industries to locate in the State and to encourage industries now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State.

Pursuant to the Act, the County finds that (a) the Project (as defined herein) is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefit not otherwise adequately provided locally; (b) the Project gives rise to no

pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project to the public are greater than the costs to the public.

Pursuant to an Inducement Resolution enacted and executed by the County Council of the County on March 3, 2015 (referred to herein as the "Inducement Resolution"), the Company entered into a Fee Agreement dated as of April 1, 2015 and committed to acquire and equip by construction, lease-purchase, lease or otherwise, a facility for the manufacture of plastic molded products (the "Facility") which will be located in the County, which will consist of the acquisition, construction, installation, expansion, improvement, design and engineering, in phases, of additional or improved machinery and equipment, buildings, improvements or fixtures which will constitute the project (the "Project"). The Initial Project in the Park (as hereinafter defined) in the County has resulted in and constituted, prior to the execution of this Amended Fee Agreement, an investment of at least \$5,000,000 in fee in lieu of tax expenditures otherwise subject to ad valorem taxes except for the fee granted in the Fee Agreement, and thus is in compliance with the Act and this Amended Fee Agreement, and qualifies the Project to have multiple Sponsors. Approximately thirty-four (34) new, full-time jobs will be created in the County as part of the Project. The Company and the County agree that pursuant to the Act the existing land, building and fixtures for the Project are not eligible for inclusion in the Fee Agreement.

Pursuant to an Amended Fee Ordinance adopted on December 19, 2017 to amend the Fee Agreement dated as of April 1, 2015 by and between the County and the Company (the "Fee Ordinance") and, as an inducement to the Sponsors to develop the Project and at the Sponsors'

request, the County Council, among other things, authorized the County to enter into this Amended Fee Agreement (the “Amended Fee Agreement”) with the Sponsors which amends the Fee Agreement to read as stated herein, and identifies the property comprising the Project as Economic Development Property (as defined in the Act) under the Act subject to the terms and conditions hereof.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows, with the understanding that no obligation of the County described herein shall create a pecuniary liability or charge upon its general credit or taxing powers, but shall be payable solely out of the sources of payment described herein and shall not under any circumstances be deemed to constitute a general obligation of the County.

## ARTICLE I

### DEFINITIONS

The terms defined in this Article shall for all purposes of this Amended Fee Agreement have the meaning herein specified, unless the context clearly requires otherwise.

"Act" shall mean Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended, and all future acts supplemental thereto or amendatory thereof.

“Amended Fee Agreement” shall mean this Amended Fee Agreement dated as of December 1, 2017, which amends and replaces the Fee Agreement, except as otherwise noted herein or in the Fee Agreement.

“Amended Fee Ordinance” shall mean the Ordinance of the County Council adopted on December 19, 2017 authorizing the Amended Fee Agreement dated as of December 1, 2017.

"Authorized Sponsors Representative" shall mean the person designated from time to time to act on behalf of the Sponsors as evidenced by a written certificate or certificates furnished to the County containing the specimen signature of each such person, signed on behalf of the Sponsors. Such certificates may designate an alternate or alternates, and may designate different Authorized Sponsors Representatives to act for the Sponsors with respect to different sections of this Amended Fee Agreement.

"Authorized County Representative" shall mean the Administrator of the County or his/her designee as evidenced by a written certificate of the County Administrator (hereinafter defined).

"Chairman" shall mean the Chairman of the County Council of Oconee County, South Carolina

"Clerk to County Council" shall mean the Clerk to the County Council of Oconee County, South Carolina.

"Closing" or "Closing Date" shall mean the date of the execution and delivery hereof.

"Code" shall mean the Code of Laws of South Carolina, 1976, as amended.

"Company" shall mean ITECH SOUTH, LLC, a limited liability company organized under the laws of the State of North Carolina and duly qualified to transact business in the State.

"County" shall mean Oconee County, South Carolina, a body politic and corporate and a political subdivision of the State, its successors and assigns, acting by and through the County Council as the governing body of the County.

"County Administrator" shall mean the Administrator of Oconee County, South Carolina.

"County Council" shall mean the Oconee County Council, the governing body of the County.

"Diminution of Value" in respect of any Phase of the Project shall mean any reduction in the value based on original fair market value as determined in Step 1 of Section 4.1 of this Amended Fee Agreement, of the items which constitute a part of the Phase which may be caused by (i) the Company's removal of equipment pursuant to Section 4.7 of this Amended Fee Agreement, (ii) a casualty to the Phase of the Project, or any part thereof, described in Section 4.8 of this Amended Fee Agreement or (iii) a condemnation to the Phase of the Project, or any part thereof, described in Section 4.9 of this Amended Fee Agreement.

"Economic Development Property" shall mean all items of tangible Real Property, Improvements and Equipment, as defined herein, comprising the Project which are eligible for inclusion as economic development property under the Act, become subject to the Fee Agreement, and which are identified by the Company in connection with its required annual filing of a SCDOR PT-100, PT-300 or comparable form with the South Carolina Department of Revenue and Taxation (as such filing may be amended from time to time) for each year within the Investment Period. Title to all Economic Development Property shall at all times remain vested in the Company.

"Equipment" shall mean all of the machinery, equipment, furniture and fixtures of the Project, together with any and all additions, accessions, replacements and substitutions thereto or therefor to the extent such machinery, equipment, furniture and fixtures constitute Economic Development Property and thus become a part of the Project under this Amended Fee Agreement.

"Event of Default" shall mean any Event of Default specified in Section 4.14 of this Amended Fee Agreement.

"Facility" shall mean any such facility that the Sponsors may cause to be constructed, acquired, modified or expanded in Oconee County, South Carolina on the land acquired by, leased by or on behalf of the Sponsors for the Project.

"Fee Agreement" shall mean the Fee Agreement between the County and the Company dated as of April 1, 2015.

"Fee Ordinance" shall mean the ordinance authorizing the Fee Agreement, adopted by the County Council on April 21, 2015.

"Fee Term" or "Term" shall mean the period from the date of delivery of the Fee Agreement until the last Phase Termination Date unless sooner terminated or extended pursuant to the terms of this Amended Fee Agreement.

"FILOT Revenues" shall mean the payments in lieu of taxes which the Sponsors are obligated to pay to the County pursuant to Section 4.1 hereof.

"Improvements" shall mean improvements, together with any and all additions, accessions, replacements and substitutions thereto or therefor, but only to the extent such additions, accessions, replacements, and substitutions are deemed to become part of the Project under the terms of this Amended Fee Agreement.

"Inducement Agreement" shall mean the Inducement Agreement entered into between the County on March 3, 2015 and the Company on April 1, 2015 as authorized by the Inducement Resolution.

"Inducement Resolution" shall mean the resolution of the County Council adopted on March 3, 2015, authorizing the County to enter into the arrangements described herein.



“Infrastructure Tax Credits” shall mean the credit against the fee in lieu of tax payments to be made by the Company to the County on and for the Project in the Park, as authorized by Section 4-1-175 of the Code and Section 4.10 hereof.

"Investment Period" shall mean the period commencing January 1, 2015, and ending on the last day of the fifth (5<sup>th</sup>) property tax year following the property tax year in which the Fee Agreement was executed and continuing, pursuant to this Amended Fee Agreement, until the last day of the tenth (10<sup>th</sup>) property tax year following the property tax year in which the Fee Agreement was executed.

“Minimum Investment” shall mean that the Company shall invest under and pursuant to the Fee Agreement not less than Five Million Dollars (\$5,000,000) in qualifying, new taxable investment in the Project by the end of the fifth (5<sup>th</sup>) year after the year of execution of the Fee Agreement, and that \$5,000,000 of that investment shall be maintained, without regard to depreciation, during the entire time that Infrastructure Credits are provided, hereunder, in accordance with the Act, and in which approximately thirty-four (34) new, full-time jobs will be created.

“Park” shall mean the industrial and business park created by the Park Agreement.

“Park Agreement” shall mean the Agreement for Development of an Industrial/Business Park for the Park between the County and Pickens County originally dated May 4, 1998, as amended from time to time. The term of the Park as to the Project Site has been or is being extended and will expire on December 31, 2023.

"Phase" or "Phases" in respect of the Project shall mean the Equipment, Improvements and Real Property, if any, placed in service during each year of the Investment Period.

"Phase Termination Date" shall mean with respect to each Phase of the Project the day thirty years after each such Phase of the Project becomes subject to the terms of this Amended Fee Agreement. Anything contained herein to the contrary notwithstanding, the last Phase Termination Date shall be no later than December 31, 2055.

"Project" shall mean the Improvements and Equipment, together with the acquisition, construction, installation, design and engineering thereof, in phases, which shall constitute expansions or improvements of the Facility, and includes the initial Project. The Project involves an initial investment of sufficient sums to qualify as a Project under the Act.

"Real Property" shall mean the real property described in Exhibit A attached hereto, together with all and singular the rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto and at which the Improvements and Equipment that comprises part of the Project under the terms of this Amended Fee Agreement is located, as well as any real property which, itself, qualifies as part of the Project, as set forth herein.

"Removed Components" shall mean the following types of components or Phases of the Project or portions thereof, all of which the Sponsors shall be entitled to remove from the Project with the result that the same shall no longer be subject to the terms of this Amended Fee Agreement:

(a) components or Phases of the Project or portions thereof which the Sponsors, in their sole discretion, determine to be inadequate, obsolete, worn-out, uneconomic, damaged, unsuitable, undesirable or unnecessary; or (b) components or Phases of the Project or portions thereof which the

Sponsors in their sole discretion, elect to remove pursuant to Section 4.8(c) or Section 4.9(b)(iii) of this Amended Fee Agreement.

"Replacement Property" shall mean any property which is placed in service as a replacement pursuant to Section 4.5 hereof for any item of Equipment or any Improvement which is scrapped or sold by the Sponsors and treated as a Removed Component under Section 4.8 hereof regardless of whether such property serves the same function as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment or any Improvement.

"Sponsors" shall mean the Company and Eugene Carlton Morris and June Copeland Morris in conformity with the terms of the Act, specifically as the Act was amended by Act 283 in 2003.

"State" shall mean the State of South Carolina.

Any reference to any agreement or document in this Article I or otherwise in this Amended Fee Agreement shall be deemed to include any and all amendments, supplements, addenda, and modifications to such agreement or document.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations of the County. The County hereby represents and warrants to the Company as follows:

(a) The County is a body politic and corporate and a political subdivision of the State which acts through the County Council as its governing body and by the provisions of the Act is authorized and empowered to enter into the transactions contemplated by this Amended Fee Agreement and to carry out its obligations hereunder. The County has duly authorized the execution and delivery of this Amended Fee Agreement and any and all other agreements described herein or therein.

(b) The Project, as represented by the Sponsors to the County, constitutes a "project" within the meaning of the Act.

(c) By due corporate action, the County has agreed that, subject to compliance with applicable laws, each item of real and tangible personal property comprising the Project shall be considered Economic Development Property under the Act. The Authorized County Representative is to take all administrative or managerial actions to be taken or consented to by the County pursuant to this Agreement.

Section 2.2 Representations of the Company. The Sponsors individually or jointly hereby represent and warrant to the County as follows:

(a) The Company is duly organized and in good standing under the laws of the State of North Carolina, is qualified to do business in the State, has power to enter into this Amended Fee

Agreement, and by proper company action has duly authorized the execution and delivery of this Amended Fee Agreement.

(b) The Sponsors execution and delivery of this Amended Fee Agreement and their compliance with the provisions hereof will not result in a default, not waived or cured, under any company restriction or any agreement or instrument to which the Company or any Sponsor is now a party or by which it is bound.

(c) The Sponsors intend to operate the Project as a "Project" within the meaning of the Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of a facility which manufactures plastic molded products and other legal activities and functions with respect thereto, and for such other purposes permitted under the Act as the Company may deem appropriate.

(d) The availability of the payment in lieu of taxes with regard to the Economic Development Property authorized by the Act has induced the Sponsors to locate and expand the Facility and Project in the State.

(e) The Sponsors anticipate that the cost of the project will be at least \$5,000,000 in qualifying taxable investment in eligible, Economic Development Property in the County within five (5) years of the end of the Company tax year in which the Fee Agreement was executed. The Sponsors will invest not less than Five Million Dollars (\$5,000,000) in Economic Development Property, subject to the fee in the Project by the end of the fifth succeeding year following the year of the execution of the Fee Agreement, or lose the benefits of this Amended Agreement retroactively to the outset, with interest and repayment due to the County for both FILOT payments and Infrastructure Tax Credits, as though the Minimum Investment requirements of the Act had not

been met. Should such \$5,000,000 Minimum Investment, without regard to depreciation, not be maintained for the initial ten (10) years of the Fee Agreement, all as required by this Amended Agreement and the Act, at any point in time, after having once been achieved, the Company will lose the benefit of this Amended Fee Agreement and Infrastructure Tax Credits and the Project will revert to normal tax treatment, pursuant to Section 12-44-140(B) of the Act, prospectively, from the point at which such maintenance requirement is lost.

### ARTICLE III

#### COMMENCEMENT AND COMPLETION OF THE PROJECT

Section 3.1    The Project.    The Sponsors have acquired, constructed and/or installed or made plans for the acquisition, lease, construction, expansion and/or installation of certain land, buildings, improvements, fixtures, machinery and equipment which comprise the Project.

Pursuant to the Act, the Sponsors and the County hereby agree that the property comprising the Project shall be Economic Development Property as defined under the Act. Anything contained in this Amended Fee Agreement to the contrary notwithstanding, the Company shall not be obligated to complete the acquisition of the Project provided it makes the payments required hereunder, and provided that the Company may lose the benefit of this Amended Fee Agreement if it does not complete the Project.

Section 3.2    Diligent Completion.    The Sponsors agree to use its reasonable efforts to cause the acquisition, construction and installation of the Project to be completed as soon as practicable, but in any event on or prior to December 31, 2020, or on or prior to December 31, 2025 if not less than \$5,000,000 of Economic Development Property is invested in the Project on or prior to December 31, 2020. The investment in the Project already having exceeded \$5,000,000 by the

date of this Amended Fee Agreement, according to the Sponsors, the County hereby agrees to an extension of the Investment Period until the end of 2025, subject to verification of the amount of investment by subsequent tax returns. Anything contained in this Amended Fee Agreement to the contrary notwithstanding, the Sponsors shall not be obligated to complete the acquisition of the Project in the event that it pays all amounts due from and by it under the terms of this Amended Fee Agreement, and provided that the Sponsors may lose the benefit of this Amended Fee Agreement if it does not complete the Project, and may owe repayment to the County under the terms hereof in certain such circumstances.

#### ARTICLE IV

##### PAYMENTS IN LIEU OF TAXES

Section 4.1 Negotiated Payments. Pursuant to Section 12-44-50 of the Act, the Sponsors are required to make payments in lieu of ad valorem taxes to the County with respect to the Project. Inasmuch as the Sponsors anticipate the Project will involve an initial investment of sufficient sums to qualify to enter into a fee in lieu of tax (“FILOT”) arrangement under Section 12-44-50(A)(1) of the Act, and to meet the investment representations of Section 2.2(f), hereof, the County and the Sponsors have negotiated the amount of the payments in lieu of taxes in accordance therewith. In accordance therewith, the Sponsors shall make payments in lieu of ad valorem taxes on all Economic Development Property which comprises the Project and is placed in service, as follows: the Sponsors shall make payments in lieu of ad valorem taxes with respect to each Phase of the Project placed in service on or before each December 31 through December 31, 2025, said payments to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for ad valorem taxes. The amount

of such annual payments in lieu of taxes shall be determined by the following procedure (subject, in any event, to the required procedures under the Act):

- Step 1: Determine the fair market value of the Phase of the Project placed in service in any given year for such year and for the following 29 years using the original income tax basis for State income tax purposes less depreciation for each year allowable to the Company and Sponsors for any personal property as determined in accordance with Title 12 of the Code, as amended and in effect on December 31 of the year in which each Phase becomes subject to this Amended Fee Agreement, except that no extraordinary obsolescence shall be allowable but taking into account all applicable property tax exemptions which would be allowed to the Company under State law, if the property were taxable, except those exemptions specifically disallowed under Section 12-44-50(A)(2) of the Act, as amended and in effect on December 31 of the year in which each Phase becomes subject to the Fee Agreement.
- Step 2: Apply a fixed assessment ratio of six percent (6%) to the fair market value as determined for each year in Step 1 to establish the taxable value of each Phase of the Project in the year it is placed in service and in each of the twenty-nine years thereafter or such longer period of years that the annual fee payment is permitted to be made by the Sponsors under the Act, as amended, if the County approves, in writing, the use of such longer period created by any such amendment.
- Step 3: Multiply the taxable values, from Step 2, by the millage rate in effect for the Project site on June 30, 2014, which the parties believe to be 215.0 mils (which millage rate shall remain fixed for the term of this Amended Fee Agreement), to determine the amount of the payments in lieu of taxes which would be due in each of the thirty years listed on the payment dates prescribed by the County for such payments, or such longer period of years that the County may subsequently agree, in writing, that the annual fee payment is permitted to be made by the Sponsors under the Act, as amended.

Subject to the terms and provisions herein contained and with the consent of the County, with respect to each Phase, this Agreement shall be and remain in full force and effect for a term commencing on the date hereof, and ending at midnight on December 31 of the year which is the



twenty-ninth (29<sup>th</sup>) year following the first year in which each Phase is placed in service, unless sooner terminated as herein permitted; provided that, if at the expiration of the term of this Agreement payment of all FILOT Payments under this Section 4.01 relating to the operation of the Project during such term have not been made, such term shall expire on such later date as such payments shall have been made in full or so provided for; provided, further; that such extension of such term shall not increase the number of FILOT Payments for which the Sponsors qualifies under this Section.

In the event that it is determined by a final order of a court of competent jurisdiction or by agreement of the parties that the minimum payment in lieu of taxes applicable to this transaction is to be calculated differently than described above, the payment shall be reset at the minimum permitted level so determined, but never lower than the level described in this Agreement for the investment in the Project without the express, written consent of the County.

In the event that the Act and/or the above-described payments in lieu of taxes are declared invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions that such payments be reformed so as to most closely effectuate the legal, valid, and enforceable intent thereof and so as to afford the Sponsors with the benefits to be derived herefrom, it being the intention of the County to offer the Sponsors a strong inducement to locate the Project in the County. If the Project is deemed to be subject to ad valorem taxation, the payment in lieu of ad valorem taxes to be paid to the County by the Sponsors shall become equal to the amount which would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the Project did not constitute Economic Development Property under the Act, but with appropriate reductions equivalent to all tax

exemptions which would be afforded to the Sponsors if the Project was not and had not been Economic Development Property under the Act. In such event, any amount determined to be due and owing to the County from the Sponsors, with respect to a year or years for which payments in lieu of ad valorem taxes have been previously remitted by the Sponsors to the County hereunder, shall be reduced by the actual amount of payments in lieu of ad valorem taxes already made by the Sponsors with respect to the Project pursuant to the terms hereof.

Section 4.2    Cost of Completion. In the event that the cost of completion of the Project has not exceeded \$5,000,000 in non-exempt Economic Development Property, as required under Section 12-44-30(13) of the Act by December 31, 2020, at the Project in the Park by that date, then beginning with the payment finally due in 2021, the payment in lieu of ad valorem taxes to be paid to the County by the Sponsors shall become equal to the amount as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Project were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions which would be afforded to the Sponsors in such a case, and the Investment Period will be terminated at that point. In addition to the foregoing, the Sponsors shall pay to the County an amount which is equal to the excess, if any, of (i) the total amount of ad valorem taxes that would have been payable to the County with respect to the Project through and including 2020 using the calculations described in this Section, over, (ii) the total net amount of payments in lieu of ad valorem taxes (including Infrastructure Credits) actually made by the Sponsors with respect to the Project through and including 2020. Any amounts determined owing pursuant to the foregoing sentence shall be subject to interest as provided in the Act. Further, in the event, thereafter, that the investment in the

Project, without regard to depreciation, once having achieved the Minimum Investment, falls below \$5,000,000 (without regard to depreciation), during the first ten (10) years that the Infrastructure Credits are in effect,, the payment in lieu of ad valorem taxes to be paid to the County by the Sponsors from such respective point on, for the duration of this Amended Fee Agreement shall become equal to the amount as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Project were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions which would be afforded to the Sponsors in such a case, and the Investment Period and payments in lieu of ad valorem taxes and Infrastructure Tax Credits will be terminated at that point at which the investment in the Project, without regard to depreciation, falls below such \$5,000,000.

Section 4.3    Payments in Lieu of Taxes on Replacement Property.    If the Sponsors elect to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Project, then, pursuant and subject to Section 12-44-60 of the Act, the Sponsors shall make statutory payments in lieu of ad valorem taxes with regard to such Replacement Property as follows:

- (i)    to the extent that the income tax basis of the Replacement Property (the "Replacement Value") is less than or equal to the original income tax basis of the Removed Components (the "Original Value") the amount of the payments in lieu of taxes to be made by the Sponsors with respect to such Replacement Property shall be calculated in accordance with Section 4.1 hereof; provided, however, in making such calculations, the cost to be used in Step 1 of Section 4.1 shall be equal to the

lesser of (x) the Replacement Value and (y) the Original Value, and the number of annual payments to be made with respect to the Replacement Property shall be equal to thirty (30) (or, if greater, pursuant to subsequent written agreement with the County, the maximum number of years for which the annual fee payments are available to the Sponsors for each portion of the Project under the Act, as amended) minus the number of annual payments which have been made with respect to the Removed Components; and provided, further, however, that in the event a varying number of annual payments have been made with respect to such Removed Components as a result of such Removed Components being included within more than one Phase of the Project, then the number of annual payments which shall be deemed to have been made shall be the greater of such number of annual payments; and

- (ii) to the extent that the Replacement Value exceeds the Original Value of the Removed Components (the "Excess Value"), the payments in lieu of taxes to be made by the Sponsors with respect to the Excess Value shall be equal to the payment that would be due if the property were not Economic Development Property.

Section 4.4 Infrastructure Tax Credits. The County agrees that the Company shall be entitled to Infrastructure Tax Credits, to be taken as a set off against the FILOT payments for the Project in the Park owed, pursuant to Section 4.1, hereof, in each of ten (10) consecutive years of such FILOT payments, in an annual amount equal to fifteen percent (15%) of the net FILOT payments (after payment of the MCIP partner county fee) generated by the Project in the Park commencing in the property tax year in which the total new, taxable investment of the Sponsors in

the Project equals or exceeds \$5,000,000 and continuing for the next nine (9) years thereafter, but not to exceed the actual cost of the Infrastructure, totally or in any given year. Such Infrastructure Tax Credits may be taken by the Sponsors only to the extent that such Sponsors have invested in qualifying improvements as defined in Section 12-44-70 of the Act and Section 4-29-68(A)(2) of the South Carolina Code of Laws, 1976, as amended. The Sponsors shall be responsible for certifying to the County the amount of Qualified Improvements incurred, and for claiming the credit on any tax (fee in lieu of tax) calculations required by law to be submitted by the Sponsors. Based on this certification, the Treasurer of the County shall display and subtract the Infrastructure Tax Credits from the fee in lieu of tax payment statement sent to the Sponsors for the duration of the Infrastructure Tax Credits. At no time shall the aggregate of Infrastructure Tax Credits received by the Sponsors exceed the certified amount of Qualified Improvements.

Section 4.5 Reductions in Payments of Taxes Upon Removal, Condemnation or Casualty. In the event of a Diminution in Value of any Phase of the Project, the payment in lieu of taxes with regard to that Phase of the Project shall be reduced in the same proportion as the amount of such Diminution in Value bears to the original fair market value of that Phase of the Project as determined pursuant to Step 1 of Section 4.1 hereof; subject, always, however to the terms and provisions of Section 4.2 hereof.

Section 4.6 Place and Allocation of Payments in Lieu of Taxes. The Sponsors shall make the above-described payments in lieu of taxes directly to the County in accordance with applicable law as to time, place, method of payment, and penalties and enforcement of collection.

Section 4.7 Removal of Equipment. Provided that no Event of Default shall have occurred and be continuing under this Amended Fee Agreement, and subject to Section 4.2 and

Section 4.5, hereof, the Sponsors shall be entitled to remove the following types of components or Phases of the Project from the Project with the result that said components or Phases (the "Removed Components") shall no longer be considered a part of the Project and shall no longer be subject to the terms of this Amended Fee Agreement: (a) components or Phases which become subject to statutory payments in lieu of ad valorem taxes; (b) components or Phases of the Project or portions thereof which the Sponsors, in their sole discretion, determine to be inadequate, obsolete, uneconomic, worn-out, damaged, unsuitable, undesirable or unnecessary; or (c) components or Phases of the Project or portions thereof which the Sponsors, in their sole discretion, elect to remove pursuant to Section 4.8(c) or Section 4.9(b)(iii) hereof. The Sponsors shall provide annual written notice to the County of the Removed Components in conjunction with the filing of the PT300 property tax form.

Section 4.8     Damage or Destruction of Project.

(a)     Election to Terminate. In the event the Project is damaged by fire, explosion, or any other casualty, the Sponsors shall be entitled to terminate this Agreement.

(b)     Election to Rebuild. In the event the Real Property in which the project is located is damaged by fire, explosion, or any other casualty, and if the Sponsors do not elect to terminate this Agreement, the Sponsors may commence to restore the Project with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Sponsors, subject to the provisions of Section 4.5, hereof. Subject to the terms and provisions of this Agreement, all such restorations and replacements shall be considered substitutions of the destroyed portions of the

Project and shall be considered part of the Project for all purposes hereof, including, but not limited to any amounts due by the Sponsors to the County under Section 4.1 hereof.

(c) Election to Remove. In the event the Sponsors elect not to terminate this Agreement pursuant to subsection (a) and elect not to rebuild pursuant to subsection (b), the damaged portions of the Project shall be treated as Removed Components, subject to Section 4.2 and Section 4.5 hereof.

#### Section 4.9    Condemnation.

(a) Complete Taking. If at any time during the Fee Term title to or temporary use of the entire Project should become vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation or the right of eminent domain, or by voluntary transfer under threat of such taking, or in the event that title to a portion of the Real Property shall be taken rendering continued occupancy of the Project commercially infeasible in the judgment of the Sponsors, the Sponsors shall have the option to terminate this Amended Fee Agreement as of the time of vesting of title by sending written notice to the County within a reasonable period of time following such vesting.

(b) Partial Taking. In the event of a partial taking of the Real Property or a transfer in lieu thereof, and subject to Section 4.2 and Section 4.5, hereof, the Sponsors may elect: (i) to terminate this Amended Fee Agreement; (ii) to repair and restore the Project, with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Sponsors; or (iii) to treat the portions of the Project so taken as Removed Components.

Section 4.10 Maintenance of Existence. The Sponsors agree (i) that they shall not take any action which will materially impair the maintenance of its company existence and (ii) that the Company will maintain its good standing under all applicable provisions of State law. Provided, however, the Company or any Sponsors may merge with or be acquired by another company so long as the surviving company has a net asset value equal to or greater than that of the Sponsors' net asset value.

Section 4.11 Indemnification Covenants. Except for matters represented or warranted by the County pursuant to Section 2.1 (a) and (c), the Sponsors shall and agree to indemnify and save the County, its employees, officers, and agents (the "Indemnified Parties") harmless against and from all claims by or on behalf of any person, firm or corporation arising from the County's entry into this Agreement. The Sponsors shall indemnify and save the Indemnified Parties harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon, and upon notice from the County; the Sponsors shall defend them in any such action, prosecution or proceeding.

Section 4.12 Confidentiality/Limitation on Access to Project. The County acknowledges and understands that the Sponsors utilize confidential and proprietary "state of the art" equipment and techniques and that any disclosure of any information relating to such equipment or techniques, including but not limited to disclosures of financial or other information concerning the Sponsors' operations could result in substantial harm to the Sponsors and could thereby have a significant detrimental impact on the Sponsors' employees and also upon the County. Therefore, the County agrees that, except as required by law and pursuant to the County's police powers, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to



receive any such confidential or proprietary information; or (ii) shall request or be entitled to inspect the Project, the Facility or any property associated therewith; provided, however, that if an Event of Default shall have occurred and be continuing hereunder, the County shall be entitled to inspect the Project provided they shall comply with the remaining provisions of this Section; and, the County (iii) shall use its best, good faith efforts to not knowingly and intentionally disclose or otherwise divulge any such confidential or proprietary information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law. Notwithstanding the expectation that the County will not have any confidential or proprietary information of the Sponsors, if the Sponsors do provide such information to the County, if the Sponsors will clearly and conspicuously mark such information as “Confidential” or “Proprietary”, or both, then, in that event, prior to disclosing any confidential or proprietary information or allowing inspections of the Project, the Facility or any property associated therewith, the Sponsors may require the execution of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who would gather, receive or review such information or conduct or review the results of any inspections.

Section 4.13 Assignment and Subletting. This Amended Fee Agreement may be assigned in whole or in part and the Project may be subleased as a whole or in part by the Sponsors with the prior consent of the County, which consent will not unreasonably be withheld, so long as such assignment or sublease is made in compliance with Section 12-44-120 of the Act.

Section 4.14 Events of Default. In addition to the specific events of default noted elsewhere herein, as to investment and job creation requirements, the following shall be "Events of

Default" under this Amended Fee Agreement, and the term "Events of Default" shall mean, whenever used with reference to this Amended Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Sponsors to make, upon levy, the payments in lieu of taxes described in Section 4.1 hereof; provided, however, that the Sponsors shall be entitled to all redemption rights granted by applicable statutes; or

(b) Failure by the Sponsors to perform any of the material terms, conditions, obligations or covenants of the Sponsors hereunder, other than those already noted in this Section 4.14 which failure shall continue for a period of ninety (90) days after written notice from the County to the Sponsors specifying such failure and requesting that it be remedied, unless the County shall agree in writing to an extension of such time prior to its expiration.

Section 4.15 Remedies on Default. Whenever any Event of Default shall have occurred and shall be continuing, the County may take any one or more of the following remedial actions:

(a) Terminate the Fee Agreement and Infrastructure Tax Credits; or

(b) Take whatever action at law or in equity may appear necessary or desirable to collect the other amounts due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Sponsors under this Amended Fee Agreement, including, without limitation, those actions previously specified in this Agreement.

Section 4.16 Remedies Not Exclusive. No remedy conferred upon or reserved to the County under this Amended Fee Agreement is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other lawful remedy now or hereafter existing. No delay or omission to exercise any right or

power accruing upon any continuing default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the County to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be herein expressly required and such notice required at law or equity which the Company is not competent to waive.

Section 4.17 Reimbursement of Legal Fees and Expenses. The Sponsors agree to reimburse or otherwise pay, on behalf of the County, any and all expenses not hereinbefore mentioned incurred by the County in connection with the Project. Further if the Sponsors shall default under any of the provisions of this Amended Fee Agreement and the County shall employ attorneys or incur other reasonable expenses for the collection of payments due hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the Sponsors contained herein, the Sponsors will, within thirty (30) days of demand therefor, reimburse the reasonable fees of such attorneys and such other reasonable expenses so incurred by the County.

Section 4.18 No Waiver. No failure or delay on the part of the County in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. No waiver of any provision hereof shall be effective unless the same shall be in writing and signed by the County.

## ARTICLE V

### MISCELLANEOUS

Section 5.1 Notices. Any notice, election, demand, request or other communication to

be provided under this Amended Fee Agreement shall be effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

AS TO THE COUNTY:                   Oconee County, South Carolina  
415 South Pine Street  
Walhalla, South Carolina 29691  
Attention: County Administrator

AS TO THE COMPANY:               ITECH SOUTH, LLC  
7090 South Highway 11  
Westminster, South Carolina 29693

AS TO THE SPONSORS:           Eugene Carlton Morris  
June Copeland Morris  
7090 South Highway 11  
Westminster, South Carolina 29693

WITH A COPY TO:                   J. Wesley Crum, III P.A.  
233 North Main Street, Suite 200F  
Greenville, South Carolina 29601  
Attention: J. Wesley Crum III, Esquire

Section 5.2   Binding Effect.   This Amended Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Sponsors and the County and their respective successors and assigns. In the event of the dissolution of the County or the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations,

promises and agreements of this Amended Fee Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 5.3 Counterparts. This Amended Fee Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 5.4 Governing Law. This Amended Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 5.5 Headings. The headings of the articles and sections of this Amended Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Amended Fee Agreement.

Section 5.6 Amendments. The provisions of this Amended Fee Agreement may only be modified or amended in writing by any agreement or agreements entered into between the parties.

Section 5.7 Further Assurance. From time to time, and at the sole expense of the Sponsors, the County agrees to execute and deliver to the Sponsors such additional instruments as the Sponsors may reasonably request to effectuate the purposes of this Amended Fee Agreement.

Section 5.8 Severability. If any provision of this Amended Fee Agreement is declared illegal, invalid or unenforceable for any reason, the remaining provisions hereof shall be unimpaired and such illegal, invalid or unenforceable provision shall be reformed so as to most closely effectuate the legal, valid and enforceable intent thereof and so as to afford the Sponsors with the

maximum benefits to be derived herefrom, it being the intention of the County to offer the Sponsors a strong inducement to locate the Project in the County.

Section 5.9 Limited Obligation. ANY OBLIGATION OF THE COUNTY CREATED BY OR ARISING OUT OF THIS AMENDED FEE AGREEMENT SHALL BE A LIMITED OBLIGATION OF THE COUNTY, PAYABLE BY THE COUNTY SOLELY FROM THE PROCEEDS DERIVED UNDER THIS AMENDED FEE AGREEMENT AND SHALL NOT UNDER ANY CIRCUMSTANCES BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.

Section 5.10 Force Majeure. To the extent recognized by the Act, and except as to FILOT Revenues, the Sponsors shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other similar cause, beyond Sponsors' reasonable control.

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Amended Fee Agreement to be executed in its name and behalf by the County Council Chairman and to be attested by the Clerk to County Council; and the Company has caused this Amended Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

OCONEE COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
Edda Cammick, Chair of County Council  
Oconee County, South Carolina

ATTEST:

By: \_\_\_\_\_  
Katie D. Smith, Clerk to County Council  
Oconee County, South Carolina

ITECH SOUTH, LLC,  
a North Carolina Limited Liability Company

By: \_\_\_\_\_  
E. Carl Morris  
Its: Managing Member

EUGENE CARLTON MORRIS

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

JUNE COPELAND MORRIS

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



EXHIBIT A

All that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Oconee, containing 32.03 acres, more or less, being more particularly described on a plat of survey entitled "ALTA/ACSM Land Title Survey for Crestone Private Equity, LLC", prepared by Precision Land Surveying, Inc., dated June 6, 2007, and being, according to said plat, the following notes and bearings:

Commencing at a point in SC Highway 11, said point being approximately 2800 south of the intersection with US Highway 76-123, thence running with SC Highway 11 the following two courses and distances: 1) along and with a curve to the right, having an arch length of 772.73 feet, a radius of 1,353.90 feet and a chord bearing and distance of S 34-33-04 W 769.37 feet to a point, 2) S 44-15-57 W 818.28 feet to a point; thence turning and running with the meanders of a creek, said creek being common with the property now or formerly of V. C. and Hazel McAllister and the property now or formerly of Thrift Brothers, Inc. the following courses and distances: N 33-50-05 W 78.84 feet to a point; N 24-02-39 W 47.26 feet to a point; N 18-57-09 E 52.19 feet to a point; N 00-18-54 E 151.14 feet to a point; N 05-26-21 E 70.47 feet to a point; N 16-07-53 E 95.70 feet to a point; N 04-54-41 E 72.82 feet to a point; N 13-26-33 W 91.58 feet to a point; N 07-25-31 E 83.31 feet to a point; N 20-54-47 E 50.61 feet to a point; N 04-47-27 W 38.43 feet to a point; N 58-38-00 E 88.84 feet to a point; N 25-47-48 E 71.26 feet to a point; N 40-13-10 E 88.68 feet to a point; N 22-40-42 W 62.69 feet to a point; N 04-01-31 W 50.65 feet to a point; N 34-25-07 W 16.48 feet to a point; N 74-33-45 W 53.18 feet to a point; N 55-41-02 W 88.56 feet to a point; N 33-17-24 W 44.33 feet to a point; N 17-16-12 W 88.83 feet to a point; N 07-57-00 W 02.55 feet to a point; N 27-09-13 E 55.96 feet to a point; N 27-03-21 W 77.41 feet to a point; N 01-57-46 E 129.31 feet to a point; N 07-34-29 W 146.66 feet to a point; N 00-09-55 E 143.77 feet to a point; N 33-52-42 E 81.74 feet to a point; N 01-00-56 E 87.49 feet to a point; N 13-48-49 W 103.35 feet to a point; S 89-18-47 W 27.04 feet to a point; N 17-05-40 W 50.27 feet to a point; N 08-16-13 E 46.57 feet to a point; N 14-09-13 W 53.05 feet to a point; N 02-11-49 W 69.17 feet to a point; N 14-53-10 W 79.83 feet to a point; N 07-39-49 W 78.35 feet to a point; thence leaving said creek and running with the property now or formerly of Brenda A. Duncan S 86-13-35 E 722.32 feet to an iron pin; thence turning and running with the property now or formerly of LIS Technologies Inc. the following two courses and distances: 1) S 13-06-14 W 1102.13 feet to an iron pin, 2) S 76-12-19 E, passing through an iron pin at 634.32 feet, for a total of 716.72 feet to the Point of Beginning.

DERIVATION: This being the same property conveyed to Carolina Forthalls, LLC by deed of Oconee County, South Carolina, dated \_\_\_\_\_, 2007 and recorded on \_\_\_\_\_, 2007 in the Office of the Register of Deeds for Oconee County, South Carolina, in Book \_\_\_\_\_ of Page \_\_\_\_\_.

TAX MAP NO: 251-00-04-028

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE  
ORDINANCE 2017-31**

AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACK LANGUAGE FOR MULTI-FAMILY HOUSING STRUCTURES; AND OTHER MATTERS RELATED THERETO.

**WHEREAS**, consistent with the powers granted county governments by S.C. Code § 4-9-25 and S.C. Code § 4-9-30 Oconee County (“County”) a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through its governing body, the Oconee County Council (the “County Council”), has the authority to enact regulations, resolutions, and ordinances, not inconsistent with the Constitution and the general law of the State of South Carolina, including the exercise of such powers in relation to health and order within its boundaries and respecting any subject as appears to it necessary and proper for the security, general welfare, and convenience of the County or for preserving health, peace, order, and good government therein; and,

**WHEREAS**, the County has adopted multiple ordinances for the effective, efficient governance of the County, which, subsequent to adoption, are codified in the Oconee County Code of Ordinances (the “Code of Ordinances”), as amended; and,

**WHEREAS**, the County is authorized by Section 4-9-30(9) and Chapter 29 of Title 6 of the South Carolina Code of Laws, among other sources, to impose land use restrictions and development standards in the unincorporated areas of the County; and,

**WHEREAS**, County Council recognizes that there is a need to revise the law of the County to meet the changing needs of the County and that there is a need to amend, specifically, certain sections of Chapter 38 of the Code of Ordinances involving setbacks requirements as relate to multi-family housing structures in the Control Free District; and,

**WHEREAS**, County Council has therefore determined to modify Chapter 38 of the Code of Ordinances and to affirm and preserve all other provisions of the Code of Ordinances not specifically, or by implication, amended hereby.

**NOW, THEREFORE**, it is hereby ordained by the Oconee County Council, in meeting duly assembled, that:

1. Section 38-10.2 of Chapter 38 of the Code of Ordinances, entitled *Control Free District (CFD)*, is hereby revised, rewritten, and amended to read as set forth in Attachment A, which is attached hereto and hereby incorporated by reference as fully as if set forth verbatim herein.

2. County Council hereby declares and establishes its legislative intent that Attachment A become the applicable zoning provisions of the County, or parts thereof, with regard to the sections amended by Attachment A, from and after its adoption, states its intent to so adopt Attachment A, and directs that a public hearing thereon be undertaken by County Council or the Oconee County Planning Commission, in accord with and as required by Section 6-29-760 and by Section 4-9-130, South Carolina Code, 1976, as amended.

3. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination shall not affect the rest and remainder of this Ordinance, all of which is hereby deemed separable.

4. All ordinances, orders, resolutions, and actions of County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded. However, nothing contained herein, or in the attachment hereto, shall cancel, void, or revoke, or shall be interpreted as cancelling, voiding, or revoking, *ex post facto*, in any regard any prior performance standard, zoning or rezoning acts, actions, or decisions of the County or County Council based thereon, which were valid and legal at the time in effect and undertaken pursuant thereto, in any regard.

5. All other terms, provisions, and parts of the Code of Ordinances, and specifically, but without exception, the remainder of Section 38-10.2 of Chapter 38, not amended hereby, directly or by implication, shall remain in full force and effect.

6. This Ordinance shall take effect and be in full force and effect from and after third reading and enactment by County Council.

**ORDAINED** in meeting, duly assembled, this \_\_\_\_ day of \_\_\_\_\_, 2017.

**ATTEST:**

\_\_\_\_\_  
Katie D. Smith  
Clerk to Oconee County Council

\_\_\_\_\_  
Edda Cammick  
Chair, Oconee County Council

First Reading: November 21, 2017  
Second Reading: December 5, 2017  
Third Reading: December 19, 2017  
Public Hearing: December 19, 2017

**ATTACHMENT A**  
**To Ordinance 2017-31**

**Sec. 38-10.2. - Control free district (CFD).**

The control free district is intended to be the initial zoning district for all parcels within the jurisdiction at the time of initial adoption of zoning in Oconee County, only; any parcel subsequently rezoned to any other district shall not be a part of the control free district at any future date.

*Dimensional requirements:*

Residential Uses	Density and Lot Size				Minimum Yard Requirements			Max. Height
	Min. Lot Size	Lot Size	Max. Density	Min. Width (ft.)	Front Setback (ft.)	Side Setback (ft.)	Rear Setback (ft.)	Structure Height (ft.)
	N/A	Greater than or equal to ½ acre	N/A	N/A	25	5	10	65
	N/A	Less than ½ acre to greater than or equal to ¼ acre	N/A	N/A	15	5	5	65
	N/A	Less than ¼ acre	N/A	N/A	10	5	5	65
Nonresidential Uses	Minimum Lot Size				Minimum Yard Requirements			Max. Height
	Min. Lot Size	Lot Size		Min. Width (ft.)	Front Setback (ft.)	Side Setback (ft.)	Rear Setback (ft.)	Structure Height (ft.)
	N/A	Greater than or equal to ½ acre		N/A	25	5	10	65
	N/A	Less than ½ acre to greater than or equal to ¼ acre		N/A	15	5	5	65
	N/A	Less than ¼ acre		N/A	10	5	5	65

These setback requirements shall not apply to subdivision plats that were recorded in the Office of the Oconee County Register of Deeds prior to May 7, 2002.

Setback requirements do not apply to lot lines separating dwelling units which are part of a multi-family housing structure (e.g., townhouses).

As to multi-family housing structures located on one lot (e.g., duplexes or apartments), setback requirements apply only to the exterior perimeter wall of the entire structure.

**AGENDA ITEM SUMMARY  
OCONEE COUNTY, SC**

**COUNCIL MEETING DATE: December 19, 2017  
COUNCIL MEETING TIME: 6:00 p.m.**

**ITEM TITLE [Brief Statement]:**

**First Reading of Ordinance 2017-32** “AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A RESIDENTIAL LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND KENT CROOKS AS LESSEE FOR CERTAIN REAL PROPERTY, INCLUDING ALL IMPROVEMENTS THEREON, LOCATED AT 207 CROOKS ROAD, SENECA, SOUTH CAROLINA; AND OTHER MATTERS RELATED THERETO.”

**BACKGROUND DESCRIPTION:**

Ordinance 2017-32 will authorize the County Administrator to execute and deliver a residential lease agreement between Oconee County as Lessor and Kent Crooks as Lessee for certain real property, including all improvements thereon, located at 207 Crooks Road, Seneca, South Carolina.

**SPECIAL CONSIDERATIONS OR CONCERNS [only if applicable]:**

None

**FINANCIAL IMPACT [Brief Statement]:**

Check Here if Item Previously approved in the Budget.

**Approved by:** \_\_\_\_\_ **Finance**

**COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:**

Are Matching Funds Available: / No

If yes, who is matching and how much:

**Approved by :** \_\_\_\_\_ **Grants**

**ATTACHMENTS**

None

**STAFF RECOMMENDATION [Brief Statement]:**

It is staff's recommendation that Council take first reading, in title only, of Ordinance 2017-32.

*Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.*

*A calendar with due dates marked may be obtained from the Clerk to Council.*

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE**

**ORDINANCE 2017-32**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A RESIDENTIAL LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND KENT CROOKS AS LESSEE FOR CERTAIN REAL PROPERTY, INCLUDING ALL IMPROVEMENTS THEREON, LOCATED AT 207 CROOKS ROAD, SENECA, SOUTH CAROLINA; AND OTHER MATTERS RELATED THERETO.

**WHEREAS**, Oconee County, South Carolina (the “County”) is a body politic and corporate and a political subdivision of the State of South Carolina and is authorized by the provisions of Title 4, Chapter 9 of the Code of Laws of South Carolina 1976, as amended, to lease real property and to make and execute contracts; and

**WHEREAS**, Mr. Kent Crooks entered into a residential lease agreement with Oconee County, South Carolina, for certain improved real property located at 207 Crooks Road, Seneca, South Carolina, TMS #268-00-03-039 (the “Premises”), beginning January 1, 2017 and ending on December 31, 2017; and

**WHEREAS**, it is the desire of the County to enter into a new and separate lease with Mr. Crooks, such lease being captioned Lease Agreement (the “Lease”), attached hereto as Exhibit “A,” for a term of one (1) year beginning January 1, 2018 and ending on December 31, 2018; and

**WHEREAS**, the Oconee County Council (the “Council”) has reviewed the form of the Lease, attached hereto as Exhibit “A,” and determined that it is in the best interest of the County and its residents and citizens for the County to execute and enter into the Lease, and the Council wishes to approve the same and to authorize the County Administrator to execute and deliver the Lease and all related agreements and documents necessary or incidental thereto.

**NOW THEREFORE**, be it ordained by Council in meeting duly assembled that:

**Section 1.**     **Lease Approved.** The Lease is hereby approved, and the County Administrator is hereby authorized to execute and deliver the Lease in substantially the same form as Exhibit “A.”

**Section 2.**     **Related Documents and Instruments; Future Acts.** The County Administrator is hereby authorized to negotiate such documents and instruments which

may be necessary or incidental to the Lease and to execute and deliver any such documents and instruments on behalf of the County.

Section 3. Severability. Should any term, provision, or content of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such determination shall have no effect on the remainder of this Ordinance.

Section 4. General Repeal. All ordinances, orders, resolutions, and actions of the Oconee County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and superseded.

Section 5. Effective Date. This Ordinance shall become effective and be in full force and effect from and after public hearing and third reading in accordance with the Code of Ordinances of Oconee County, South Carolina.

ORDAINED in meeting, duly assembled, this \_\_\_\_ of \_\_\_\_\_, 2018.

**ATTEST:**

\_\_\_\_\_  
Katie Smith  
Clerk to Oconee County Council

\_\_\_\_\_  
Edda Cammick  
Chair, Oconee County Council

First Reading:           December 19, 2017  
Second Reading:       \_\_\_\_\_  
Third Reading:         \_\_\_\_\_  
Public Hearing:         \_\_\_\_\_

**EXHIBIT A**

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

**LEASE AGREEMENT**

THIS LEASE AGREEMENT (the "Lease"), made this \_\_\_\_ day of \_\_\_\_\_, 2018, ("Effective Date") by and between Oconee County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina ("Lessor") and Kent Crooks ("Lessee").

WHEREAS, Lessor owns and holds fee simple title to that certain piece, parcel, or lot of land and all improvements thereon, located in the State of South Carolina, County of Oconee, containing 20.83 acres, more or less, and being generally located at 207 Crooks Road, Seneca, South Carolina, and having Oconee County TMS# 268-00-03-039 (the "Premises");

WHEREAS, Lessor wishes to lease unto Lessee, and Lessee wishes to lease from Lessor the Premises; and

WHEREAS, Lessor and Lessee have each represented and warranted, and hereby do represent and warrant, that they have the power and authority to execute and enter into this Lease, and upon such execution and delivery that this Lease shall be enforceable against each in accordance with its terms, all requisite approvals and authorization necessary or requisite for the execution and delivery of this Lease having been obtained prior to the Effective Date.

NOW, THEREFORE, in consideration of the above recitals (which are incorporated herein as covenants, representations, or warranties, as applicable, made in this Lease), the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **LEASE OF PREMISES.** Lessor does hereby devise and lease to Lessee, and Lessee does hereby lease from Lessor, the Premises for a period of one (1) year commencing January 1, 2018 and ending December 31, 2018 (the "Lease Term"), unless sooner terminated as provided herein. Lessee shall use the Premises only for residential purposes. Subject to the conditions of this Lease, Lessor agrees that Lessee may peaceably have, hold, and enjoy the Premises without hindrance by Lessor.

2. **AMOUNT AND PAYMENT FOR LEASEHOLD INTEREST.** Lessee covenants to pay to "Oconee County" at 415 S. Pine Street, Walhalla, SC 29691, or such other place as Lessor shall designate in writing, as rent for said Premises, the amount of Six Thousand and 00/100 (\$6,000.00) Dollars for the one (1) year Lease Term. Such rent



payment shall be delivered to Lessee in twelve (12) equal monthly installments of Five Hundred and 00/100 (\$500.00) Dollars, and such rent payments are to be received on or before the first (1<sup>st</sup>) day of each month, with the first payment being due at the signing hereof. A security deposit is not required.

3. **BREACH OR DEFAULT.** If any term or provision of this Lease is violated by Lessee and such violation is not cured within thirty (30) days following the giving of written notice thereof by Lessor to Lessee, this Lease shall, at the option of Lessor, terminate and Lessor may thereupon lawfully enter into or upon the Premises, repossess the same, and expel Lessee therefrom without prejudice to any other claim or remedy Lessor may have for the collection of rent and/or for damages for breach of this Lease.

4. **LESSEE'S MAINTENANCE AND REPAIR OF THE PREMISES.** Except as hereinafter provided, Lessee shall maintain and keep the exterior and interior of the Premises in good repair, free of refuse and rubbish, and shall return the same at the expiration or termination of this lease in as good condition as received by Lessee, ordinary wear and tear excepted; provided, however, that if alterations, additions, and/or installations shall have been made by Lessee as provided for in this lease, Lessee shall be required to restore the Premises to the condition in which it was prior to such alterations, additions, and/or installations. Lessee shall be responsible for care, repair, and maintenance of all interior items, including mechanical, plumbing, electrical, carpeting, walls, and HVAC. Lessee shall maintain the areas around the front and rear doors, sidewalks, and delivery areas in a clean, neat, and orderly condition. Lessee will not commit any waste of or on the Premises and will pay for all damages to buildings or equipment caused by Lessee. Lessee shall not use or permit the use of the Premises in violation of any present or future local, state, or federal regulation or law. Lessee shall be responsible for all maintenance costs associated with the Premises.

5. **LESSEE'S ALTERATIONS, ADDITIONS, INSTALLATIONS, AND REMOVAL THEREOF.** Lessee may not, either at the commencement of or during the Lease Term, make any alterations in and/or additions to the Premises including, without limitation of the generality of the foregoing, alterations to the mechanical, electric, and plumbing systems without the written consent of Lessor.

6. **UTILITIES, TAXES, AND INSURANCE.** Lessee shall pay all charges for water, gas, sewer, electricity, and any other utility or operational cost associated with the Premises. Lessee shall be responsible for the payment of any taxes imposed on personal property situated at the Premises. Lessee shall maintain a general policy of liability insurance issued by a carrier, and in an amount, satisfactory to Lessor, by the terms of which Lessor and Lessee are named as insureds and are indemnified against liability for damage or injury to property or persons (including death) entering upon or using the Premises. Lessor will not be responsible for any loss to personal property of Lessee, or Lessee's guests, invitees, licensees, or others entering the Premises. It is, therefore, Lessee's responsibility to obtain insurance to cover such property and/or loss.

7. **RELEASE, HOLD HARMLESS, ASSUMPTION OF RISK, AND INDEMNITY.** Lessee, its employees, agents, and representatives, knowingly and freely assume all risks associated with its possession, use, and occupation of the Premises, both known and unknown; Lessee assumes full responsibility for its activities in relation hereto, and shall indemnify and hold harmless Lessor, its Council members, employees, officers, and representatives, from any and all claims for any damage, injury, accident, illness, loss, or other such claim incurred at or about the Premises, as brought forth or alleged by any person, including Lessee, its employees, agents, and representatives as relates to the activities of Lessee.

8. **OBSERVANCE OF LAWS.** Lessee shall duly obey and comply with all public laws, ordinances, rules, or regulations related to the use of the Premises.

9. **DAMAGE BY FIRE, ETC.** In the event the Premises are damaged by fire, flood, storm, civil commotion, or other unavoidable cause, to an extent not repairable within one hundred twenty (120) days of the date of such damage, this Lease shall terminate as of the date of such damage.

10. **ASSIGNMENT.** Lessee may not assign this lease or sub-let the Premises or any part thereof for any use, without the written consent of Lessor.

11. **LESSOR'S RIGHT TO ENTER PREMISES.** Lessee shall permit Lessor and Lessor's agents to enter at all reasonable times to view the state and condition of the Premises or to make such alterations or repairs therein as may be necessary for the safety and preservation thereof, or for any other reasonable purpose. Apart from entrance made necessary by emergency or exigent circumstance, Lessor shall give Lessee twenty-four (24) hours' advance notice of its desire to exercise its right to enter the Premises.

12. **ENTIRE AGREEMENT.** This Lease constitutes all of the covenants, promises, agreements, conditions, and understandings between Lessor and Lessee concerning the Premises, and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between them other than as herein set forth.

13. **SECTION HEADING.** The section headings, as to the contents of particular sections herein, are inserted only for convenience and are in no way to be construed as part of such section or as a limitation on the scope of the particular section to which they refer.

14. **GOVERNING LAW.** This Lease shall be governed by, construed, and enforced in accordance with the laws of the State of South Carolina.

15. **NOTICES.** It is agreed that all notices regarding this Lease shall be sent via US Postal Mail to:

Lessor: Oconee County

Attn: T. Scott Moulder, Administrator  
415 S. Pine St.  
Walhalla, South Carolina 29691  
Contact Number: 864-638-4244

Lessee: James Kent Crooks  
93 Goose Knob  
Riverton, Wyoming 82501  
Contact Telephone Number: 307-709-0106

or to such other addresses as may be from time to time authorized by Lessor or Lessee respectively.

16. COUNTERPART. This Lease may be executed in one or more counterparts, each of which shall constitute an original, and all of which shall constitute one and the same document.

AND IT IS MUTUALLY UNDERSTOOD AND AGREED that the covenants and agreements herein contained shall insure to the benefit of and be equally binding upon the respective executors, administrators, heirs, successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the Effective Date set forth above.

WITNESS:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

LESSOR:

OCONEE COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
Its: County Administrator

LESSEE:

By: \_\_\_\_\_  
James Kent Crooks

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE  
ORDINANCE 2017-33**

AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING THE LAKE OVERLAY DISTRICT WITH PARTICULAR REFERENCE BEING MADE TO THE NATURAL VEGETATIVE BUFFER; AND OTHER MATTERS RELATED THERETO.

**WHEREAS**, consistent with the powers granted county governments by S.C. Code § 4-9-25 and S.C. Code § 4-9-30 Oconee County (“County”) a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through its governing body, the Oconee County Council (the “County Council”), has the authority to enact regulations, resolutions, and ordinances, not inconsistent with the Constitution and the general law of the State of South Carolina, including the exercise of such powers in relation to health and order within its boundaries and respecting any subject as appears to it necessary and proper for the security, general welfare, and convenience of the County or for preserving health, peace, order, and good government therein; and,

**WHEREAS**, the County has adopted multiple ordinances for the effective, efficient governance of the County, which, subsequent to adoption, are codified in the Oconee County Code of Ordinances (the “Code of Ordinances”), as amended; and,

**WHEREAS**, the County is authorized by Section 4-9-30(9) and Chapter 29 of Title 6 of the South Carolina Code of Laws, among other sources, to impose land use restrictions and development standards in the unincorporated areas of the County; and,

**WHEREAS**, County Council recognizes that there is a need to revise the law of the County to meet the changing needs of the County and that there is a need to amend, specifically, certain sections of Chapter 38 of the Code of Ordinances involving the Lake Overlay District with specific reference being made to changes intended to improve preservation of the Natural Vegetative Buffer; and,

**WHEREAS**, County Council has therefore determined to modify Chapter 38 of the Code of Ordinances and to affirm and preserve all other provisions of the Code of Ordinances not specifically, or by implication, amended hereby.

**NOW, THEREFORE**, it is hereby ordained by the Oconee County Council, in meeting duly assembled, that:

1. Section 38-11.1 of Chapter 38 of the Code of Ordinances, entitled *Lake overlay district*, is hereby revised, rewritten, and amended to read as set forth in Attachment A, which is attached hereto and incorporated herein by reference.

2. County Council hereby declares and establishes its legislative intent that Attachment A become the applicable zoning provisions of the County, or parts thereof, with regard to the sections amended by Attachment A, from and after its adoption, states its intent to so adopt Attachment A, and directs that a public hearing thereon be undertaken by County Council or the Oconee County Planning Commission, in accord with and as required by Section 6-29-760 and by Section 4-9-130, South Carolina Code, 1976, as amended.

3. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination shall not affect the rest and remainder of this Ordinance, all of which is hereby deemed separable.

4. All ordinances, orders, resolutions, and actions of County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded. However, nothing contained herein, or in the attachment hereto, shall cancel, void, or revoke, or shall be interpreted as cancelling, voiding, or revoking, *ex post facto*, in any regard any prior performance standard, zoning or rezoning acts, actions, or decisions of the County or County Council based thereon, which were valid and legal at the time in effect and undertaken pursuant thereto, in any regard.

5. All other terms, provisions, and parts of the Code of Ordinances, and specifically, but without exception, the remainder of Section 38-11.1 of Chapter 38, not amended hereby, directly or by implication, shall remain in full force and effect.

6. This Ordinance shall take effect and be in full force and effect from and after third reading and enactment by County Council.

**ORDAINED** in meeting, duly assembled, this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

**ATTEST:**

\_\_\_\_\_  
Katie D. Smith  
Clerk to Oconee County Council

\_\_\_\_\_  
Edda Cammick  
Chair, Oconee County Council

First Reading: December 19, 2017  
Second Reading: \_\_\_\_\_  
Third Reading: \_\_\_\_\_  
Public Hearing: \_\_\_\_\_

## ATTACHMENT A

### Sec. 38-11.1. - Lake overlay district.

- (a) *Title:* Lake overlay district.
- (b) *Definition:* The lake overlay is not intended to be a separate zoning district, but shall be assigned to the shoreline areas of Oconee County lakes that are considered by county council to be vital to the economic prosperity and general well-being of all county citizens.
- (c) *Intent:* This overlay is intended to protect water quality, maintain natural beauty, and limit secondary impacts of new development that may negatively affect the lifestyles of those living near the lakeshore and the general enjoyment of the lakes by all citizens.
- (d) *Boundary:* The boundaries of the lake overlay district are shown on the Official Oconee County Zoning Map, and are divided into the following sub-districts:
  - (1) Keowee/Jocassee Overlay (Lakes Keowee and Jocassee). The following standards shall apply within 750 feet of the full pond contour of Lake Keowee and Lake Jocassee, to be measured along a perpendicular line from the full-pond contour.
    - a. *Standards.*
      - 1. No single-family or multi-family development shall have a net density greater than two dwelling units per acre within the boundary of the overlay.
      - 2. No structure constructed in the overlay shall have a building height greater than 65 feet above finished grade. In no circumstance shall the grade elevation be altered beyond that necessary to provide for structural soundness. For the purposes of this section, unless otherwise stated, all dimensions, heights, elevations and other specifications related to structures shall be measured in accordance with adopted building codes.
      - 3. Marinas and commercial boat storage shall comply with Duke Energy's regulations and shall not be located within a mile radius of an existing platted and properly recorded subdivision.
      - 4. All non-residential projects that have a proposed developed area fully or partially located within the boundaries of the Lake Keowee/Jocassee Overlay shall be subject to a special exception hearing by the board of zoning appeals. The board of zoning appeals shall use Appendix A as a guide and for good cause shown they may waive the strict application of any standard therein.
      - 5. Natural Vegetative Buffer.
        - (i) The Natural Vegetative Buffer shall be established on all waterfront parcels whose property line is located within 25 feet from the full pond contour. Those parcels not meeting these criteria shall be exempt from this standard. A map indicating those parcels to which the standards of this section apply, as well as the status of the establishment of the

required buffer, shall be created and maintained as a layer in the county's Geographic Information System (GIS), and shall be available to the public.

- (ii) The Buffer shall extend to a depth of 25 feet measured along a perpendicular line from the full-pond contour (800 feet above MSL for Keowee and 1100 feet above MSL for Jocassee). Shoreline stabilization shall be permitted provided any soil disturbance or other stabilization activities are supervised and approved by the appropriate licensed design professional and submitted to the Zoning Administrator. Right-of-way maintenance activities by all utilities shall be exempt.
- (iii) Motorized equipment will be permitted inside the Natural Vegetative Buffer if:
  - a. required to remove dead or dying trees, as confirmed by a certified arborist, forester or Zoning Administrator
  - b. required for remediation purposes, as permitted by the Zoning Administrator.
  - c. required for construction of the 15% view lane path or permitted patio/deck.
  - d. required for work related to installing permitted electrical/water piping into the Lake.
  - e. Golf carts and similar vehicles are permitted to utilize the path of the permitted 15% View Lane(s).
- (iv) All structures and landscaping existing at the time of adoption of this chapter shall be considered as permitted and shall not be considered impediments to the buffer.
- (v) Silt Fences: In order to ensure that the Natural Vegetative Buffer is maintained during the development of property, properly installed, entrenched and maintained silt fences are required, before a Zoning inspection will take place. The silt fences must begin at or above the Vegetative Buffer line. Wire backed silt fences are highly recommended and J-hooks, hay bales, grass mats and seeding shall be installed, as needed, at least 25 feet from the full pond contour (800 feet above MSL for Keowee and 1100 feet above MSL for Jocassee), separating the Buffer from the developed area, until the completion of construction. The County may mandate additions of any or all of these options at any point during construction.

If the silt fences and other measures, listed above, fail to prevent an accumulation of silt and other debris in the Natural Vegetative Buffer, the County shall require the responsible parties to install additional control

measures. These measures shall be installed in a timely manner to prevent any further accumulation.

Silt that has entered the Natural Vegetative Buffer shall be removed if possible and then the area within the Natural Vegetative Buffer shall be stabilized with pine straw, mulch and/or other planted vegetation.

See section "f" for Penalties.

- (vi) **View Lanes:** View Lane means the portion of a natural buffer utilized and maintained by the property owner to enhance observation and access of the lake and surrounding landscapes. Typically, the vegetation in the View Lane is lower in height and/or smaller in diameter than that found in the rest of the buffer. The View Lane may be up to 15% of the Vegetative Buffer either as one contiguous lane or multiple smaller lanes.
- (vii) **Allowed Development within the Vegetative Buffer:** Paths of permeable or impermeable construction are permitted within the Natural Vegetative Buffer provided they are no wider than six (6) feet. Turnarounds are permitted within the 15% View Lane. Any path is considered a part of the allowed 15% View Lane. Patios or decks, without permanent vertical features other than those required for safety or building code standards, are permitted but may not be more than 100 square feet and must be part of a contiguous 15% View Lane. Electrical and water lines may be installed through the Natural Vegetative Buffer provided they run within the permitted 15% View Lane and meet all applicable building codes.
- (viii) **Vegetation Removal:** No trees larger than six-inch caliber at four feet from the ground shall be removed unless certified to be a hazard by a registered forester or arborist. Trees may be limbed up to 50 percent of their height. A removal plan shall be submitted for approval. Invasive species may be removed in such a manner that does minimal damage to surrounding native vegetation. Trees that are clearly dead or dying may be removed with the permission of the Zoning Administrator. Existing vegetation, outside of the allowed 15% View Lane, may be under-brushed. This under-brushing may not utilize herbicides, fertilizers or other chemicals and may not increase run-off throughout the Natural Vegetative Buffer. Vegetation within the allowed 15% View Lane may be maintained to the property owner's standards provided it does not create or contribute to runoff entering the Lake or adjacent properties and the maintenance does not utilize herbicides, fertilizers or other chemicals.
- (ix) **Vegetation Mitigation :** The following mixture of plants for every 2500 square feet of the Natural Vegetative Buffer shall be required if reestablishing the native vegetation or for mitigation purposes:



- a. Three large maturing shade trees, equally spaced, four-inch or greater caliper at four feet.
  - b. Three understory trees, equally spaced, two-inch or greater caliper at four feet.
  - c. Six small evergreen trees.
  - d. Twenty shrubs or a diverse mix of native plants and unmanaged (uncut below 12 inches and untreated) native grasses where available and suited to the site.
- (x) No new manicured lawns or other managed grasses shall be established within the buffer area. Additionally, no clear cutting or mowing, cultivation activities, fertilization, use of herbicides, fungicides, or pesticides shall occur within the buffer area.
- (xi) In the event that a property owner is unable to establish the said buffer they may request a variance, to be considered at a hearing before the board of zoning appeals, stating the reasons why a buffer cannot be established. The board of zoning appeals ~~of zoning appeals~~ may, in its sole discretion, grant or not grant such variance, for good cause shown.

**(e) Compliance and Conflicts:**

Compliance with the requirements of this Section does not nullify a party's duty to comply with other or more stringent regulations, requirements, or guidelines of a Duke Energy company or affiliate, or any local, state, or federal law or other applicable authority

**(f) Penalties:**

The intent of the Natural Vegetative Buffer is to protect the natural and built environment within and surrounding Lakes Keowee and Jocassee. All parties owning, renting, or inhabiting property or working on property within the Lake Overlay are required to work within the intent and the letter of this and all applicable ordinances and standards to protect and enhance the natural and built environments.

A violation of this Article is punishable by fine and/or imprisonment in an amount not to exceed the jurisdictional limits granted to a magistrate's court in Oconee County under South Carolina law. Additionally, building and zoning permits may be revoked, stop work orders issued, and civil fines levied as appropriate under the circumstances. Further, the provisions, including prescriptions, proscriptions, and penalties contained within the International Property Maintenance Code may apply.

ATTACHMENT A to Ordinance 2017-33

*(SHOWING ADDED AND DELETED LANGUAGE)*

Sec. 38-11.1. - Lake overlay district.

- (a) *Title:* Lake overlay district.
- (b) *Definition:* The lake overlay is not intended to be a separate zoning district, but shall be assigned to the shoreline areas of Oconee County lakes that are considered by county council to be vital to the economic prosperity and general well-being of all county citizens.
- (c) *Intent:* This overlay is intended to protect water quality, maintain natural beauty, and limit secondary impacts of new development that may negatively affect the lifestyles of those living near the lakeshore and the general enjoyment of the lakes by all citizens.
- (d) *Boundary:* The boundaries of the lake overlay district are shown on the Official Oconee County Zoning Map, and are divided into the following sub-districts:
  - (1) Keowee/Jocassee Overlay (Lakes Keowee and Jocassee). The following standards shall apply within 750 feet of the full pond contour of Lake Keowee and Lake Jocassee, to be measured along a perpendicular line from the full-pond contour.
    - a. *Standards.*
      - 1. No single-family or multi-family development shall have a net density greater than two dwelling units per acre within the boundary of the overlay.
      - 2. No structure constructed in the overlay shall have a building height greater than 65 feet above finished grade. In no circumstance shall the grade elevation be altered beyond that necessary to provide for structural soundness. For the purposes of this section, unless otherwise stated, all dimensions, heights, elevations and other specifications related to structures shall be measured in accordance with adopted building codes.
      - 3. Marinas and commercial boat storage shall comply with Duke Energy's regulations and shall not be located within a mile radius of an existing platted and properly recorded subdivision.
      - 4. All non-residential projects that have a proposed developed area fully or partially located within the boundaries of the Lake Keowee/Jocassee Overlay shall be subject to a special exception hearing by the board of zoning appeals. The board of zoning appeals shall use Appendix A as a guide and for good cause shown they may waive the strict application of any standard therein.
      - 5. Natural ~~v~~Vegetative ~~b~~Buffer.

- (i) A **The** Natural Vegetative Buffer shall be established on all waterfront parcels whose property line is located within 25 feet from the full pond contour. Those parcels not meeting this criteria shall be exempt from this standard. A map indicating those parcels to which the standards of this section apply, as well as the status of the establishment of the required Buffer, shall be created and maintained as a layer in the county's Geographic Information System (GIS), and shall be available to the public.
- (ii) The Buffer shall extend to a depth of 25 feet measured along a perpendicular line from the full-pond contour (800 feet above MSL for Keowee and 1100 feet above MSL for Jocassee).; ~~in the event permanent shoreline stabilization, such as rip-rap, retaining walls, is located at the full-pond contour, the buffer may begin at the back of the stabilization, provided the minimum required area is achieved.~~ Shoreline stabilization shall be permitted provided any soil disturbance or other stabilization activities are supervised and approved by the appropriate licensed design professional and submitted to the Zoning Administrator. Right-of-way maintenance activities by all utilities shall be exempt.
- (iii) Motorized equipment will be permitted inside the Natural Vegetative Buffer if:
- a. required to remove dead or dying trees, as confirmed by a certified arborist, forester or Zoning Administrator
  - b. required for remediation purposes, as permitted by the Zoning Administrator.
  - c. required for construction of the 15% view lane path or permitted patio/deck.
  - d. required for work related to installing permitted electrical/water piping into the Lake.
  - e. Golf carts and similar vehicles are permitted to utilize the path of the permitted 15% View Lane(s)
- ~~.All structures and landscaping existing at the time of adoption of this chapter shall be considered as permitted and shall not be considered impediments to the buffer. Any new structures or any other new objects that are impediments to the establishment of the required buffer shall be placed outside the natural buffer areas unless the total square footage occupied by the structure, not to exceed 20 percent of the required buffer area, is added to the buffer at another location on the same parcel, provided the resulting buffer area is equal to the required buffer area, and the effectiveness of the buffer is not compromised.~~
- (iv) All structures and landscaping existing at the time of adoption of this chapter shall be considered as permitted and shall not be

considered impediments to the Buffer. In order to ensure that the natural buffer is maintained during the development of property a properly installed and maintained silt fence shall be installed 25 feet from the full pond elevation, separating the buffer from the developed area, until the completion of construction. No construction or disturbance shall occur below the silt fence unless it is deemed necessary by a certified arborist to remove diseased trees. Dead trees may be removed with the approval of the zoning administrator. No trees larger than six inch caliber at four feet from the ground shall be removed unless certified to be a hazard by a registered forester or arborist. Trees may be limbed up to 50 percent of their height. A removal plan shall be submitted for approval.

- (v) **Silt Fences:** In order to ensure that the Natural Vegetative Buffer is maintained during the development of property, properly installed, entrenched and maintained silt fences are required, before a Zoning inspection will take place. The silt fences must begin at or above the Vegetative Buffer line. Wire backed silt fences are highly recommended and J-hooks, hay bales, grass mats and seeding shall be installed, as needed, at least 25 feet from the full pond contour (800 feet above MSL for Keowee and 1100 feet above MSL for Jocassee), separating the Buffer from the developed area, until the completion of construction. The County may mandate additions of any or all of these options at any point during construction.

If the silt fences and other measures, listed above, fail to prevent an accumulation of silt and other debris in the Natural Vegetative Buffer, the County shall require the responsible parties to install additional control measures. These measures shall be installed in a timely manner to prevent any further accumulation.

Silt that has entered the Natural Vegetative Buffer shall be removed if possible and then the area within the Natural Vegetative Buffer shall be stabilized with pine straw, mulch and/or other planted vegetation.

See section "f" for Penalties.

No development activity or soil disturbance shall occur in the buffer area, unless permitted by the zoning administrator.

- (vi) **View Lanes:** View Lane means the portion of a natural buffer utilized and maintained by the property owner to enhance observation and access of the lake and surrounding landscapes. Typically, the vegetation in the View Lane is lower in height and/or smaller in diameter than that found in the rest of the buffer. The View Lane may be up to 15% of the Vegetative Buffer either as one contiguous lane or multiple smaller lanes.

~~Shoreline stabilization shall be permitted provided any soil disturbance or other stabilization activities are supervised and approved by the appropriate licensed design professional and submitted to the zoning administrator.~~

- (vii) **Allowed Development within the Vegetative Buffer:** Paths of permeable or impermeable construction are permitted within the Natural Vegetative Buffer provided they are no wider than six (6) feet. Tumarounds are permitted within the 15% View Lane. Any path is considered a part of the allowed 15% View Lane. Patios or decks, without permanent vertical features other than those required for safety or building code standards, are permitted but may not be more than 100 square feet and must be part of a contiguous 15% View Lane. Electrical and water lines may be installed through the Natural Vegetative Buffer provided they run within the permitted 15% View Lane and meet all applicable building codes.

~~A map indicating those parcels to which the standards of this section apply, as well as the status of the establishment of the required buffer, shall be created and maintained as a layer in the county's Geographic Information System (GIS), and shall be available to the public.~~

- (viii) **Vegetation Removal:** No trees larger than six-inch caliber at four feet from the ground shall be removed unless certified to be a hazard by a registered forester or arborist. Trees may be limbed up to 50 percent of their height. A removal plan shall be submitted for approval. Invasive species may be removed in such a manner that does minimal damage to surrounding native vegetation. Trees that are clearly dead or dying may be removed with the permission of the Zoning Administrator. Existing vegetation, outside of the allowed 15% View Lane, may be under-brushed. This under-brushing may not utilize herbicides, fertilizers or other chemicals and may not increase run-off throughout the Natural Vegetative Buffer. Vegetation within the allowed 15% View Lane may be maintained to the property owner's standards provided it does not create or contribute to runoff entering the Lake or adjacent properties and the maintenance does not utilize herbicides, fertilizers or other chemicals.

~~Natural, existing vegetation is encouraged; however, the following mix of plants shall be required for every 2,500 square feet of vegetative buffer area that is established by planting:~~

- ~~(1) The following mixture of plants for every 2,500 square feet of natural vegetative buffer shall be required when existing:~~
- ~~a. Three large maturing shade trees, equally spaced, four-inch or greater caliber at four feet.~~

- ~~b. Three understory trees, equally spaced, two-inch or greater caliper at four feet.~~
    - ~~c. Six small evergreen trees.~~
    - ~~d. Twenty shrubs; or~~
  - ~~(2) A diverse mix of native plants and unmanaged (uncut below 12 inches and untreated) native grasses where available and suited to the site.~~
  - (ix) **Vegetation Mitigation** : The following mixture of plants for every 2500 square feet of the Natural Vegetative Buffer shall be required if reestablishing the native vegetation or for mitigation purposes:
    - a. Three large maturing shade trees, equally spaced, four-inch or greater caliper at four feet.
    - b. Three understory trees, equally spaced, two-inch or greater caliper at four feet.
    - c. Six small evergreen trees.
    - d. Twenty shrubs or a diverse mix of native plants and unmanaged (uncut below 12 inches and untreated) native grasses where available and suited to the site.
- ~~A view lane of no more than 15 percent of the buffer area shall be permitted in the natural buffer area. Impervious surface no greater than 20 percent of the allowed view lane area is permitted. All impervious surfaces shall be considered part of the view lane. Other structures must be temporary.~~
- (x) No new manicured lawns or other managed grasses shall be established within the buffer area. Additionally, no clear cutting or mowing, cultivation activities, fertilization, use of herbicides, fungicides, or pesticides shall occur within the buffer area.
  - (xi) In the event that a property owner is unable to establish the said buffer they may request a variance, to be considered at a hearing before the board of zoning appeals, stating the reasons why a buffer cannot be established. The board of zoning appeals of zoning appeals may, in its sole discretion, grant or not grant such variance, for good cause shown.

**(e) Compliance and Conflicts:**

Compliance with the requirements of this Section does not nullify a party's duty to comply with other or more stringent regulations, requirements, or guidelines of a Duke Energy company or affiliate, or any local, state, or federal law or other applicable authority

**(f) Penalties**

The intent of the Natural Vegetative Buffer is to protect the natural and built environment within and surrounding Lakes Keowee and Jocassee. All parties owning, renting, or inhabiting property or working on property within the Lake Overlay are required to work within the intent and the letter of this and all applicable ordinances and standards to protect and enhance the natural and built environments.

A violation of this Article is punishable by fine and/or imprisonment in an amount not to exceed the jurisdictional limits granted to a magistrate's court in Oconee County under South Carolina law. Additionally, building and zoning permits may be revoked, stop work orders issued, and civil fines levied as appropriate under the circumstances. Further, the provisions, including prescriptions, proscriptions, and penalties contained within the International Property Maintenance Code may apply.

**AGENDA ITEM SUMMARY  
OCONEE COUNTY, SC**

COUNCIL MEETING DATE: December 19, 2017  
COUNCIL MEETING TIME: 6:00 PM

**ITEM TITLE [Brief Statement]:**

**First Reading of Ordinance 2017-34 [IN TITLE ONLY]** "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN EXTENSION AGREEMENT BETWEEN OCONEE COUNTY AND PROJECT BREMEN, AMENDING THE FEE AGREEMENT BETWEEN THE TWO, DATED AS OF AUGUST 1, 2013, BY AN EXTENSION OF THE TERM THEREOF BY FIVE YEARS, AND INCLUDING AMENDING THE SPECIAL SOURCE REVENUE CREDIT AND INCREASING THE REQUIRED INVESTMENT; AND OTHER MATTERS RELATED THERETO."

**BACKGROUND DESCRIPTION:**

The Oconee Economic Alliance, acting as the economic development entity for the County, has worked with this company's leadership to secure this new capital investment and job creation opportunity that will benefit our community. Project BREMEN is an existing manufacturer in Oconee County that will expand its operations to support its anticipated growth by making an additional investment, which is expected to equal or exceed \$3,800,000 by December 31, 2023. This ordinance amends a previously agreed to fee in lieu of tax (FLOT) agreement between Oconee County and Project BREMEN, by providing the following:

- A five (5) year extension from January 1, 2019 to December 31, 2023 in order to continue the investment in the Project.
- An increased Special Source Credit to the company which shall be Twenty-Five (25%) Percent and shall be valid for the tax years ending December 31, 2017 to December 31, 2031 rather than enter into a new fee in lieu of taxes arrangement.

**SPECIAL CONSIDERATIONS OR CONCERNS [only if applicable]:**

N/A

**FINANCIAL IMPACT [Brief Statement]:**

Check Here if Item Previously approved in the Budget. No additional information required.

Approved by: \_\_\_\_\_ **Finance**

**COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:**

Are Matching Funds Available: Yes / **No**

If yes, who is matching and how much:

Approved by: \_\_\_\_\_ **Grants**

**ATTACHMENTS**

N/A

**STAFF RECOMMENDATION [Brief Statement]:**

It is the staff's recommendation that Council to the following: [1] approve Ordinance 2017-34 on first reading in title only.

Submitted or Prepared By:



\_\_\_\_\_  
Department Head

Approved for Submittal to Council:



\_\_\_\_\_  
T. Scott Moulder, County Administrator

*Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.*

*A calendar with due dates marked may be obtained from the Clerk to Council.*



**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE  
RESOLUTION 2017-13**

**A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS HOSPITAL REVENUE BONDS (SC HEALTH COMPANY) SERIES 2017, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,500,000,000 AND AUTHORIZING A PLEDGE OF REVENUES OF SC HEALTH COMPANY IN CONNECTION HEREWITH.**

**WHEREAS**, the South Carolina Jobs-Economic Development Authority (the "*Authority*") is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina, 1976, as amended (the "*Act*"), to utilize any of its program funds to establish loan programs for the purpose of reducing the cost of capital to business enterprises which meet the eligibility requirements of Section 41-43-150 of the Act and for other purposes described in Section 41-43-160 of the Act and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State of South Carolina (the "*State*"); and

**WHEREAS**, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues to defray the cost of medical facilities where such assistance will help relieve a shortage of doctors, specialists or medical services in the area where the project is located; and

**WHEREAS**, the Authority, by official action of its governing body, the Board of Directors of the Authority, and SC Health Company, a South Carolina nonprofit corporation (the "*Borrower*"), entered into an Inducement Agreement dated November 15, 2017 (the "*Inducement Agreement*"), pursuant to which and in order to implement the public purposes enumerated in the Act, and in furtherance thereof to comply with the undertakings of the Authority pursuant to the Inducement Agreement, the Authority proposes, subject to such approval by the South Carolina Coordinating Council for Economic Development, Greenville County, Oconee County, Richland County and Sumter County (collectively, the "*Counties*"), as may be required by law, to issue not exceeding \$1,500,000,000 aggregate principal amount of Hospital Revenue Bonds (SC Health Company) Series 2017 (the "*Bonds*"), in one or more series, under and pursuant to Section 41-43-110 of the Act; and

**WHEREAS**, the proceeds of the Bonds will be loaned to the Borrower in connection with the formation of a new integrated health system (the "*System*") which will be led by the Borrower and includes the Upstate Affiliate Organization, a South Carolina nonprofit corporation ("*UAO*") and Palmetto Health, a South Carolina nonprofit corporation ("*PH*") pursuant to the bylaws and articles of incorporation of the Borrower, UAO and PH (collectively, the "*Organizational Documents*"); and

**WHEREAS**, UAO (which together with Greenville Health System, a public body corporate of the State previously known as Greenville Health System Board of Trustees, are collectively defined herein as "*GHS*") operates a comprehensive, integrated health care system that includes a range of health care facilities and professional practices with health educational affiliations serving the Upstate region of the State; and

**WHEREAS**, PH is a comprehensive, integrated health care system including a range of health care facilities and professional practices with health educational affiliations serving the Midlands region of the State; and

**WHEREAS**, under the Organizational Documents, the Borrower will set the strategic direction for the System, provide support services to PH and GHS and other providers joining the System, and exercise certain governance and operational powers that are reserved to it as a member of PH and GHS, respectively; and

**WHEREAS**, the proceeds of the Bonds will be used to (i) repay certain prior debt obligations issued by or for GHS and PH to finance or refinance hospital and health care facilities (together, the *“Projects”*) to enable the Borrower to integrate the System (the *“Undertaking”*) and (ii) pay certain costs of issuance of the Bonds and fees for any credit enhancements, liquidity facilities or hedges deemed necessary by the Borrower; and

**WHEREAS**, the Borrower is projecting that the assistance of the Authority by the issuance of the Bonds, in one or more series, to finance the Undertaking, (1) will result in the maintenance of existing employment for approximately 28,000 people from the Counties and the surrounding areas, and (2) will continue to stimulate the economy of the Counties and surrounding areas by (a) increased payrolls, (b) capital investment, and (c) tax revenues; and

**WHEREAS**, the Board of the Borrower and the Authority requested the County Council of Oconee County, South Carolina (the *“County”*) hold a public hearing as required by the Act and requested the adoption of this Resolution by the County Council of the County (the *“County Council”*); and

**WHEREAS**, the County Council, as the governing body of the County, and the Authority have on December 5, 2017, jointly held a public hearing, duly noticed by publication in a newspaper having general circulation in the County, not less than 15 days prior to the date hereof, at which all interested persons have been given a reasonable opportunity to express their views;

**NOW THEREFORE, BE IT RESOLVED** by the County Council of Oconee County, South Carolina, as follows:

Section 1. It is hereby found, determined and declared, based on information provided by the Borrower, that (a) the Undertaking will subserve the purposes of the Act; (b) the Undertaking is anticipated to benefit the general public welfare of the County by providing services, employment, or other public benefits not otherwise provided locally; (c) the issuance of the Bonds and the Undertaking will give rise to no pecuniary liability of the County or a charge against the general credit or taxing power of the County; (4) the amount of Bonds required to finance the Undertaking is \$1,500,000,000 and (5) the documents to be delivered by the Authority with respect to the Bonds will provide, among other things, (i) for the amount necessary in each year to pay the principal of and interest on the Bonds, (ii) whether reserve funds of any nature will be established in connection with the retirement of the Bonds and the maintenance of the Projects (and, if any such reserve funds are to be so established, the amount necessary to be paid each year into such funds), and (iii) that the Borrower shall maintain the Projects and carry all proper insurance with respect thereto.

Section 2. The County Council supports the Authority in its determination to issue the Bonds allocable to the Undertaking in so far as such relates to Oconee County to defray the costs of the Undertaking, including costs of issuance, if determined by the Borrower.

Section 3. The Bonds shall not constitute an indebtedness of the County within the meaning of any State Constitutional provisions or statutory limitations and shall be payable solely from revenues as set forth in the authorizing documents of the Bonds. The full faith, credit and taxing powers of the County are not pledged to secure the Bonds.

Section 4. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its adoption.

Adopted this 19<sup>th</sup> day of December, 2017.

**OCONEE COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Chairman of County Council

\_\_\_\_\_  
County Administrator

(SEAL)

Attest:

\_\_\_\_\_  
Clerk to County Council

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE  
RESOLUTION 2017-13**

**A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS HOSPITAL REVENUE BONDS (SC HEALTH COMPANY) SERIES 2017, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$1,500,000,000 AND AUTHORIZING A PLEDGE OF REVENUES OF SC HEALTH COMPANY IN CONNECTION HEREWITH.**

**WHEREAS**, the South Carolina Jobs-Economic Development Authority (the "*Authority*") is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina, 1976, as amended (the "*Act*"), to utilize any of its program funds to establish loan programs for the purpose of reducing the cost of capital to business enterprises which meet the eligibility requirements of Section 41-43-150 of the Act and for other purposes described in Section 41-43-160 of the Act and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State of South Carolina (the "*State*"); and

**WHEREAS**, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues to defray the cost of medical facilities where such assistance will help relieve a shortage of doctors, specialists or medical services in the area where the project is located; and

**WHEREAS**, the Authority, by official action of its governing body, the Board of Directors of the Authority, and SC Health Company, a South Carolina nonprofit corporation (the "*Borrower*"), entered into an Inducement Agreement dated November 15, 2017 (the "*Inducement Agreement*"), pursuant to which and in order to implement the public purposes enumerated in the Act, and in furtherance thereof to comply with the undertakings of the Authority pursuant to the Inducement Agreement, the Authority proposes, subject to such approval by the South Carolina Coordinating Council for Economic Development, Greenville County, Oconee County, Richland County and Sumter County (collectively, the "*Counties*"), as may be required by law, to issue not exceeding \$1,500,000,000 aggregate principal amount of Hospital Revenue Bonds (SC Health Company) Series 2017 (the "*Bonds*"), in one or more series, under and pursuant to Section 41-43-110 of the Act; and

**WHEREAS**, the proceeds of the Bonds will be loaned to the Borrower in connection with the formation of a new integrated health system (the "*System*") which will be led by the Borrower and includes the [Strategic-CoordinatingUpstate Affiliate](#) Organization, a South Carolina nonprofit corporation ("[SCOUAQ](#)") and Palmetto Health, a South Carolina nonprofit corporation ("[PH](#)")

pursuant to ~~an Affiliation Agreement dated as of August 15, 2017 between SCO~~the bylaws and articles of incorporation of the Borrower, UAO and PH (collectively, the "~~Affiliation Agreement~~Organizational Documents"); and

~~WHEREAS, SCO is the sole member of Upstate Affiliate Organization ("UAO"), and SCO and UAO~~ (which together with Greenville Health System, a public body corporate of the State previously known as Greenville Health System Board of Trustees, are collectively defined herein as "~~GHS~~") ~~operates~~operates a comprehensive, integrated health care system that includes a range of health care facilities and professional practices with health educational affiliations serving the Upstate region of the State; and

~~WHEREAS, PH is a comprehensive, integrated health care system including a range of health care facilities and professional practices with health educational affiliations serving the Midlands region of the State; and~~

~~WHEREAS, under the Affiliation Agreement~~Organizational Documents, the Borrower will set the strategic direction for the System, provide support services to PH and GHS and other providers joining the System, and exercise certain governance and operational powers that are reserved to it as a member of PH and GHS, respectively; and

~~WHEREAS, the proceeds of the Bonds will be used to (i) repay certain prior debt obligations issued by or for GHS and PH to finance or refinance hospital and health care facilities (together, the "Projects") to enable the Borrower to integrate the System (the "Undertaking") and (ii) pay certain costs of issuance of the Bonds and fees for any credit enhancements, liquidity facilities or hedges deemed necessary by the Borrower; and~~

~~WHEREAS, the Borrower is projecting that the assistance of the Authority by the issuance of the Bonds, in one or more series, to finance the Undertaking, (1) will result in the maintenance of existing employment for approximately 28,000 people from the Counties and the surrounding areas, and (2) will continue to stimulate the economy of the Counties and surrounding areas by (a) increased payrolls, (b) capital investment, and (c) tax revenues; and~~

~~WHEREAS, the Board of the Borrower and the Authority requested the County Council of Oconee County, South Carolina (the "County") hold a public hearing as required by the Act and requested the adoption of this Resolution by the County Council of the County (the "County Council"); and~~

~~WHEREAS, the County Council, as the governing body of the County, and the Authority have on December 5, 2017, jointly held a public hearing, duly noticed by publication in a newspaper having general circulation in the County, not less than 15 days prior to the date hereof, at which all interested persons have been given a reasonable opportunity to express their views;~~

~~**NOW THEREFORE, BE IT RESOLVED** by the County Council of Oconee County, South Carolina, as follows:~~

~~Section 1. It is hereby found, determined and declared, based on information provided by the Borrower, that (a) the Undertaking will subscribe the purposes of the Act; (b) the Undertaking~~

is anticipated to benefit the general public welfare of the County by providing services, employment, or other public benefits not otherwise provided locally; (c) the issuance of the Bonds and the Undertaking will give rise to no pecuniary liability of the County or a charge against the general credit or taxing power of the County; (4) the amount of Bonds required to finance the Undertaking is \$1,500,000,000 and (5) the documents to be delivered by the Authority with respect to the Bonds will provide, among other things, (i) for the amount necessary in each year to pay the principal of and interest on the Bonds, (ii) whether reserve funds of any nature will be established in connection with the retirement of the Bonds and the maintenance of the Projects (and, if any such reserve funds are to be so established, the amount necessary to be paid each year into such funds), and (iii) that the Borrower shall maintain the Projects and carry all proper insurance with respect thereto.

Section 2. The County Council supports the Authority in its determination to issue the Bonds allocable to the Undertaking in so far as such relates to Oconee County to defray the costs of the Undertaking, including costs of issuance, if determined by the Borrower.

Section 3. The Bonds shall not constitute an indebtedness of the County within the meaning of any State Constitutional provisions or statutory limitations and shall be payable solely from revenues as set forth in the authorizing documents of the Bonds. The full faith, credit and taxing powers of the County are not pledged to secure the Bonds.

Section 4. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its adoption.

Adopted this 5<sup>19<sup>th</sup></sup> day of December, 2017.

**OCONEE COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Chairman of County Council

\_\_\_\_\_  
County Administrator

(SEAL)

Attest:

\_\_\_\_\_  
Clerk to County Council



**Oconee County  
Council**



Oconee County  
Administrative Offices  
415 South Pine Street  
Walhalla, SC 29691

Phone: 864-718-1023  
Fax: 864-718-1024

E-mail:  
[ksmith@oconeesc.com](mailto:ksmith@oconeesc.com)

Edda Cammick,  
Chairwoman  
District I

Wayne McCall  
District II

Paul A. Cain  
District III

Julian Davis, III  
Vice Chair  
District IV

J. Glenn Hart  
Chair Pro Tem  
District V



December 19, 2017

Mr. Phil Riley, Director  
Highway Safety and Justice Programs  
SC Department of Public Safety  
10311 Wilson Blvd.  
Blythewood, SC 29016

*RE: Oconee County \_ Court System Efficiency Grant Application*

Dear Mr. Riley:

I am pleased to relay my support of Oconee County's application for the FY18/19 Justice Assistance "Oconee County Court System Efficiency – Phase 1" Grant. Through funding and support of this grant, Oconee County's court system will replace various aging security systems, and enhance/upgrade safety measures using newer technology and software, all the while striving to provide a safer environment at our County's Courthouse and the Magistrate's Seneca Summary Court locations.

The county supports these efforts and is prepared to commit a total cash amount not to exceed 10% from the County, the Sheriff's Office, the Clerk of the Court, the Magistrate's Office, the City of Seneca and Net Doctors, Inc.

Over the past several years, with these older security systems the Sheriff's Office, the Clerk of the Court and Magistrate's Office have spent over \$22,000 for repair costs and ongoing annual maintenance agreements on 10 to 15 year old equipment and systems. Some of the current equipment cannot be upgraded or enhanced, parts not readily available, and/or vendors no longer support the equipment due to its age.

I would also like to express my support and the cooperation of the several departments working together to seek out grant funds to create a safer and more efficient judicial environment for our employees and citizens.

Thank you for your time and consideration.

Sincerely,

Edda Cammick  
Chairwoman  
Oconee Council



**Carolina Heating Service, Inc.**

PO Box 6732 (864) 232-5684  
Greenville SC, 29606 Fax : (864) 232-5685

Proposal #	3878
Proposal Date	12/18/17
Customer #	39140

**Sold To:**  
 Oconee County Court House  
 211 West Main St.  
 Walhalla, SC 29691

**Ship To:**  
 Oconee County Court House  
 211 West Main St.  
 Walhalla, SC 29691

Reference 100 kw	Cust PO #	Ship Via	Valid Through 03/01/18	Terms C.O.D. Salesperson Kelly, Scott
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**Description**

- 1) Proposal to provide a power backup system for the Court House. This is a turn key design and installation project. This is based on a 100 kw natural gas generator.
- 2) The generator is a Generac 100 kw natural gas generator. The generator is a industrial series that is NFPA 99 and 110 compliant and UL2200 certified. Generac model SG0100. See attached specifications.
- 3) The automatic transfer switches is rated at 600 amps 120/208 volts, three phase. The ATS will be installed in the electrical room.
- 4) Install gas line from existing main gas line to generator.
- 5) Engineered stamped drawings per code requirements.
- 6) All electrical to be in conduit.
- 7) Includes a poured concrete pad.
- 8) Standard warranty is one year labor and two years parts. Warranty upgrade to five parts and labor \$1800.00
- 9) One year preventive maintenance program.
- 10) One year remote 24/7 monitoring. This includes monthly reports with email and or text messages when the generator is running or has a fault.
- 11) Start up by our factory trained and authorized technicians.

**TERMS:** 50% due upon acceptance of proposal. Balance due upon completion. Any unpaid balance will be charged a late fee of 1.5% month. Buyer agrees to any reasonable attorney or collection fees incurred by the seller in securing payment. The generator and ATS is design build are not returnable or refundable and become property of the signer.

**Proposal Acceptance:** By signing below I authorize the above work and agree to the terms as stated.

Signature \_\_\_\_\_ Date \_\_\_\_\_

THIS IS NOT AN INVOICE	<b>Total Proposal</b>	<b>\$53,480.00</b>
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<b>STATE OF SOUTH CAROLINA</b> <b>DEPARTMENT OF PUBLIC SAFETY</b> <b>Office of Highway Safety and Justice Programs</b> <b>Justice Assistance Grant Program</b>	
Grant #	<input type="text"/>
App #	T18138
<b>To Be Completed by Project Director</b>	
<b>Section 1</b>	
County Name:	37 - OCONEE <input type="button" value="v"/>
Other county/counties this project will serve:	<input type="text"/>
<b>Section 2</b>	
Grant Period:	<input type="text"/>
Begin:	10/1/2018
End:	9/30/2019
<b>Section 3</b>	
Project Title:	Oconee County Court System Efficiency - Phase 1
<b>Section 4</b>	
Project Summary (max. 300 characters):	Implementing/installing security measures and safety equipment at Oconee County's Main Courthouse and Seneca Magistrate's Summary Court using advanced technology to reduce threats and increase court system efficiency.
<b>Section 5</b>	
Type of Application	
a.	Initial <input type="button" value="v"/>
b. Year of Funds :	1 <input type="button" value="v"/>
Other:(Specify)	<input type="text"/>
c.	<input type="button" value="v"/>
<b>Section 6</b>	
a. Organization Type :	County <input type="button" value="v"/>
Other:(Specify)	<input type="text"/>
b. U. S. Congressional District	03
<b>Section 7</b>	
Agency DUNS number*:	04-581-5883
<small>(fedgov.dnb.com/webform)</small>	
Has your agency registered with Central Contractor Registration (CCR)*? <b>Yes</b>	
<small>(www.sam.gov)</small>	
For Central Contractor Registration (CCR) handbook click here.	
* This data is not required to submit this application but will become necessary for federal reporting requirements if this project is awarded.	
FEIN:	57-6000391
Agency Name	Oconee County
Address	415 S. Pine St
City	Walhalla

State

---

(Please use the Name/Address above instead of this field)  
Name and Address of Implementing Agency

---

10 Digit Zip

(Area) Phone #:

(Area) Fax #:

---

**COMPLETE PAGES 2&3 BEFORE COMPLETING THIS SECTION**

**Section 8**  
**BUDGET**

Use whole dollars only (For example: \$1,500 not \$1,500.00)

a. BUDGET CATEGORIES	GRANTOR	AGENCY MATCH	TOTAL
Personnel	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>
Contractual Services	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>
Travel	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>	<input type="text" value="\$0"/>
Equipment	<input type="text" value="\$194,153"/>	<input type="text" value="\$21,573"/>	<input type="text" value="\$215,726"/>
Other	<input type="text" value="\$555"/>	<input type="text" value="\$62"/>	<input type="text" value="\$617"/>
<b>TOTAL:</b>	<input type="text" value="\$194,708"/>	<input type="text" value="\$21,635"/>	<input type="text" value="\$216,343"/>

b. PERCENTAGE: 90 % 10 % 100 %

---

**Section 9**  
**APPROPRIATION OF NON-GRANTOR MATCHING FUNDS**

Other (Explain):

USE WHOLE DOLLARS ONLY	BUDGET DESCRIPTION			Page 3
<b>MATCHING FUNDS</b>				
<b>CATEGORIES</b>	<b>GRANTOR</b>	<b>CASH</b>	<b>TOTAL</b>	
<b>EQUIPMENT (\$1,000 or more per Unit):</b>				
<small>(Itemize - DO NOT USE BRAND NAME.- Also, DO NOT include leased, rented items or software</small>				
<b>ITEM</b>	<b>QUANTITY</b>			
Walk Through Metal Detection	1	\$4,140	\$460	\$4,600
Handheld Metal Detection Wands	2	\$321	\$36	\$357
X-Ray Machine	1	\$31,184	\$3,465	\$34,649
Security Camera Monitoring Systems (2) /Server Storages (2)	2	\$35,820	\$3,980	\$39,800
Restricted Area Access System	1	\$35,973	\$3,997	\$39,970
Panic Alert System	1	\$25,695	\$2,855	\$28,550
Audio/Visual & Recording Systems (2)	2	\$4,356	\$484	\$4,840
Loss of Electrical Power - 100 kW NG Generator	1	\$48,132	\$5,348	\$53,480
Exterior Safety Safeguards - Lighting system	8	\$6,840	\$760	\$7,600
Exterior Safety Safeguards - Bollards/chains	14	\$1,692	\$188	\$1,880
<b>TOTAL EQUIPMENT:</b>		<b>\$194,153</b>	<b>\$21,573</b>	<b>\$215,726</b>
<b>Other:</b>				
Signage - (exterior metal signs at two locations)	8	\$555	\$62	\$617
		\$0	\$0	\$0
	8	\$0	\$0	\$0
<b>TOTAL OTHER:</b>		<b>\$555</b>	<b>\$62</b>	<b>\$617</b>

# PROCUREMENT - AGENDA ITEM SUMMARY

OCONEE COUNTY, SC

COUNCIL MEETING DATE: December 19, 2017

## ITEM TITLE:

ITB 17-05 Title: **Passive Landfill Gas Vent Trench**      Department: **Solid Waste**      Amount: **\$132,211.00**

## FINANCIAL IMPACT:

Procurement was approved by Council in Fiscal Year 2017-2018 budget process.      Finance Approval: *Adelle Price*  
Assigned Solid Waste Reserves Balance: \$1,226,695      Project Cost: \$132,211      Ending Solid Waste Reserves Balance: \$1,094,484

## BACKGROUND DESCRIPTION:

At the September 5, 2017 Council Meeting, Council approved awards to Smith Gardner, Inc. for related engineering services and to Regenesis BioRemediation Products, Inc., to provide remediation products and their application to the Seneca Landfill for remediation as mandated by DHEC. The installation of a passive landfill gas vent trench is required as part of this remedial effort.

On October 30, 2017, this bid was advertised and emailed to 28 bidders. On November 30, 2017, formal sealed bids were opened. Five (5) companies submitted bids. Martin and Son Contracting of Spartanburg, SC, submitted the lowest responsive and responsible bid of \$120,192.00. A 10% contingency of \$12,019.00 has been added to this amount to allow for unforeseen conditions, bringing the award amount to \$132,211.00.

## ATTACHMENT(S):

1. Smith Gardner recommendation letter
2. Bid Tab

## STAFF RECOMMENDATION:

It is the staff's recommendation that Council (1) approve the award of bid ITB 17-05, Passive Landfill Gas Vent Trench to Martin & Son Contracting, of Spartanburg, SC, in the amount of \$120,192.00, with a 10% contingency of \$12,019.00, for a total award of \$132,211.00 and (2) authorize the County Administrator to approve any Change Orders within the contingency amount.

Submitted or Prepared By: *Robyn Courtright*  
Robyn Courtright, Procurement Director

Approved for Submittal to Council: *T. Scott Moulder*  
T. Scott Moulder, County Administrator

*Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.*

*A calendar with due dates marked may be obtained from the Clerk to Council.*

			Bidders	A & D Environmental	Advance One Development	Comanco Environmental	DOT Energy Solutions	Martin & Son Contracting
			Address	Lexington, SC	Charlotte, NC	Plant City, FL	Bethlehem, GA	Spartanburg, SC
Estimated Qty	Units	Unit Cost	Description	Extended Cost	Extended Cost	Extended Cost	Extended Cost	Extended Cost
0.45	Acres	Lump Sum	Site Preparation:	\$11,846.00	\$5,000.00	\$3,375.00	\$11,500.00	\$1,500.00
720	LF	Lump Sum	Excavation	\$27,808.00	\$32,000.00	\$8,640.00	\$22,500.00	\$7,200.00
720	LF	Lump Sum	Embankment (Compacted Soil)	\$13,861.00	\$7,200.00	\$3,600.00	\$6,500.00	\$7,200.00
1,040	CY	Lump Sum	Soil Hauling (excess Soil to Operating Landfill)	\$10,781.00	\$10,000.00	\$9,360.00	\$9,500.00	\$20,800.00
10,800	SF	Lump Sum	Geotextile	\$8,307.00	\$5,400.00	\$5,400.00	\$6,950.00	\$3,600.00
10,800	SF	Lump Sum	Geomembrane	\$12,927.00	\$10,800.00	\$10,800.00	\$12,500.00	\$6,480.00
1,040	CY	Lump Sum	Coarse Aggregate	\$40,441.00	\$45,000.00	\$52,000.00	\$65,502.00	\$41,600.00
720	LF	Lump Sum	PVC Pipe & Fittings - Perforated	\$9,603.00	\$12,500.00	\$17,280.00	\$8,246.00	\$17,280.00
112	LF	Lump Sum	PVC Pipe and Fittings- Solid	\$4,801.00	\$5,000.00	\$5,600.00	\$5,733.00	\$4,032.00
0.45	Acres	Lump Sum	Revegetation	\$2,689.00	\$5,000.00	\$6,750.00	\$4,500.00	\$4,500.00
1	LS	Lump Sum	Surveying	\$6,124.00	\$3,500.00	\$5,000.00	\$9,500.00	\$3,000.00
1	LS	Lump Sum	Bonds, Mobilization, & Insurance:	\$3,729.00	\$15,000.00	\$22,000.00	\$29,685.00	\$3,000.00
			TOTAL BASE BID PRICE	\$152,917.00	\$156,400.00	\$149,805.00	\$192,616.00	\$120,192.00
<b>Alternate Bid Items</b>								
	LF		Erosion Control (Silt Fence)	\$10.25	\$8.00	\$2.00	\$6.75	\$6.00
	LF		Additional Passive Landfill Gas Vent Trench	\$178.51	\$175.00	\$200.00	\$205.84	\$166.00

Attended Bid Opening: Robyn Courtright, Tronda Popham, Andrew Collins

December 4, 2017

Robyn Courtright  
Procurement Director  
Oconee County  
415 S. Pine Street  
Walhalla, South Carolina 29691

RE: Bid Number #17-05  
Passive Landfill Gas Vent Trench  
For Oconee County Solid Waste  
Oconee County, South Carolina

Dear Ms. Courtright:

Smith Gardner, Inc. (S+G) has completed our review of the bids for the above-referenced project. Five (5) bids were received and all were deemed qualified per the requirements set forth in the bid documents. A list of the qualified bidders along with their base bids (as received) is included below for your review.

Contractor	Base Bid	Order of Bids
Martin & Son Contracting, Inc.	\$120,192	1
Comanco Environmental Corporation	\$149,805	2
A&D Environmental	\$152,917	3
Advance One Development, LLC	\$156,400	4
DOT Energy Solutions, Inc.	\$192,616	5

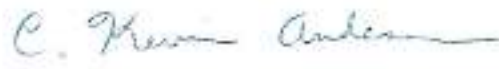
It is the opinion of S+G that the low bidder meets the requirements set forth in the *Instructions and Conditions* section of the bid documents. Therefore, we recommend the contract for passive landfill gas vent trench services be awarded to Martin & Son Contracting, Inc.

We appreciate the opportunity to assist Oconee County. If you have any questions, or require further information, please contact us at (919) 828-0577 or by email below.

Sincerely,  
SMITH GARDNER, INC.



Bobby Wolf, P.G.  
Project Geologist, ext. 302  
[bobby@smithgardnerinc.com](mailto:bobby@smithgardnerinc.com)



C. Kevin Anderson, P.G.  
Senior Geologist, ext. 223  
[kevin@smithgardnerinc.com](mailto:kevin@smithgardnerinc.com)

**REAL PROPERTY SUBLEASE AGREEMENT**

between

**THE FAIR-OAK YOUTH CENTER, INC.**

as Lessor

and

**LifeLine Community Church**  
(Sponsor for Boy Scout Troop  
55 and Cub Scout Troop 55)

as Lessee

## **REAL PROPERTY SUBLEASE AGREEMENT**

**THIS REAL PROPERTY SUBLEASE** ("Lease") is made and entered into by **THE FAIR-OAK YOUTH CENTER, INC.**, as lessor ("Lessor") and **LIFELINE COMMUNITY CHURCH** as lessee ("Lessee"), dated as of November 1, 2017 (the "Lease Commencement Date").

### **RECITALS:**

**WHEREAS**, Lessor is in possession of that certain real property, including all improvements thereon, as shown and designated as Lease Parcel 1, containing 13.288 acres, more or less, on Plat of Survey prepared by Stephen Edwards, PLS #19881, dated February 14, 2017, and recorded in Plat Book B578 at Pages 8 and 9, records of Oconee County; and,

**WHEREAS**, Lessor executed a lease of this property on August 8, 2017 from the fee simple owner, The County of Oconee, South Carolina; and

**WHEREAS**, Lessee desires to sublease the Lease Premises from Lessor for various community enrichment and support activities and enterprises; and

**NOW, THEREFORE**, in consideration of the mutual covenants and promises of the parties, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the foregoing recitals are true and correct and incorporated herein by this reference, and further agree as follows:

### **ARTICLE 1 - DEMISE OF LEASE PREMISES**

Section 1.1. **Premises**. Lessor, for and in consideration of the rents, covenants and conditions herein set forth, does hereby lease to Lessee, and Lessee does hereby lease from Lessor, the Lease Premises (The Premises shall be those areas set forth in the attached Exhibit A), subject to all easements, restrictions, rights of way, and encroachments of record and subject to the terms, conditions and provisions hereof.

Section 1.2. **Quiet Enjoyment**. Lessor covenants and agrees that Lessee, upon paying the rent herein provided and observing and keeping the covenants, conditions, and terms of this Lease on Lessee's part to be kept or performed, shall lawfully and quietly hold, occupy and enjoy the Lease Premises during the "Term" (as hereinafter defined) of this Lease without hindrance of Lessor or any person claiming under Lessor. Notwithstanding the foregoing, Lessee's rights established under this Lease are subject to Lessor's rights to use the Lease Premises as provided herein. Lessor hereby retains the right to enter upon and inspect the Lease Premises at reasonable times and upon reasonable notice; and, Lessor further reserves the right to enter upon the Lease Premises, without prior notice, in the event of an emergency condition or situation, as reasonably determined by Lessor.

### **ARTICLE 2 - LEASE TERM**

Section 2.1. **Lease Term**. The term of this Lease (the "Term") shall commence on the Lease Commencement Date and shall continue through the day immediately preceding the **second (2nd)** anniversary of the Lease Commencement Date, unless earlier terminated as provided herein.

Section 2.2. **Reversion**. At the expiration or earlier termination of this Lease, whether by default, eviction or otherwise, all improvements/infrastructure existing upon the Lease Premises shall, without compensation to Lessee or any other party, then become or remain, as the case may be, the sole property of Lessor or Lessor's designee, free and clear of all claims to or against them by Lessee or any third person attributable to Lessor or Lessee, and all claims, liens, security interests, and



encumbrances, other than those claims that are attributable to any act or omission of Lessor or created hereafter in accordance with the terms of this Lease. All alterations, improvements, additions and utility installations which may be made on the Lease Premises shall be the property of Lessor and shall remain upon and be surrendered with the Lease Premises at the expiration or earlier termination of this Lease. Notwithstanding the foregoing, any machinery or equipment owned by Lessee or any sublessee, other than that which is permanently affixed to the Lease Premises so that it cannot be removed without material damage to the Lease Premises, shall remain the property of Lessee or any sublessee, as may be applicable, and may be removed; provided, however, that Lessee removes or causes its removal prior to the expiration of the Lease or prior to the effective date of termination of the Lease, whichever is applicable.

### **ARTICLE 3 - RENT, TAXES AND UTILITIES**

Section 3.1. **Rent.** In consideration for use of 1752 square feet of space known as Room 107, Room 110, and Grade Test Team Conference Room, Lessee shall pay Lessor the sum of \$480.00 per calendar quarter (\$1,920.00) per year. (See Exhibit B)

Section 3.2. **Taxes.** Lessee shall be responsible for any and all taxes, fees, assessments, and charges, if any, that are attributable to the Lease Premises and the improvements and activities located thereon during the Term. (See Exhibit B)

Section 3.3. **Utilities.** Lessee shall be responsible for all charges incurred for water, heat, gas, electricity, trash disposal, and any and all other utilities used by Lessee at Lease Premises. These expenses will be escrowed as part of quarterly lease payments. These expenses will be reviewed by Lessor and Lessee prior to each one year anniversary from the Lease Commencement Date, and mutually agreed upon adjustments may be made. (See Exhibit B)

Section 3.4. **No Security Deposit.** No security deposit is required hereunder.

Section 3.5. **Costs.** It is the intent of the parties, except as otherwise provided in this Lease, that Lessee pay all costs, charges, insurance premiums, taxes, utilities, expenses, and assessments arising during the Term of every kind and nature incurred for, against, or in connection with the Lease Premises.

### **ARTICLE 4 - USE OF PREMISES**

Section 4.1. **Permitted Uses.** Lessor shall allow Lessee, its agents, employees, successors, assigns, and sublessees to use the Lease Premises for various community enrichment and support activities and enterprises (the "Permitted Uses"). Lessee and its sublessees, successors and assigns shall only use the Lease Premises for the Permitted Uses unless written consent for any other purpose is given by the Lessor, which consent shall not be unreasonably withheld.

### **ARTICLE 5 - HAZARDOUS MATERIALS**

**Section 5.1.** Throughout the Term, Lessee and Lessee's employees, agents, sublessees, invitees, licensees, and contractors shall not cause, permit, or allow any substances, chemicals, materials, or pollutants (whether solid, liquid, or gaseous) deemed to be toxic or hazardous or the manufacture, storage, transport, or disposal of which is regulated, governed, restricted, or prohibited by any federal, state, or local agency or authority, or under any federal, state, or local law, ordinance, rule, or regulation related to the environment, health, or safety (collectively, "Environmental Laws"), including, without limitation, any oil, gasoline, petroleum, petroleum by-products, hazardous

substances, toxic substances, hazardous waste, asbestos, or asbestos containing materials (collectively, "Hazardous Materials"), to be handled, placed, stored, dumped, released, manufactured, used, transported, or located on, in, under, or about the Lease Premises. Notwithstanding the foregoing, Lessee shall not be prohibited from handling, placing, storing, using and transporting Hazardous Materials that are required to be used by Lessee consistent with the Permitted Uses, so long as such materials are handled, used, stored and transported in accordance with applicable laws and regulations.

Section 5.2. Lessee shall give Lessor immediate written notice of any problem, spill, discharge, threatened discharge, or discovery, or claim thereof, of any Hazardous Materials on or about the Lease Premises.

Section 5.3. Remediation. If at any time during the Lease Term any contamination of the Lease Premises by Hazardous Materials shall occur where such contamination is caused by the act or omission of Lessee ("Lessee Contamination"), then Lessee, at no expense to Lessor, shall promptly and diligently remove such Hazardous Materials from the Lease Premises, or the groundwater underlying the Lease Premises, to the extent reasonably possible in accordance with the requirements of the applicable Hazardous Materials Laws and industry standards then prevailing in the Hazardous Materials management and remediation industry in the State of South Carolina.

#### **ARTICLE 6 – IMPROVEMENTS**

Section 6.1. Improvements and Alterations. Lessee shall not undertake to materially improve, alter, or change the exterior or interior of the Premises without prior written consent of Lessor. All alterations, additions, and improvements made in or to the Premises shall, unless otherwise provided by written agreement, be the property of Lessor and remain and be surrendered with the Premises, and Lessee waives all claim for damages to or loss of any property belonging to the Lessee that may be left in or upon the Premises, or which is attached thereto and/or becomes a fixture.

#### **ARTICLE 7 – MAINTENANCE**

Section 7.1. Maintenance, Repairs, and Upkeep Provided by Lessee. Lessee shall be responsible for all necessary repairs and maintenance to renovations made and equipment installed by lessee, normal housekeeping, floor maintenance, and trash removal at Lease Premises. Lessee would also be responsible for any damage incurred during renovations and normal use of the Lease Premises. (See Exhibit B)

Section 7.2. Maintenance, Repairs, and Upkeep provided by Lessor. Lessor shall be responsible for all necessary repairs and maintenance of Lease Premises structure and equipment as existed on the day immediately prior to the Lease Commencement date. (See Exhibit B)

Section 7.3. As Is Condition of the Premises. Subject to the provisions of this Lease, with specific reference being made to Articles 5 and 7, the Lease Premises is presented to Lessee by Lessor without representation or warranty as to the condition of the Premises in general, or as to Lessee's contemplated uses specifically.

## **ARTICLE 8 – LIENS**

Section 8.1. **Prohibition of Liens.** Lessee shall not suffer, create, or permit any mechanic's liens or other liens to be filed against the Lease Premises, or any part thereof, by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Lessee.

## **ARTICLE 9 – CONDEMNATION**

Section 9.1. **Condemnation.** In the event the entire Lease Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking or conveyance made in lieu thereof and Lessor and Lessee shall thereupon be released from any further duties or obligations hereunder. If a portion of the Lease Premises is taken, or conveyance made in lieu thereof, then Rent shall be equitably apportioned according to the portion of Lease Premises so taken, and Lessee shall, at its own expense, restore the remaining portion of Lease Premises to operate as a Permitted Use.

## **ARTICLE 10 - ASSIGNMENT AND SUBLETTING**

Section 10.1. **Limitation on Assignment and Subletting.** Lessee may not sell, assign, sublease, convey or transfer all or substantially all of Lessee's interest in this Lease and the leasehold estate created hereby, without the prior written consent of Lessor, which consent will not be unreasonably withheld or delayed. Any assignment, sublease, conveyance or transfer of Lessee's interest in this Lease shall be subject to compliance with the provisions of this Lease. In the event of an assignment, sale or transfer of all, or substantially all, of Lessee's interest in this Lease, any such assignee, buyer or transferee shall be required to assume in writing all of the Lessee's obligations and shall be bound by all of the terms of this Lease.

## **ARTICLE 11 – INSURANCE AND INDEMNITY**

Section 11.1. **Comprehensive Liability Insurance.** Lessee shall maintain a policy of Comprehensive General Liability (CGL) insurance, including public liability, bodily injury, and property damage, written by a company licensed to do business in the State of South Carolina, covering the use and activity contemplated by this Lease with combined single limits of no less than One Million and 00/100 (\$1,000,000) Dollars per occurrence and One Million and 00/100 (\$1,000,000) Dollars aggregate, with Two Million and 00/100 (\$2,000,000) Dollars umbrella coverage, by the terms of which Lessor, Lessee, and Oconee County are named as insureds and are indemnified against liability for damage or injury to property or persons (including death) entering upon or using the Lease Premises, or any structure thereon or any part thereof. Such insurance policy or policies shall be stated to be primary and noncontributing with any insurance which may be carried by Lessor. A certificate of said insurance, together with proof of payment of the premium thereof shall be delivered to Lessor, and renewal certificates and proof of payment of premium therefor shall be delivered to Lessor not less than fifteen (15) days prior to the renewal date of any such insurance policies during the Term. Such insurance shall be cancelable only after thirty (30) days' prior written notice to Lessor, Lessee, and Oconee County. In the event Lessee fails to timely pay any premium when due, Lessor shall be authorized to do so, and may charge all costs and expenses thereof, including the premium, to Lessee, to be paid by Lessee as additional rent hereunder. (See Exhibit C)

Section 11.2. Fire and Extended Coverage Property Insurance. Lessor shall not maintain a policy of insurance insuring the Lease Premises and any improvements/infrastructure thereon against loss or damage by fire, acts of God, or any other occurrence. Lessee shall, at its option, obtain such coverage.

Section 11.3. Waiver of Subrogation. Lessee and all parties claiming under it releases and discharges Lessor from all claims and liabilities arising from or caused by any casualty or hazard covered or required hereunder to be covered in whole or in part by the casualty and liability insurance to be carried on the Lease Premises or in connection with any improvements/infrastructure on or activities conducted on the Lease Premises, and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, and shall evidence such waiver by endorsement to the required insurance policies, provided that such release shall not operate in any case where the effect is to invalidate or increase the cost of such insurance coverage (provided that in the case of increased cost, Lessor shall have the right, within thirty (30) days following written notice, to pay such increased cost, thereby keeping such release and waiver in full force and effect).

Section 11.4. Additional Insurance: Lessor will not be responsible for any loss to personal property of Lessee, or Lessee's, guests, invitees, licensees, sublessees, or others entering the Premises for activities related to this Lease, due to fire, theft, or any other damages, including any acts of nature. Lessee understands that Lessor will not carry insurance that would cover personal property due to loss and that it is the Lessee's responsibility to obtain insurance to cover such property.

Section 11.5. Indemnification. Lessee hereby agrees to indemnify, protect, defend, and hold Lessor and its officers, board members, employees, agents, attorneys, successors, and assigns harmless from and against any and all losses, damages, actions, fines, penalties, demands, damages, liability, and expense, including attorneys' fees and costs through litigation and all appeals, in connection with the loss of life, personal injury, and damage to property, resulting (in whole or in part) from the negligence or intentional misconduct of Lessee, its employees, agents, or sublessees and arising from or out of (i) any occurrence in, upon, at or about the Lease Premises and/or (ii) the occupancy, use, or construction upon and maintenance of the Lease Premises. Nothing contained herein shall be construed to make Lessee liable for any injury or loss primarily caused by the gross negligence or willful misconduct of Lessor or any agent or employee of Lessor.

## **ARTICLE 12 - DAMAGE AND DESTRUCTION**

Section 12.1. Damage to or Destruction of Project - Insurance. In the event the Lease Premises is damaged or destroyed, in whole or in part, so as to make it unusable for the purposes intended, to the extent insurance is available and it is commercially reasonable to do so, Lessor, may, at its option, choose to rebuild the Lease Premises in substantially the same form as it existed at the time of the damage or destruction, within one year from the date of damage or destruction.

## **ARTICLE 13 - DEFAULTS AND REMEDIES**

Section 13.1. Defaults. Each of the following events shall be a default by Lessee and a breach of this Lease and constitute an "Event of Default":

- (a) **Abandonment.** Abandonment of the Lease Premises, or the improvements/infrastructure now or hereafter constructed thereon, where such abandonment continues for a period of One Hundred and Twenty (120) consecutive days. Such abandonment shall not include any time that the Lease Premises are vacated due to a casualty.
- (b) **Attachment or Other Levy.** The subjection of any right or interest of Lessee in the Lease Premises to attachment, execution or other levy, or to seizure under legal process, if not released within sixty (60) days, after written notice of same.
- (c) **Default of Performance Under this Lease.** The failure of Lessee to observe or perform any of its material covenants, conditions or agreements under this Lease; or the material breach of any warranties or representations of Lessee under this Lease.
- (d) **Insolvency; Bankruptcy.** An assignment by Lessee for the benefit of creditors, or the filing of a voluntary or involuntary petition by or against Lessee under any law for the purpose of adjudicating Lessee a bankrupt; or for extending time for payment, adjustment or satisfaction of Lessee's liabilities; or reorganization, dissolution, or arrangement on account of, or to prevent bankruptcy or insolvency; unless, in case of such that are involuntary on Lessee's part, the assignment, proceedings, and all consequent orders, adjudications, custodies and supervisions are dismissed, vacated, or terminated within sixty (60) days after the assignment, filing or other initial event.

Section 13.2. **Notice and Right to Cure.** Lessee shall have sixty (60) days to cure a default after written notice is given by Lessor to Lessee and to the leasehold mortgagee, specifying the nature of the default; provided, however, that if after exercise of due diligence and its best efforts to cure such default Lessee is unable to do so within the sixty (60) day period, then the cure period may be extended, upon written agreement by Lessor, for a such reasonable time as may be deemed necessary by Lessor to cure the default.

Section 13.3. **Remedies.** If any default by Lessee shall continue uncured by Lessee upon expiration of the applicable cure period, Lessor may exercise any one or all of the following remedies in addition to all other rights and remedies provided by law or equity, from time to time, to which Lessor may resort cumulatively or in the alternative:

- (a) **Termination of Lease in its Entirety.** Lessor may, at Lessor's election, terminate this Lease upon thirty (30) days written notice to Lessee. Thereafter, all of Lessee's rights in the Lease Premises and in and to all improvements/infrastructure located thereon shall terminate upon termination of this Lease. Promptly upon any such termination, Lessee shall surrender and vacate the Lease Premises and any other improvements/infrastructure located thereon, and Lessor may re-enter and take possession of the Lease Premises and all improvements/infrastructure located thereon. Termination under this paragraph shall not relieve Lessee from any claim for damages previously accrued, or then accruing, against Lessee.
- (b) **Re-entry Without Termination.** Lessor may, at Lessor's election, re-enter the Lease Premises and improvements/infrastructure located thereon, and without terminating this Lease, at any time, relet the Lease Premises and improvements/infrastructure thereon, or any part(s) of them, for the account, and in the name of Lessee or otherwise, all upon rates and terms determined by Lessor, without hereby obligating Lessor to relet the Lease Premises or make an effort to relet either or both of them in whole or in part, at any time. Any reletting may be for the remainder of the Term or for any longer or shorter period. Lessor shall have the

further right, at Lessor's option, to make such reasonable and necessary alterations, repairs, replacements and/or restorations which shall not operate or be construed to release Lessee from liability hereunder. No act by or on behalf of Lessor under this provision shall constitute a termination of this Lease unless Lessor gives Lessee written notice of termination.

(c) Lessee's Personal Property. Lessor may, at Lessor's election, use Lessee's personal property and trade fixtures or any of such property and fixtures left on the Lease Premises after termination or expiration of this Lease without compensation and without liability for use or damage, or Lessor may store them for the account and at the cost of Lessee. The election of one remedy for any one item shall not foreclose an election of any other remedy for another item, or for the same item at a later time.

(d) Appointment of Receiver. Lessor may, if Lessor elects to file suit to enforce this Lease and/or protect its rights hereunder, in addition to the other remedies provided in this Lease and by law, have the appointment of a receiver of the Lease Premises and the improvements/infrastructure thereon.

Section 13.4. Remedies Cumulative. Suit or suits for the recovery of such damages, or any installments thereof, may be brought by Lessor from time to time at its election, and nothing contained herein shall be deemed to require Lessor to postpone suit until the date when the term of this Lease would have expired nor limit or preclude recovery by Lessor against Lessee of any sums or damages which, in addition to the damages particularly provided above, Lessor may lawfully be entitled by reason of any default hereunder on the part of Lessee. All of the remedies hereinbefore given to Lessor and all rights and remedies given to it at law and in equity shall be cumulative and concurrent.

Section 13.5. Lessee's Liability After Default. If Lessee shall default in the performance of any of its obligations under this Lease, Lessor, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account and at the expense of Lessee, without notice in a case of emergency, and in any other case only if such default continues after the expiration of the curing period applicable under this Lease. Any reasonable expenses incurred by Lessor in connection with any such performance, and all reasonable attorneys' fees, including appellate, bankruptcy and post-judgment proceedings involved in collecting or endeavoring to collect the rent or any additional rent or any part thereof or enforcing or endeavoring to enforce any rights against Lessee or Lessee's obligations hereunder, shall be due and payable upon Lessor's submission of an invoice therefor. All sums advanced by Lessor on account of Lessee under this Section, or pursuant to any other provision of this Lease, and all rent, if delinquent or not paid by Lessee and received by Lessor when due hereunder, shall bear interest at the maximum allowable interest rate in the State of South Carolina or at a rate of twelve percent (12%) per annum, whichever is higher, from the due date thereof until paid and the same shall be and constitute additional rent and be due and payable upon Lessor's demand therefor.

Section 13.6. Holdover. If Lessee remains in possession of the Lease Premises or any part thereof after the expiration or earlier termination of this Lease, Lessee shall become a Lessee at sufferance. Notwithstanding that Lessor may allow Lessee to continue in possession after the expiration or earlier termination of this Lease, neither that nor the provisions of this Section shall constitute a waiver of any of Lessor's rights under this Section or this Lease.

#### **ARTICLE 14 - SURRENDER AND REMOVAL**

Section 14.1. Surrender of Possession. Upon the expiration of the Term or any earlier termination thereof, Lessee shall surrender to Lessor possession of the Lease Premises and all

improvements/infrastructure constructed located and installed thereon. If Lessee is not then in default under any of the covenants and conditions hereof, Lessee may remove, or cause to be removed, all personal property and equipment of Lessee, other than permanent fixtures, from the Lease Premises prior to the expiration or effective date of termination of this Lease; thereafter all such personal property and equipment not removed shall belong to Lessor without the payment of any consideration.

## **ARTICLE 15 – GENERAL PROVISIONS**

Section 15.1. **Conditions and Covenants.** All of the provisions of this Lease shall be deemed as running with the land, and construed to be “conditions” as well as “covenants” as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

Section 15.2. **Survival.** All representations and warranties of Lessee or Lessor under this Lease shall survive the expiration or sooner termination of this Lease for acts occurring prior to expiration or termination of this Lease.

Section 15.3. **No Waiver of Breach.** No failure by either Lessor or Lessee to insist upon the strict performance by the other of any covenant, agreement, term or condition of this Lease, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Lease, but each and every covenant, condition, agreement and term of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

Section 15.4. **Unavoidable Delay - Force Majeure.** If either party shall be delayed or prevented from the performance of any act required by this Lease by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws, or regulations or other cause, without fault and beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

Section 15.5. **Notices.** Unless otherwise specifically provided in this Lease or by law, any and all notices or other communications required or permitted by this Lease or by law to be served on, given to, or delivered to any party to this Lease shall be writing and shall be deemed duly served, given, delivered and received when personally delivered (including confirmed overnight delivery service to the party to whom it is directed), or in lieu of such personal delivery, when three (3) business days have elapsed following deposit thereof in the United States mail, first-class postage prepaid, certified, return receipt requested, addressed to:

LESSOR:

Fair-Oak Youth Center, Inc.  
ATTN: Tony Adams, President  
P.O. Box 212  
Fairplay, SC 29643

LESSEE:

LifeLine Community Church  
6679 West-Oak Highway  
Westminster, South Carolina 29693  
c/o Milton Chupp

Either party may change its address for the purpose of this paragraph by giving written notice of such change to the other party in the manner provided in this paragraph.

Section 15.6. Gender. The use herein of (1) any gender includes all others, and (2) the singular number includes the plural and vice-versa, whenever the context so requires.

Section 15.7. Captions. Captions in this Lease are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Lease or any of the terms hereof.

Section 15.8. Waiver; Amendment. No modification, waiver, amendment, discharge or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

Section 15.9. Attorney's Fees. If either party retains an attorney to enforce or interpret this Lease, the prevailing party shall be entitled to recover, in addition to all other items of recovery permitted by law, reasonable attorney's fees and costs incurred through litigation, bankruptcy proceedings and all appeals.

Section 15.10. Time. Time is of the essence of each obligation of each party hereunder.

Section 15.11. Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of South Carolina, without regard to conflict of law principles.

Section 15.12. Binding Effect. Subject to any provision of this Lease that may prohibit or curtail assignment of any rights hereunder, this Lease shall bind and inure to the benefit of the respective heirs, assigns, personal representatives, and successors of the parties hereto.

Section 15.13. Execution of Other Instruments. Each party agrees that it shall, upon the other's request, take any and all steps, and execute, acknowledge and deliver to the other party any and all further instruments necessary or expedient to effectuate the purpose of this Lease.

Section 15.14. Severability. If any term, provision, covenant or condition of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable or is otherwise challenged and determined to be invalid, illegal or incapable of being enforced as a result of any rule of law or public policy issued by an administrative or judicial forum that is not subject to further appeal or is not actually appealed, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated. In such event or if an opinion of counsel is provided to the effect that this Lease is not so enforceable, the parties hereto shall negotiate in good faith to modify this Lease so as to effect the original intent of the parties as closely as possible and to comply with applicable law, regulations or published governmental interpretations thereof, in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

Section 15.15. Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and when taken together will constitute one instrument.

Section 15.16. Estoppel Certificate. Either party shall execute, acknowledge and deliver to the other party, within twenty (20) days after requested by the other party, a statement in writing certifying, if such is the case, that this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified); the date of the commencement of this Lease; any alleged defaults and claims against the other party; and such other information as shall be reasonably requested.

Section 15.17. Dispute Resolution; Waiver of Trial by Jury. Any conflict, dispute or grievance



(collectively, "Conflict") by and between Lessor and Lessee shall be submitted to mediation before initiating court proceedings. The mediator selected to conduct the mediation must be mutually agreed upon by Lessor and Lessee. Unless the parties otherwise agree, the mediator must be certified in South Carolina state courts and have experience in matters forming the basis of the Conflict. The site for the mediation shall be Oconee County, South Carolina, and the mediation hearing shall be held within thirty (30) days of the selection of the mediator, unless otherwise agreed. Each party shall bear its own expenses associated with the mediation and the parties shall split the fees and expenses of the mediator evenly. Failure to agree to the selection of a mediator or failure to resolve the Conflict through mediation will entitle the parties to pursue other methods of dispute resolution, including without limitation, litigation. Notwithstanding any other provision contained herein, nothing in this Agreement shall be construed as requiring either party to participate in mediation prior to initiating court proceedings in which a temporary restraining order or preliminary injunction is sought. In such situations, the parties shall conduct mediation within thirty (30) days after the hearing on such motions or within such other time as is prescribed by the Court.

LESSOR AND LESSEE MUTUALLY, EXPRESSLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY FOR ANY PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, OR ARISING OUT OF ANY CONDUCT OR COURSE OF DEALING OF THE PARTIES, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PERSONS. THIS WAIVER IS A MATERIAL INDUCEMENT OF LESSEE AND LESSOR TO ENTER INTO THIS LEASE.

IN WITNESS WHEREOF, this Lease has been executed on the respective dates set forth below.

IN THE PRESENCE OF:

LESSOR:

**FAIR-OAK YOUTH CENTER, INC.**

Ronald Ellenburg

By: [Signature]

Name: Tony A. Adams

Title: PRESIDENT - FOYC

LESSEE:

**LIFELINE COMMUNITY CHURCH**

Ronald Ellenburg

By: [Signature]

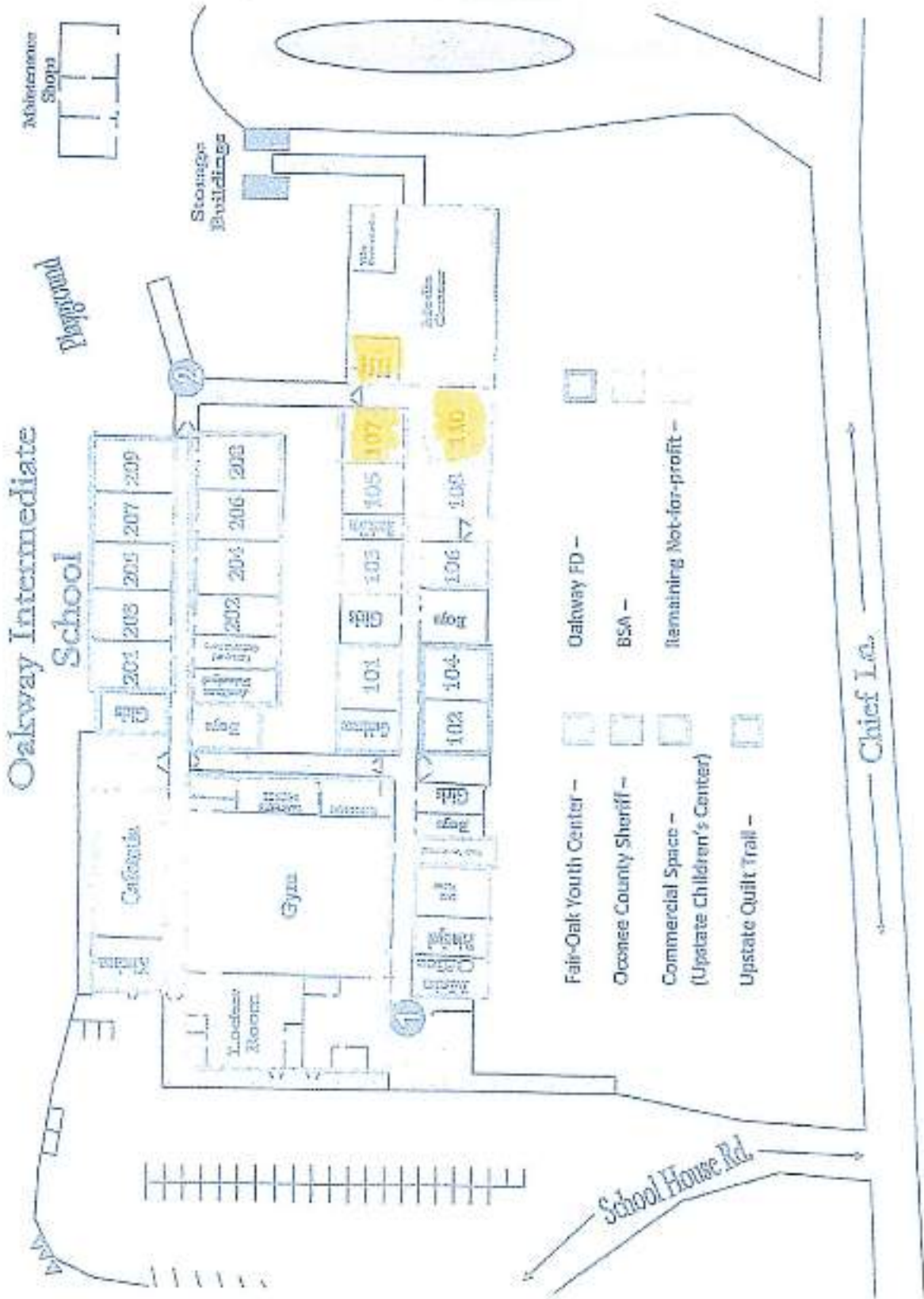
Name: Milton Chapp

Title: Leadership President

**EXHIBIT A**

**(ROOMS AND AREAS WHICH ARE SUBJECT TO THIS LEASE)**

# EXHIBIT A



**REAL PROPERTY SUBLEASE AGREEMENT**

between

**THE FAIR-OAK YOUTH CENTER, INC.**

as Lessor

and

**HYATT LANDWORKS, INC.**

as Lessee

## REAL PROPERTY SUBLEASE AGREEMENT

THIS REAL PROPERTY SUBLEASE ("Lease") is made and entered into by THE FAIR-OAK YOUTH CENTER, INC., as lessor ("Lessor") and HYATT LANDWORKS, INC. as lessee ("Lessee"), dated as of December 1, 2017 (the "Lease Commencement Date").

### RECITALS:

WHEREAS, Lessor is in possession of that certain real property, including all improvements thereon, as shown and designated as Lease Parcel 1, containing 13.288 acres, more or less, on Plat of Survey prepared by Stephen Edwards, PLS #19881, dated February 14, 2017, and recorded in Plat Book B578 at Pages 8 and 9, records of Oconee County; and,

WHEREAS, Lessor executed a lease of this property on August 8, 2017 from the fee simple owner, The County of Oconee, South Carolina; and

WHEREAS, Lessee desires to sublease the Lease Premises from Lessor for various community enrichment and support activities and enterprises; and

NOW, THEREFORE, in consideration of the mutual covenants and promises of the parties, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the foregoing recitals are true and correct and incorporated herein by this reference, and further agree as follows:

### ARTICLE 1 - DEMISE OF LEASE PREMISES

Section 1.1. Premises. Lessor, for and in consideration of the rents, covenants and conditions herein set forth, does hereby lease to Lessee, and Lessee does hereby lease from Lessor, the Lease Premises (The Premises shall be those areas set forth in the attached Exhibit A), subject to all easements, restrictions, rights of way, and encroachments of record and subject to the terms, conditions and provisions hereof.

Section 1.2. Quiet Enjoyment. Lessor covenants and agrees that Lessee, upon paying the rent herein provided and observing and keeping the covenants, conditions, and terms of this Lease on Lessee's part to be kept or performed, shall lawfully and quietly hold, occupy and enjoy the Lease Premises during the "Term" (as hereinafter defined) of this Lease without hindrance of Lessor or any person claiming under Lessor. Notwithstanding the foregoing, Lessee's rights established under this Lease are subject to Lessor's rights to use the Lease Premises as provided herein. Lessor hereby retains the right to enter upon and inspect the Lease Premises at reasonable times and upon reasonable notice; and, Lessor further reserves the right to enter upon the Lease Premises, without prior notice, in the event of an emergency condition or situation, as reasonably determined by Lessor.

### ARTICLE 2 - LEASE TERM

Section 2.1. Lease Term. The term of this Lease (the "Term") shall commence on the Lease Commencement Date and shall continue through the day immediately preceding the first anniversary of the Lease Commencement Date, unless earlier terminated as provided herein.

Section 2.2. Reversion. At the expiration or earlier termination of this Lease, whether by default, eviction or otherwise, all improvements/infrastructure existing upon the Lease Premises shall, without compensation to Lessee or any other party, then become or remain, as the case may be, the sole property of Lessor or Lessor's designee, free and clear of all claims to or against them by Lessee

or any third person attributable to Lessor or Lessee, and all claims, liens, security interests, and encumbrances, other than those claims that are attributable to any act or omission of Lessor or created hereafter in accordance with the terms of this Lease. All alterations, improvements, additions and utility installations which may be made on the Lease Premises shall be the property of Lessor and shall remain upon and be surrendered with the Lease Premises at the expiration or earlier termination of this Lease. Notwithstanding the foregoing, any machinery or equipment owned by Lessee or any sublessee, other than that which is permanently affixed to the Lease Premises so that it cannot be removed without material damage to the Lease Premises, shall remain the property of Lessee or any sublessee, as may be applicable, and may be removed; provided, however, that Lessee removes or causes its removal prior to the expiration of the Lease or prior to the effective date of termination of the Lease, whichever is applicable.

### **ARTICLE 3 - RENT, TAXES AND UTILITIES**

Section 3.1. **Rent.** In consideration for use of 169 square feet of interior space known as the old Nurse's Office, Lessee shall pay Lessor the sum of **\$100.00** dollars per calendar month, payable by the 10th of each calendar month. Utility costs are included in the monthly rent.

Section 3.2. **Taxes.** Lessee shall be responsible for any and all taxes, fees, assessments, and charges, if any, that are attributable to the Lease Premises and the improvements and activities located thereon during the Term. Property taxes will be escrowed as part of the monthly rent

Section 3.3. **Utilities.** Lessee shall be responsible for all charges incurred for water, heat, gas, electricity, trash disposal, and any and all other utilities used by Lessee at Lease Premises. These expenses will be escrowed as part of monthly lease payments. These expenses will be reviewed by Lessor and lessee prior to each one year anniversary from the Lease commencement Date, and mutually agreed upon adjustments may be made.

Section 3.4. **No Security Deposit.** No security deposit is required hereunder.

Section 3.5. **Costs.** It is the intent of the parties, except as otherwise provided in this Lease, that Lessee pay all costs, charges, insurance premiums, taxes, utilities, expenses, and assessments arising during the Term of every kind and nature incurred for, against, or in connection with the Lease Premises.

### **ARTICLE 4 - USE OF PREMISES**

Section 4.1. **Permitted Uses.** Lessor shall allow Lessee, its agents, employees, successors, assigns, and sublessees to use the Lease Premises for various community enrichment and support activities and enterprises (the "Permitted Uses"). Lessee and its sublessees, successors and assigns shall only use the Lease Premises for the Permitted Uses unless written consent for any other purpose is given by the Lessor, which consent shall not be unreasonably withheld.

### **ARTICLE 5 - HAZARDOUS MATERIALS**

Section 5.1. Throughout the Term, Lessee and Lessee's employees, agents, sublessees, invitees, licensees, and contractors shall not cause, permit, or allow any substances, chemicals, materials, or pollutants (whether solid, liquid, or gaseous) deemed to be toxic or hazardous or the manufacture, storage, transport, or disposal of which is regulated, governed, restricted, or prohibited by any federal, state, or local agency or authority, or under any federal, state, or local law, ordinance, rule, or regulation related to the environment, health, or safety (collectively, "Environmental Laws"),

including, without limitation, any oil, gasoline, petroleum, petroleum by-products, hazardous substances, toxic substances, hazardous waste, asbestos, or asbestos containing materials (collectively, "Hazardous Materials"), to be handled, placed, stored, dumped, released, manufactured, used, transported, or located on, in, under, or about the Lease Premises. Notwithstanding the foregoing, Lessee shall not be prohibited from handling, placing, storing, using and transporting Hazardous Materials that are required to be used by Lessee consistent with the Permitted Uses, so long as such materials are handled, used, stored and transported in accordance with applicable laws and regulations.

Section 5.2. Lessee shall give Lessor immediate written notice of any problem, spill, discharge, threatened discharge, or discovery, or claim thereof, of any Hazardous Materials on or about the Lease Premises.

Section 5.3. Remediation. If at any time during the Lease Term any contamination of the Lease Premises by Hazardous Materials shall occur where such contamination is caused by the act or omission of Lessee ("Lessee Contamination"), then Lessee, at no expense to Lessor, shall promptly and diligently remove such Hazardous Materials from the Lease Premises, or the groundwater underlying the Lease Premises, to the extent reasonably possible in accordance with the requirements of the applicable Hazardous Materials Laws and industry standards then prevailing in the Hazardous Materials management and remediation industry in the State of South Carolina.

#### **ARTICLE 6 – IMPROVEMENTS**

Section 6.1. Improvements and Alterations. Lessee shall not undertake to materially improve, alter, or change the exterior or interior of the Premises without prior written consent of Lessor. All alterations, additions, and improvements made in or to the Premises shall, unless otherwise provided by written agreement, be the property of Lessor and remain and be surrendered with the Premises, and Lessee waives all claim for damages to or loss of any property belonging to the Lessee that may be left in or upon the Premises, or which is attached thereto and/or becomes a fixture.

#### **ARTICLE 7 – MAINTENANCE**

Section 7.1. Maintenance, Repairs, and Upkeep Provided by Lessee. Lessee shall be responsible for all necessary repairs and maintenance to renovations made and equipment installed by lessee, normal housekeeping, floor maintenance, and trash removal in the Lease Premises. Lessee shall ensure that the interior of the Lease Premises are kept in a clean and sanitary condition and are neat and orderly in appearance. Lessee shall be responsible for any abuse and destruction of Lease Property not due to ordinary wear and tear.

Section 7.2. Maintenance, Repairs, and Upkeep provided by Lessor. Lessor shall be responsible for all necessary repairs and maintenance of Lease Premise structure and equipment as existed on the day immediately prior to the Lease Commencement date.

Section 7.3. As Is Condition of the Premises. Subject to the provisions of this Lease, with specific reference being made to Articles 5 and 7, the Lease Premises is presented to Lessee by Lessor without representation or warranty as to the condition of the Premises in general, or as to Lessee's



contemplated uses specifically.

### **ARTICLE 8 – LIENS**

Section 8.1. **Prohibition of Liens.** Lessee shall not suffer, create, or permit any mechanic's liens or other liens to be filed against the Lease Premises, or any part thereof, by reason of any work, labor, services, or materials supplied or claimed to have been supplied to Lessee.

### **ARTICLE 9 – CONDEMNATION**

Section 9.1. **Condemnation.** In the event the entire Lease Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, this Lease shall terminate and expire as of the date of such taking or conveyance made in lieu thereof and Lessor and Lessee shall thereupon be released from any further duties or obligations hereunder. If a portion of the Lease Premises is taken, or conveyance made in lieu thereof, then Rent shall be equitably apportioned according to the portion of Lease Premises so taken, and Lessee shall, at its own expense, restore the remaining portion of Lease Premises to operate as a Permitted Use.

### **ARTICLE 10 - ASSIGNMENT AND SUBLETTING**

Section 10.1. **Limitation on Assignment and Subletting.** Lessee may not sell, assign, sublease, convey or transfer all or substantially all of Lessee's interest in this Lease and the leasehold estate created hereby, without the prior written consent of Lessor, which consent will not be unreasonably withheld or delayed. Any assignment, sublease, conveyance or transfer of Lessee's interest in this Lease shall be subject to compliance with the provisions of this Lease. In the event of an assignment, sale or transfer of all, or substantially all, of Lessee's interest in this Lease, any such assignee, buyer or transferee shall be required to assume in writing all of the Lessee's obligations and shall be bound by all of the terms of this Lease.

### **ARTICLE 11 – INSURANCE AND INDEMNITY**

Section 11.1. **Comprehensive Liability Insurance.** Lessee shall maintain a policy of Comprehensive General Liability (CGL) insurance, including public liability, bodily injury, and property damage, written by a company licensed to do business in the State of South Carolina, covering the use and activity contemplated by this Lease with combined single limits of no less than One Million and 00/100 (\$1,000,000) Dollars per occurrence and One Million and 00/100 (\$1,000,000) Dollars aggregate, with Two Million and 00/100 (\$2,000,000) Dollars umbrella coverage, by the terms of which Lessor, Lessee, and Oconee County are named as insureds and are indemnified against liability for damage or injury to property or persons (including death) entering upon or using the Lease Premises, or any structure thereon or any part thereof. Such insurance policy or policies shall be stated to be primary and noncontributing with any insurance which may be carried by Lessor. A certificate of said insurance, together with proof of payment of the premium thereof shall be delivered to Lessor, and renewal certificates and proof of payment of premium therefor shall be delivered to Lessor not less than fifteen (15) days prior to the renewal date of any such insurance policies during the Term. Such insurance shall be cancelable only after thirty (30) days' prior written notice to Lessor, Lessee, and Oconee County. In the event Lessee fails to timely pay any premium when due, Lessor shall be authorized to do so, and may charge all costs and expenses thereof, including the

premium, to Lessee, to be paid by Lessee as additional rent hereunder.

Section 11.2. Fire and Extended Coverage Property Insurance. Lessor shall not maintain a policy of insurance insuring the Lease Premises and any improvements/infrastructure thereon against loss or damage by fire, acts of God, or any other occurrence. Lessee shall, at its option, obtain such coverage.

Section 11.3. Waiver of Subrogation. Lessee and all parties claiming under it releases and discharges Lessor from all claims and liabilities arising from or caused by any casualty or hazard covered or required hereunder to be covered in whole or in part by the casualty and liability insurance to be carried on the Lease Premises or in connection with any improvements/infrastructure on or activities conducted on the Lease Premises, and waives any right of subrogation which might otherwise exist in or accrue to any person on account thereof, and shall evidence such waiver by endorsement to the required insurance policies, provided that such release shall not operate in any case where the effect is to invalidate or increase the cost of such insurance coverage (provided that in the case of increased cost, Lessor shall have the right, within thirty (30) days following written notice, to pay such increased cost, thereby keeping such release and waiver in full force and effect).

Section 11.4. Additional Insurance: Lessor will not be responsible for any loss to personal property of Lessee, or Lessee's, guests, invitees, licensees, sublessees, or others entering the Premises for activities related to this Lease, due to fire, theft, or any other damages, including any acts of nature. Lessee understands that Lessor will not carry insurance that would cover personal property due to loss and that it is the Lessee's responsibility to obtain insurance to cover such property.

Section 11.5. Indemnification. Lessee hereby agrees to indemnify, protect, defend, and hold Lessor and its officers, board members, employees, agents, attorneys, successors, and assigns harmless from and against any and all losses, damages, actions, fines, penalties, demands, damages, liability, and expense, including attorneys' fees and costs through litigation and all appeals, in connection with the loss of life, personal injury, and damage to property, resulting (in whole or in part) from the negligence or intentional misconduct of Lessee, its employees, agents, or sublessees and arising from or out of (i) any occurrence in, upon, at or about the Lease Premises and/or (ii) the occupancy, use, or construction upon and maintenance of the Lease Premises. Nothing contained herein shall be construed to make Lessee liable for any injury or loss primarily caused by the gross negligence or willful misconduct of Lessor or any agent or employee of Lessor.

## **ARTICLE 12 - DAMAGE AND DESTRUCTION**

Section 12.1. Damage to or Destruction of Project - Insurance. In the event the Lease Premises is damaged or destroyed, in whole or in part, so as to make it unusable for the purposes intended, to the extent insurance is available and it is commercially reasonable to do so, Lessor, may, at its option, choose to rebuild the Lease Premises in substantially the same form as it existed at the time of the damage or destruction, within one year from the date of damage or destruction.

## **ARTICLE 13 - DEFAULTS AND REMEDIES**

Section 13.1. Defaults. Each of the following events shall be a default by Lessee and a breach of this Lease and constitute an "Event of Default":

- (a). Abandonment. Abandonment of the Lease Premises, or the improvements/infrastructure now or hereafter constructed thereon, where such abandonment continues for a period of One Hundred and Twenty (120) consecutive days. Such abandonment shall not include any time that the Lease Premises are vacated due to a casualty.
- (b). Attachment or Other Levy. The subjection of any right or interest of Lessee in the Lease Premises to attachment, execution or other levy, or to seizure under legal process, if not released within sixty (60) days, after written notice of same.
- (c). Default of Performance Under this Lease. The failure of Lessee to observe or perform any of its material covenants, conditions or agreements under this Lease; or the material breach of any warranties or representations of Lessee under this Lease.
- (d). Insolvency; Bankruptcy. An assignment by Lessee for the benefit of creditors, or the filing of a voluntary or involuntary petition by or against Lessee under any law for the purpose of adjudicating Lessee a bankrupt; or for extending time for payment, adjustment or satisfaction of Lessee's liabilities; or reorganization, dissolution, or arrangement on account of, or to prevent bankruptcy or insolvency; unless, in case of such that are involuntary on Lessee's part, the assignment, proceedings, and all consequent orders, adjudications, custodies and supervisions are dismissed, vacated, or terminated within sixty (60) days after the assignment, filing or other initial event.

Section 13.2. Notice and Right to Cure. Lessee shall have sixty (60) days to cure a default after written notice is given by Lessor to Lessee and to the leasehold mortgagee, specifying the nature of the default; provided, however, that if after exercise of due diligence and its best efforts to cure such default Lessee is unable to do so within the sixty (60) day period, then the cure period may be extended, upon written agreement by Lessor, for a such reasonable time as may be deemed necessary by Lessor to cure the default.

Section 13.3. Remedies. If any default by Lessee shall continue uncured by Lessee upon expiration of the applicable cure period, Lessor may exercise any one or all of the following remedies in addition to all other rights and remedies provided by law or equity, from time to time, to which Lessor may resort cumulatively or in the alternative:

- (a). Termination of Lease in its Entirety. Lessor or Lessee may terminate this Lease upon \_\_\_\_\_ written notice. Thereafter, all of Lessee's rights in the Lease Premises and in and to all improvements/infrastructure located thereon shall terminate upon termination of this Lease. Promptly upon any such termination, Lessee shall surrender and vacate the Lease Premises and any other improvements/infrastructure located thereon, and Lessor may re-enter and take possession of the Lease Premises and all improvements/infrastructure located thereon. Termination under this paragraph shall not relieve Lessee from any claim for damages previously accrued, or then accruing, against Lessee.
- (b). Re-entry Without Termination. Lessor may, at Lessor's election, re-enter the Lease Premises and improvements/infrastructure located thereon, and without terminating this Lease, at any time, relet the Lease Premises and improvements/infrastructure thereon, or any part(s) of them, for the account, and in the name of Lessee or otherwise, all upon rates and terms determined by Lessor, without hereby obligating Lessor to relet the Lease Premises or make

an effort to relet either or both of them in whole or in part, at any time. Any reletting may be for the remainder of the Term or for any longer or shorter period. Lessor shall have the further right, at Lessor's option, to make such reasonable and necessary alterations, repairs, replacements and/or restorations which shall not operate or be construed to release Lessee from liability hereunder. No act by or on behalf of Lessor under this provision shall constitute a termination of this Lease unless Lessor gives Lessee written notice of termination.

(c) Lessee's Personal Property. Lessor may, at Lessor's election, use Lessee's personal property and trade fixtures or any of such property and fixtures left on the Lease Premises after termination or expiration of this Lease without compensation and without liability for use or damage, or Lessor may store them for the account and at the cost of Lessee. The election of one remedy for any one item shall not foreclose an election of any other remedy for another item, or for the same item at a later time.

(d) Appointment of Receiver. Lessor may, if Lessor elects to file suit to enforce this Lease and/or protect its rights hereunder, in addition to the other remedies provided in this Lease and by law, have the appointment of a receiver of the Lease Premises and the improvements/infrastructure thereon.

Section 13.4. Remedies Cumulative. Suit or suits for the recovery of such damages, or any installments thereof, may be brought by Lessor from time to time at its election, and nothing contained herein shall be deemed to require Lessor to postpone suit until the date when the term of this Lease would have expired nor limit or preclude recovery by Lessor against Lessee of any sums or damages which, in addition to the damages particularly provided above, Lessor may lawfully be entitled by reason of any default hereunder on the part of Lessee. All of the remedies hereinbefore given to Lessor and all rights and remedies given to it at law and in equity shall be cumulative and concurrent.

Section 13.5. Lessee's Liability After Default. If Lessee shall default in the performance of any of its obligations under this Lease, Lessor, without thereby waiving such default, may (but shall not be obligated to) perform the same for the account and at the expense of Lessee, without notice in a case of emergency, and in any other case only if such default continues after the expiration of the curing period applicable under this Lease. Any reasonable expenses incurred by Lessor in connection with any such performance, and all reasonable attorneys' fees, including appellate, bankruptcy and post-judgment proceedings involved in collecting or endeavoring to collect the rent or any additional rent or any part thereof or enforcing or endeavoring to enforce any rights against Lessee or Lessee's obligations hereunder, shall be due and payable upon Lessor's submission of an invoice therefor. All sums advanced by Lessor on account of Lessee under this Section, or pursuant to any other provision of this Lease, and all rent, if delinquent or not paid by Lessee and received by Lessor when due hereunder, shall bear interest at the maximum allowable interest rate in the State of South Carolina or at a rate of twelve percent (12%) per annum, whichever is higher, from the due date thereof until paid and the same shall be and constitute additional rent and be due and payable upon Lessor's demand therefor.

Section 13.6. Holdover. If Lessee remains in possession of the Lease Premises or any part thereof after the expiration or earlier termination of this Lease, Lessee shall become a Lessee at sufferance. Notwithstanding that Lessor may allow Lessee to continue in possession after the expiration or earlier termination of this Lease, neither that nor the provisions of this Section shall constitute a waiver of any of Lessor's rights under this Section or this Lease.

## **ARTICLE 14 - SURRENDER AND REMOVAL**

Section 14.1. **Surrender of Possession.** Upon the expiration of the Term or any earlier termination thereof, Lessee shall surrender to Lessor possession of the Lease Premises and all improvements/infrastructure constructed located and installed thereon. If Lessee is not then in default under any of the covenants and conditions hereof, Lessee may remove, or cause to be removed, all personal property and equipment of Lessee, other than permanent fixtures, from the Lease Premises prior to the expiration or effective date of termination of this Lease; thereafter all such personal property and equipment not removed shall belong to Lessor without the payment of any consideration.

## **ARTICLE 15 – GENERAL PROVISIONS**

Section 15.1. **Conditions and Covenants.** All of the provisions of this Lease shall be deemed as running with the land, and construed to be “conditions” as well as “covenants” as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

Section 15.2. **Survival.** All representations and warranties of Lessee or Lessor under this Lease shall survive the expiration or sooner termination of this Lease for acts occurring prior to expiration or termination of this Lease.

Section 15.3. **No Waiver of Breach.** No failure by either Lessor or Lessee to insist upon the strict performance by the other of any covenant, agreement, term or condition of this Lease, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Lease, but each and every covenant, condition, agreement and term of this Lease shall continue in full force and effect with respect to any other then existing or subsequent breach.

Section 15.4. **Unavoidable Delay - Force Majeure.** If either party shall be delayed or prevented from the performance of any act required by this Lease by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws, or regulations or other cause, without fault and beyond the reasonable control of the party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

Section 15.5. **Notices.** Unless otherwise specifically provided in this Lease or by law, any and all notices or other communications required or permitted by this Lease or by law to be served on, given to, or delivered to any party to this Lease shall be writing and shall be deemed duly served, given, delivered and received when personally delivered (including confirmed overnight delivery service to the party to whom it is directed), or in lieu of such personal delivery, when three (3) business days have elapsed following deposit thereof in the United States mail, first-class postage prepaid; certified, return receipt requested, addressed to:

LESSOR:

Fair-Oak Youth Center, Inc.  
ATTN: Tony Adams, President  
P.O. Box 212  
Fairplay, South Carolina 29643

LESSEE:

Hyatt Landworks, Inc.  
ATTN: Chris Hyatt  
427 Earl's Grove Road  
Westminster, South Carolina 29693

PH. KH  
P.O. Box 546  
Westminster, S.C. 29693

Either party may change its address for the purpose of this paragraph by giving written notice of such change to the other party in the manner provided in this paragraph.

Section 15.6. Gender. The use herein of (1) any gender includes all others, and (2) the singular number includes the plural and vice-versa, whenever the context so requires.

Section 15.7. Captions. Captions in this Lease are inserted for convenience of reference only and do not define, describe or limit the scope or the intent of this Lease or any of the terms hereof.

Section 15.8. Waiver. Amendment. No modification, waiver, amendment, discharge or change of this Lease shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is or may be sought.

Section 15.9. Attorney's Fees. If either party retains an attorney to enforce or interpret this Lease, the prevailing party shall be entitled to recover, in addition to all other items of recovery permitted by law, reasonable attorney's fees and costs incurred through litigation, bankruptcy proceedings and all appeals.

Section 15.10. Time. Time is of the essence of each obligation of each party hereunder.

Section 15.11. Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of South Carolina, without regard to conflict of law principles.

Section 15.12. Binding Effect. Subject to any provision of this Lease that may prohibit or curtail assignment of any rights hereunder, this Lease shall bind and inure to the benefit of the respective heirs, assigns, personal representatives, and successors of the parties hereto.

Section 15.13. Execution of Other Instruments. Each party agrees that it shall, upon the other's request, take any and all steps, and execute, acknowledge and deliver to the other party any and all further instruments necessary or expedient to effectuate the purpose of this Lease.

Section 15.14. Severability. If any term, provision, covenant or condition of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable or is otherwise challenged and determined to be invalid, illegal or incapable of being enforced as a result of any rule of law or public policy issued by an administrative or judicial forum that is not subject to further appeal or is not actually appealed, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired or invalidated. In such event or if an opinion of counsel is provided to the effect that this Lease is not so enforceable, the parties hereto shall negotiate in good faith to modify

this Lease so as to effect the original intent of the parties as closely as possible and to comply with applicable law, regulations or published governmental interpretations thereof, in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

Section 15.15. Counterparts. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and when taken together will constitute one instrument.

Section 15.16. Estoppel Certificate. Either party shall execute, acknowledge and deliver to the other party, within twenty (20) days after requested by the other party, a statement in writing certifying, if such is the case, that this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified); the date of the commencement of this Lease; any alleged defaults and claims against the other party; and such other information as shall be reasonably requested.

Section 15.17. Dispute Resolution; Waiver of Trial by Jury. Any conflict, dispute or grievance (collectively, "Conflict") by and between Lessor and Lessee shall be submitted to mediation before initiating court proceedings. The mediator selected to conduct the mediation must be mutually agreed upon by Lessor and Lessee. Unless the parties otherwise agree, the mediator must be certified in South Carolina state courts and have experience in matters forming the basis of the Conflict. The site for the mediation shall be Oconee County, South Carolina, and the mediation hearing shall be held within thirty (30) days of the selection of the mediator, unless otherwise agreed. Each party shall bear its own expenses associated with the mediation and the parties shall split the fees and expenses of the mediator evenly. Failure to agree to the selection of a mediator or failure to resolve the Conflict through mediation will entitle the parties to pursue other methods of dispute resolution, including without limitation, litigation. Notwithstanding any other provision contained herein, nothing in this Agreement shall be construed as requiring either party to participate in mediation prior to initiating court proceedings in which a temporary restraining order or preliminary injunction is sought. In such situations, the parties shall conduct mediation within thirty (30) days after the hearing on such motions or within such other time as is prescribed by the Court.

LESSOR AND LESSEE MUTUALLY, EXPRESSLY, IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY FOR ANY PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, OR ARISING OUT OF ANY CONDUCT OR COURSE OF DEALING OF THE PARTIES, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PERSONS. THIS WAIVER IS A MATERIAL INDUCEMENT OF LESSEE AND LESSOR TO ENTER INTO THIS LEASE.

**IN WITNESS WHEREOF**, this Lease has been executed on the respective dates set forth below.

**IN THE PRESENCE OF:**

Emily Anderson

**LESSOR:**

**FAIR-OAK YOUTH CENTER, INC.**

By: [Signature]  
Name: TIM A. ADAMS  
Title: PRESIDENT

**LESSEE:**

**HYATT LANDWORKS, INC.**

Emily Anderson


By: [Signature]  
Name: Kayla M. Hyatt  
Title: Co-owner



**EXHIBIT A**

**(ROOMS AND AREAS WHICH ARE SUBJECT TO THIS LEASE)**



 <b>Boards &amp; Commissions</b>	State / OC Code Reference	Reps [DX-At Large]	Co-Terminus	Term Limits	4 Year Term	Meeting Date to Appoint	Edda Cammick	Wayne McCall	Paul Cain	Julian Davis	Glenn Hart		
							2015-2018	2017-2020	2015-2018	2017-2020	2017-2020	2015-2018	2017-2020
							District I	District II	District III	District IV	District V	At Large	At Large
Aeronautics Commission	2-262	5 - 2	YES	2X	YES	Jan - March	Randy Renz [2]	David Bryant [1]	Edward Perry [2]	Marion Lyles [1]	Ronald Chiles [2]	A. Brightwell [1]	Michael Gray [1]
Ag. Advisory Board	2016-17	5 - 2	YES	n/a	YES	Jan - March	Debbie Sewell [1]	Doug Hollifield [1]	Sandra Gray [1]	Ed Land [1]	Vickie Willoughby [1]	Kin Alexander [1]	Rex Blanton [1]
Arts & Historical Commission	2-321	5 - 2	YES	2X	YES	Jan - March	Bette Boreman [1]	Libby Imbody [1]	Mariam Noorai [1]	Tony Adams [1]	Stacy Smith	Shawn Johnson [1]	Janet Gorman [1]
Board of Zoning Appeals	38-6-1	5 - 2	YES	2X	YES	Jan - March	<b>Aileen Medford [2]</b>	Gwen Fowler [1]	Bill Gilster [1]	Marty McKee [2]	<b>OPEN</b>	Josh Lusk [1]	Charles Morgan [1]
Building Codes Appeal Board		5 - 0	YES	2X	YES	Jan - March	George Smith [1]	Matt Rochester [1]	<b>Bob DuBose [2]</b>	Kevin Knight	Kenneth Owen		
Conservation Bank Board	2-381	Appointed by Category Preferred		2X	YES	Jan - March	Shea Airey [2]	<b>OPEN</b>	Jennifer Moss [1]	Marvin Prater [2]	Frank Ables [1]	Richard Cain [2]	Frances Rundlett [1]
Destination Oconee Action Committee	n/a	5 - 2	n/a	n/a	n/a	n/a	David Washburn	Luther Lyle [2]	Al Shadwick	Matthew Smith [1]	Bob Hill [2]	Robert Moore	Hal Welch [2]
PRT Commission (members up for reappointment due to initial stagger)	6-4-25 2-381	Appointed by Industry		2X	YES	Jan - March	Shane Smith [1]; Andrew Conkey [1]; Kevin Evans [1]			<b>Becky Wise [2], Rick Lacey [2], Mike Wallace [2]</b>			Darlene Greene
Scenic Highway Committee	26-151	0 - 2	YES	2X	YES	Jan - March						Scott Lusk [1]	Staley Powell [1]
Library Board	4-9-35 / 18 1	0 - 9	YES	2X	YES	Jan - March	M. McMahan [P, 1.15]; M. Jacobson [P, 1.15]; W. Caster [2, 1.15]			B. Brackett [1.17]; A. Griffin [1.17]; K. Holleman [P[1.17]]; L. Martin [P[1.17]]; A. Suddeth [2]; C. Morrison [1.17]			
Planning Commission	6-29-310 32-4	5 - 2	YES	N/A	YES	Jan - March	Brad Kisker	Andrew Gramling [1]	Alex Vassey	Frankie Pearson [1]	Stacy Lyles [1]	Gwen McPhail	Mike Johnson
Anderson-Oconee Behavioral Health Services Commission	2-291	0 - 7	YES	2X	3 yr	N/A	Steve Jenkins [1], Harold Alley [1], Louie Holleman [1], Wanda Long [1], Priscilla Taylor [1], Joan Black [1], Jere DuBois [1] BHS contacts Council w/ recommendations when seats open						
Capital Project Advisory Committee (end 1.17)													
Oconee Business Education Partnership	N/A	N/A	NO	N/A	NO	January	Mr. Julian Davis, District IV						
Oconee Economic Alliance	N/A	N/A	NO	N/A	NO	January	Mr. Paul Cain, Council; Mr. Scott Moulder, Administrator; Mr. Sammy Dickson						
Ten At The Top [TATT]				NO	NO	January	Mr. Dave Eldridge						
ACOG BOD				N/A	NO	January	Council Rep: Ms. Cammick [yearly]; 2 yr terms Citizen Rep: Bob Winchester, Minority Rep: Bennie Cunningham						
Worklink Board						N/A	Worklink contacts Council w/ recommendations when seats open [Current: B. Dobbins]						

[ # ] - denotes term. [ <2 ] denotes a member who has served one term and less than one half of an additional term making them eligible for one additional appointment.  
[SHADING = reappointment requested - questionnaire on file] Denotes individual who DOES NOT WISH TO BE REAPPOINTED  
*Bold Italic TEXT denotes member ineligible for reappointment - having served or will complete serving max # of terms at the end of their current term.*

**Katie Smith**

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**From:** Katie Smith  
**Sent:** Wednesday, November 22, 2017 12:16 PM  
**To:** classadmgr@upstatetoday.com  
**Cc:** Katie Smith  
**Subject:** Legal Ad Request

**Please run in the next edition of your publication. Please respond to the email to confirm receipt.**

**“Notice of Public Hearing**

**There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:**

**STATE OF SOUTH  
CAROLINA OCONEE  
COUNTY**

**Ordinance 2017-28**

**AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOTHILLS FARMSTEAD AS LESSEE; AND OTHER MATTERS RELATED THERETO.”**

**Please confirm receipt of this email by way of reply.**

Best Regards,  
Katie

Katie D. Smith  
Clerk to Council  
Oconee County  
415 S. Pine St. Walhalla  
864.718.1023

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TMS: 240 C2-C8-C09

**TERMS OF SALE:** The successful bidder, other than the Plaintiff, will deposit with the Clerk of Court, at conclusion of the bidding, five percent (5%) of his bid, in cash or equivalent, as evidence of good faith, same to be applied to the purchase price in case of compliance, but to be forfeited and applied first to costs and then to the Plaintiff's debt in the case of non-compliance. Should the last and highest bidder fail to comply with the other terms of the bid within thirty (30) days, then the Clerk of Court may re-sell the property on the same terms and conditions on some subsequent Sales Day (at the risk of the said highest bidder). No personal or deficiency judgment being demanded, the bidding shall not remain open after the date of sale and shall be final on that date, and compliance with the bid may be made immediately. Purchaser to pay for documentary stamps on the Deed. The successful bidder will be required to pay interest on the amount of the balance of the bid from date of sale to date of compliance with the bid at the rate of 3.875% per annum. The sale shall be subject to taxes and assessments, existing easements and restrictions, easements and restrictions of record and any other senior encumbrances. In the event an agent of Plaintiff does not appear at the time of sale, the within property shall be withdrawn from sale and sold at the next available sales date upon the terms and conditions as set forth in the Judgment of Foreclosure and Sale or such terms as may be set forth in a supplemental order.

Oconee County Clerk of Court  
Brock & Scott, PLLC  
3800 Fernandina Road, Suite 110  
Columbia, SC 29210  
Attorneys for Plaintiff  
Phone 803-454-3540  
Fax 803-454-3541

is not a warranty deed. Interested bidders should satisfy themselves as to the quality of title to be conveyed by obtaining an independent title search well before the foreclosure sale date. Beverly H. Whitfield Clerk of Court Oconee County Riley Pope & Laney, LLC Post Office Box 11412 Columbia, SC 29211 (803) 799-9993 Attorneys for Plaintiff

**NOTICE OF PUBLIC HEARING**

There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29681 for the following ordinance:

STATE OF SOUTH CAROLINA  
OCCONEE COUNTY

Ordinance 2017-28  
AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREE-

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Herb Cove Way, Seneca.....	2BR/2BA Fully Furnished.....	\$1,200
Daniel Square, Clemson.....	2BR/2.5BA Townhouse.....	\$1,200
S Elm Street, Pendleton.....	Efficiency With Washer & Dryer.....	\$525
Crookside Dr, Clemson.....	1BR/1BA W/D Conn.....	\$450
College Hgts Blvd, Clemson.....	3BR/2BA House w/rapport.....	\$1,000
Creekside, Clemson.....	3BR/1BA Apt, W/D.....	\$650
Merwin Bridge, Central.....	2BR/1BA Duplex, Water Included.....	\$615
Prince Rinker, Clemson.....	4BR/4.5 BA, Hoop, Laundry.....	\$1,600
University Terrace, Clemson.....	4BR/2 Bath, Condo/Furnished.....	\$1,100
Lindsay Road, Clemson.....	1 & 2 BR, 1 Bath.....	\$225 & \$495
Pendleton Place, Pendleton.....	2 BR, 1.5 Bath.....	\$485
Holiday East, Clemson.....	3 BR, 3 Bath Townhouse, Lakefront.....	\$1,500

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**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE**

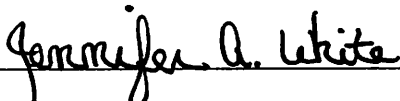
**OCONEE COUNTY COUNCIL**

**IN RE: PUBLIC HEARING - TUESDAY, DECEMBER 19, 2017 - ORDINANCE 2017-28**

**BEFORE ME** the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County and the Pendleton area of Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on **11/24/2017** and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

  
\_\_\_\_\_  
Hal Welch  
General Manager

Subscribed and sworn to before me this  
11/24/2017

  
\_\_\_\_\_  
Jennifer A. White  
Notary Public  
State of South Carolina  
My Commission Expires July 1, 2024

**JENNIFER A WHITE  
NOTARY PUBLIC  
State of South Carolina  
My Commission Expires July 1, 2024**

**Katie Smith**

---

**From:** Katie Smith  
**Sent:** Wednesday, November 22, 2017 12:18 PM  
**To:** classadmgr@upstatetoday.com  
**Cc:** Katie Smith  
**Subject:** Legal Ad Request

**Please run in the next edition of your publication. Please respond to the email to confirm receipt.**

**“Notice of Public Hearing**

**There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:**

**STATE OF SOUTH  
CAROLINA OCONEE  
COUNTY**

**Ordinance 2017-29**

**AUTHORIZING OCONEE COUNTY, SOUTH CAROLINA, TO ENTER INTO AN EQUIPMENT ACQUISITION AND USE AGREEMENT FOR THE PURPOSE OF ACQUIRING CERTAIN EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$6,552,500; AUTHORIZING THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO.”**

**Please confirm receipt of this email by way of reply.**

Best Regards,  
Katie

Katie D. Smith  
Clerk to Council



Oconee County  
415 S. Pine St. Walhalla  
864.718.1023  
Fx. 864.718.1024  
[ksmith@oconeesc.com](mailto:ksmith@oconeesc.com)

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## LEGAL NOTICES

## LEGALS

with the other terms of the bid within thirty (30) days, then the Clerk of Court may re-sell the property on the same terms and conditions on some subsequent Sales Day (at the risk of the said highest bidder). No personal or deficiency judgment being demanded, the bidding shall not remain open after the date of sale and shall be final on that date, and compliance with the bid may be made immediately. Purchaser to pay for documentary stamps on the Deed. The successful bidder will be required to pay interest on the amount of the balance of the bid from date of sale to date of compliance with the bid at the rate of 4.5% per annum. The sale shall be subject to taxes and assessments, existing easements and restrictions, easements and restrictions of record and any other senior encumbrances.

If the United States is named as a Defendant, The sale shall be subject to the United States (non-IRS) 1 (one) year right of redemption pursuant to 28 U.S.C. § 2410(c). However, this right has been waived pursuant to 12 U.S.C. Section 1701k. In the event an agent of Plaintiff does not appear at the time of sale, the writin property shall be withdrawn from sale and sold at the next available sales date upon the terms and conditions as set forth in the Judgment of Foreclosure and Sale or such terms as may be set forth in a supplemental order.

Oconee County Clerk of Court  
Clerk of Court for Oconee County  
Brook & Scott, PLLC  
3800 Fernandina Road, Suite 110  
Columbia, SC 29210  
Attorneys for Plaintiff  
Phone 803-454-3540  
Fax 803-454-3541

## NOTICE OF SALE

NOTICE OF SALE  
CIVIL ACTION

NO. 2017-CP-37-00453

BY VIRTUE of the decree heretofore granted in the case of: Atlantic Bay Mortgage Group, LLC vs. Breanna L. Daven w/k/a Breanna Daven; Zachary Dill, the undersigned Clerk of Court for Oconee County, South Carolina, will sell on December 4, 2017 at 11:00AM, at the Oconee County Courthouse, City of Walhalla, State of South Carolina, to the highest bidder:

All that certain place, parcel or lot of land lying and being situate in the State of South Carolina, County of Oconee, being shown and designated as Lot Number Two Hundred Seventy (270) on a plat thereof entitled "A Subdivision for UTICA & MOHAWK COTTON MILLS, Seneca, South Carolina" prepared by Pickell and Pickell Engineers, recorded in Plat Book H at page 83, records of Oconee County, South Carolina, reference to which is invited for a more complete and accurate description.

This being the same property conveyed to Breanna Daven and Zachary Dill by Deed of Kenneth W. Miller dated April 7, 2016 and recorded April 8, 2016 in Book 2174 at Page 21 in the Office of the

## LEGAL NOTICES

## LEGALS

## AMENDED NOTICE OF SALE

2016-CP-37-00578

BY VIRTUE OF a decree heretofore granted in the case of: Nationstar Mortgage LLC against Thomas P. Duke and Andrea E. Duke I, the undersigned Clerk of Court for Oconee County, will sell on December 4, 2017, at 11:00 a.m. at the Oconee County Courthouse in Walhalla, South Carolina, to the highest bidder, the following described property, to-wit: All that certain piece, parcel, or tract of land situate, lying, and being in the State of South Carolina, County of Oconee, Tugaloo Township, being known and designated as Tract A-1, containing 5.73 acres, more or less, as shown and more fully described on a plat thereof prepared by Michael L. Henderson, PS 6846 of Comarstone of Seneca Inc., dated July 25, 2006, and recorded in Plat Book B315, at Page 6, records of Oconee County, South Carolina. Being the same property conveyed to Thomas P. Duke and Andrea E. Duke by deed of England Properties, LP, dated May 3, 2007 and recorded May 4, 2007 in Deed Book 1583 at Page 182; thereafter, by deed of correction, B. Major England Jr. Trust conveyed an 84.5% interest in the subject property to B.M. England, Jr., by deed dated July 31, 2007 and recorded August 8, 2007 in Deed Book 1603 at Page 242; thereafter, by deed of correction, B.M. England, Jr. conveyed all his interest in the subject property to Thomas P. Duke and Andrea E. Duke by deed dated July 31, 2007 and recorded August 6, 2007 in Deed Book 1603 at Page 245. TMS No. 219-00-03-006 Property Address: 231 E Bennett Road, Westminster, SC 29683 TERMS OF SALE: The successful bidder, other than the plaintiff, will deposit with the Clerk of Court at conclusion of the bidding, five per cent (5%) of said bid, in cash or equivalent, as evidence of good faith, same to be applied to purchase price in case of compliance, but to be forfeited and applied first to costs and then to plaintiff's debt in the case of noncompliance. Should the successful bidder fail or refuse to make the required deposit at time of bid or comply with the other terms of the bid within twenty (20) days, then the Clerk of Court may resell the property on the same terms and conditions (at the risk of the said defaulting bidder). Should the Plaintiff, or one of its representatives, fail to be present at the time of sale, the property is automatically withdrawn from said sale and sold at the next available sales day upon the terms and conditions as set forth in the Judgment of Foreclosure and Sale or any Supplemental Order. The successful bidder will be required to pay for documentary stamps on the Deed and interest on the balance of the bid from the date of sale to the date of compliance with the bid at the rate of 3.875%. THIS SALE IS SUBJECT TO ASSESSMENTS, COUNTY TAXES, EXISTING EASEMENTS, EASEMENTS AND RESTRICTIONS OF RECORD, AND OTHER SENIOR ENCUMBRANCES. Since a deficiency judgment is being demanded, the bidding will remain open for thirty

## LEGAL NOTICES

## LEGALS

MENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOT-HILLS FARMSTEAD AS LESSEE; AND OTHER MATTERS RELATED THERETO

## NOTICE OF PUBLIC HEARING

There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:

STATE OF SOUTH CAROLINA  
OCONEE COUNTY  
Ordinance 2017-29  
AUTHORIZING OCONEE COUNTY, SOUTH CAROLINA, TO ENTER INTO AN EQUIPMENT ACQUISITION AND USE AGREEMENT FOR THE PURPOSE OF ACQUIRING CERTAIN EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$8,552,500; AUTHORIZING THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO

## NOTICE OF PUBLIC HEARING

There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:

STATE OF SOUTH CAROLINA  
OCONEE COUNTY  
Ordinance 2017-30  
AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE AGREEMENT BETWEEN OCONEE COUNTY AND ITECH SOUTH, LLC, DATED AS OF APRIL 1, 2015, PROVIDING FOR THE INCLUSION OF EUGENE CARLTON MORRIS AND JUNE COPELAND MORRIS AS SPONSORS; AND OTHER MATTERS RELATED THERETO.

## NOTICE OF PUBLIC HEARING

There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:

STATE OF SOUTH CAROLINA  
OCONEE COUNTY  
Ordinance 2017-31  
AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACK LANGUAGE FOR MULTI-FAMILY HOUSING STRUCTURES; AND OTHER MATTERS RELATED THERETO.

## ALL SAFE STORAGE - SENECA

PUBLIC AUCTION NOTICE of the following storage units containing personal and household items:  
UNIT 33 PATRICK BROOM  
UNIT 42 RHONDA BRADY  
UNIT 127 ASHLEY MATZEN  
UNIT 128 DEBBIE MIZE  
UNIT 138 APRIL MYERS  
AND UNIT 186 MARSHA BURNS.  
The entire contents of these units will be sold via public auction on Thursday, DECEMBER 14, 2017, at 9:00 a.m. at All Safe Storage-Seneca located at 600 Shick Road in Seneca, SC 29678 unless paid in full.

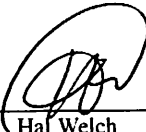
**PUBLISHER'S AFFIDAVIT**

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE**

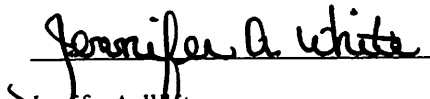
**OCONEE COUNTY COUNCIL**

**IN RE: PUBLIC HEARING - TUESDAY, DECEMBER 19, 2017 - ORDINANCE 2017-29**

**BEFORE ME** the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 11/24/2017 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

  
\_\_\_\_\_  
Hal Welch  
General Manager

Subscribed and sworn to before me this  
11/24/2017

  
\_\_\_\_\_  
Jennifer A. White  
Notary Public  
State of South Carolina  
My Commission Expires July 1, 2024

**JENNIFER A WHITE  
NOTARY PUBLIC  
State of South Carolina  
My Commission Expires July 1, 2024**

**Katie Smith**

---

**From:** Katie Smith  
**Sent:** Wednesday, November 22, 2017 12:20 PM  
**To:** classadmgr@upstatetoday.com  
**Cc:** Katie Smith  
**Subject:** Legal Ad Request

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**There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:**

**STATE OF SOUTH  
CAROLINA OCONEE  
COUNTY**

**Ordinance 2017-30**

**AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE AGREEMENT BETWEEN OCONEE COUNTY AND ITECH SOUTH, LLC, DATED AS OF APRIL 1, 2015, PROVIDING FOR THE INCLUSION OF EUGENE CARLTON MORRIS AND JUNE COPELAND MORRIS AS SPONSORS; AND OTHER MATTERS RELATED THERETO.”**

**Please confirm receipt of this email by way of reply.**

Best Regards,  
Katie

Katie D. Smith

Clerk to Council  
Oconee County  
415 S. Pine St. Walhalla  
864.718.1023  
Fx. 864.718.1024  
[ksmith@oconeesc.com](mailto:ksmith@oconeesc.com)

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## LEGAL NOTICES

## LEGALS

with the other terms of the bid within thirty (30) days, then the Clerk of Court may re-sell the property on the same terms and conditions on some subsequent Sales Day (at the risk of the said highest bidder). No personal or deficiency judgment being demanded, the bidding shall not remain open after the date of sale and shall be final on that date, and compliance with the bid may be made immediately. Purchaser to pay for documentary stamps on the Deed. The successful bidder will be required to pay interest on the amount of the balance of the bid from date of sale to date of compliance with the bid at the rate of 4.5% per annum. The sale shall be subject to taxes and assessments, existing easements and restrictions, easements and restrictions of record and any other senior encumbrances. If the United States is named as a Defendant, the sale shall be subject to the United States (non-IRS) 1 (one) year right of redemption pursuant to 26 U.S.C. § 2410(c). However, this right has been waived pursuant to 12 U.S.C. Section 1701k. In the event an Agent of Plaintiff does not appear at the time of sale, the within property shall be withdrawn from sale and sold at the next available sales date upon the terms and conditions as set forth in the Judgment of Foreclosure and Sale or such terms as may be set forth in a supplemental order.

Oconee County Clerk of Court  
Clerk of Court for Oconee County  
Brock & Scott, PLLC  
2800 Fernandina Road, Suite 110  
Columbia, SC 29210  
Attorneys for Plaintiff  
Phone 803-454-3540  
Fax 803-454-3541

## NOTICE OF SALE

NOTICE OF SALE  
CIVIL ACTION

NO. 2017-CP-37-00453

BY VIRTUE of the decree heretofore granted in the case of: Atlantic Bay Mortgage Group, LLC vs. Breanna L. Davon aka Breanna Davon; Zachary Dill, the undersigned Clerk of Court for Oconee County, South Carolina, will sell on December 4, 2017 at 11:00AM, at the Oconee County Courthouse, City of Walhalla, State of South Carolina, to the highest bidder:

All that certain piece, parcel or lot of land lying and being situate in the State of South Carolina, County of Oconee, being shown and designated as Lot Number Two Hundred Severly (270) on a plat thereof entitled "A Subdivision for UTICA & MOHAWK COTTON MILLS, Seneca, South Carolina" prepared by Pickel and Pickel Engineers, recorded in Plat Book H at page 83, records of Oconee County, South Carolina, reference to which is invited for a more complete and accurate description.

This being the same property conveyed to Breanna Davon and Zachary Dill by Deed of Kenneth W. Miller dated April 7, 2016 and recorded April 8, 2016 in Book 2174 at Page 71 in the Office of the

## LEGAL NOTICES

## LEGALS

## AMENDED NOTICE OF SALE

2016-CP-37-00676

BY VIRTUE OF a decree heretofore granted in the case of: Nationstar Mortgage LLC against Thomas P. Duke and Andrea E. Duke, I, the undersigned Clerk of Court for Oconee County, will sell on December 4, 2017, at 11:00 a.m., at the Oconee County Courthouse in Walhalla, South Carolina, to the highest bidder, the following described property, to-wit: All that certain piece, parcel, or tract of land situate, lying, and being in the State of South Carolina, County of Oconee, Tugaloee Township, being known and designated as Tract A-1, containing 5.73 acres, more or less, as shown and more fully described on a plat thereof prepared by Michael L. Handerson, PS 6046 of Cornerstone of Seneca, Inc., dated July 29, 2009, and recorded in Plat Book 0315, at Page 6, records of Oconee County, South Carolina. Being the same property conveyed to Thomas P. Duke and Andrea E. Duke by deed of England Properties, LP, dated May 3, 2007 and recorded May 4, 2007 in Deed Book 1583 at Page 182; thereafter, by deed of correction, B. Melgro England Jr. Trust conveyed an 84.5% interest in the subject property to B.M. England, Jr., by deed dated July 31, 2007 and recorded August 6, 2007 in Deed Book 1608 at Page 242; thereafter, by deed of correction, B.M. England, Jr. conveyed all his interest in the subject property to Thomas P. Duke and Andrea E. Duke by deed dated July 31, 2007 and recorded August 6, 2007 in Deed Book 1608 at Page 245. TMS No. 218-00-00-006 Property Address: 231 E Bennett Road, Westminster, SC 29086 TERMS OF SALE: The successful bidder, other than the plaintiff, will deposit with the Clerk of Court at conclusion of the bidding, five per cent (5%) of said bid, in cash or equivalent, as evidence of good faith, same to be applied to purchase price in case of compliance, but to be forfeited and applied first to costs and then to plaintiff's debt in the case of non-compliance. Should the successful bidder fail or refuse to make the required deposit at time of bid or comply with the other terms of the bid within twenty (20) days, then the Clerk of Court may re-sell the property on the same terms and conditions (at the risk of the said defaulting bidder). Should the Plaintiff, or one of its representatives, fail to be present at the time of sale, the property is automatically withdrawn from said sale and sold at the next available sales day upon the terms and conditions as set forth in the Judgment of Foreclosure and Sale or any Supplemental Order. The successful bidder will be required to pay for documentary stamps on the Deed and interest on the balance of the bid from the date of sale to the date of compliance with the bid at the rate of 3.8750%. THIS SALE IS SUBJECT TO ASSESSMENTS, COUNTY TAXES, EXISTING EASEMENTS, EASEMENTS AND RESTRICTIONS OF RECORD, AND OTHER SENIOR ENCUMBRANCES. Since a deficiency judgment is being demanded, the bidding will remain open for thirty

## LEGAL NOTICES

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OCONEE COUNTY

Ordinance 2017-29

AUTHORIZING OCONEE COUNTY, SOUTH CAROLINA, TO ENTER INTO AN EQUIPMENT ACQUISITION AND USE AGREEMENT FOR THE PURPOSE OF ACQUIRING CERTAIN EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$5,552,500; AUTHORIZING THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO.

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OCONEE COUNTY

Ordinance 2017-30

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE AGREEMENT BETWEEN OCONEE COUNTY AND ITECH SOUTH, LLC, DATED AS OF APRIL 1, 2015, PROVIDING FOR THE INCLUSION OF EUGENE CARLTON MORRIS AND JUNE COPELAND MORRIS AS SPONSORS; AND OTHER MATTERS RELATED THERETO.

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AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACK LANGUAGE FOR MULTI-FAMILY HOUSING STRUCTURES; AND OTHER MATTERS RELATED THERETO.

ALL SAFE STORAGE - SENECA  
PUBLIC AUCTION NOTICE

of the following storage units containing personal and household items:  
UNIT 33 PATRICK BROOM  
UNIT 42 RHONDA BRADY  
UNIT 127 ASHLEY MATZEN  
UNIT 128 DEBBIE MIZE  
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AND UNIT 136 MARSHA BURNS.  
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**PUBLISHER'S AFFIDAVIT**

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE**

**OCONEE COUNTY COUNCIL**

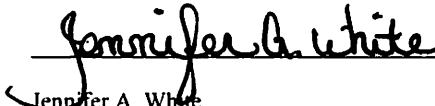
**IN RE: PUBLIC HEARING - TUESDAY, DECEMBER 19, 2017 - ORDINANCE 2017-30**

**BEFORE ME** the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 11/24/2017 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.



Hal Welch  
General Manager

Subscribed and sworn to before me this  
11/24/2017



Jennifer A. White  
Notary Public  
State of South Carolina  
My Commission Expires July 1, 2024

**JENNIFER A WHITE  
NOTARY PUBLIC  
State of South Carolina  
My Commission Expires July 1, 2024**

**Katie Smith**

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**From:** Katie Smith  
**Sent:** Wednesday, November 22, 2017 12:22 PM  
**To:** classadmgr@upstatetoday.com  
**Cc:** Katie Smith  
**Subject:** Legal Ad Request

**Please run in the next edition of your publication. Please respond to the email to confirm receipt.**

**“Notice of Public Hearing**

**There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:**

**STATE OF SOUTH  
CAROLINA OCONEE  
COUNTY**

**Ordinance 2017-31**

**AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACK LANGUAGE FOR MULTI-FAMILY HOUSING STRUCTURES; AND OTHER MATTERS RELATED THERETO.”**

**Please confirm receipt of this email by way of reply.**

Best Regards,  
Katie

Katie D. Smith  
Clerk to Council  
Oconee County



415 S. Pine St. Walhalla  
864.718.1023  
Fx. 864.718.1024  
[ksmith@oconeesc.com](mailto:ksmith@oconeesc.com)

**CONFIDENTIALITY NOTICE:** This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential, proprietary, and/or privileged information protected by law. If you are not the intended recipient, you may not read, use, copy, or distribute this e-mail message or its attachments. If you believe you have received this e-mail message in error, please contact the sender by reply e-mail or telephone immediately and destroy all copies of the original message.

## LEGAL NOTICES

## LEGALS

with the other terms of the bid within thirty (30) days, then the Clerk of Court may re-sell the property on the same terms and conditions on some subsequent Sales Day (at the risk of the said highest bidder). No personal or deficiency judgment being demanded, the bidding shall not remain open after the date of sale and shall be final on that date, and compliance with the bid may be made immediately. Purchaser to pay for documentary stamps on the Deed. The successful bidder will be required to pay interest on the amount of the balance of the bid from date of sale to date of compliance with the bid at the rate of 4.5% per annum. The sale shall be subject to taxes and assessments, existing easements and restrictions, easements and restrictions of record and any other senior encumbrances.

If the United States is named as a Defendant, The sale shall be subject to the United States (non-IRS) 1 (one) year right of redemption pursuant to 28 U.S.C. § 2410(c). However, this right has been waived pursuant to 12 U.S.C. Section 1701a. In the event an agent of Plaintiff does not appear at the time of sale, the within property shall be withdrawn from sale and sold at the next available sales date upon the terms and conditions as set forth in the Judgment of Foreclosure and Sale or such terms as may be set forth in a supplemental order.

Oconee County Clerk of Court  
Clerk of Court for Oconee County  
Brook & Scott, PLLC  
3800 Fernandina Road, Suite 110  
Columbia, SC 29210  
Attorneys for Plaintiff  
Phone 803-454-3540  
Fax 803-454-3541

## NOTICE OF SALE

NOTICE OF SALE  
CIVIL ACTION

NO. 2017-CP-37-00453

BY VIRTUE of the decree heretofore granted in the case of Atlantic Bay Mortgage Group, LLC vs. Breanna L. Daven aka Breanna Daven; Zachary Dill, the undersigned Clerk of Court for Oconee County, South Carolina, will sell on December 4, 2017 at 11:00AM, at the Oconee County Courthouse, City of Walhalla, State of South Carolina, to the highest bidder:

All that certain piece, parcel or lot of land lying and being situate in the State of South Carolina, County of Oconee, being shown and designated as Lot Number Two Hundred Seventy (270) on a plat thereof entitled "A Subdivision for UTICA & MOHAWK COTTON MILLS, Seneca, South Carolina" prepared by Pickel and Pivall Engineers, recorded in Plat Book H at page 93, records of Oconee County, South Carolina, reference to which is invited for a more complete and accurate description.

This being the same property conveyed to Breanna Daven and Zachary Dill by Deed of Kenneth W. Miller dated April 7, 2016 and recorded April 8, 2016 in Book 2174

## LEGAL NOTICES

## LEGALS

AMENDED NOTICE OF SALE  
2016-CP-37-00578

BY VIRTUE OF a decree heretofore granted in the case of: Nationstar Mortgage LLC against Thomas P. Duke and Andrea E. Duke, I, the undersigned Clerk of Court for Oconee County, will sell on December 4, 2017, at 11:00 a.m. at the Oconee County Courthouse in Walhalla, South Carolina, to the highest bidder, the following described property, to-wit: All that certain piece, parcel, or tract of land situate, lying, and being in the State of South Carolina, County of Oconee, Tugaloo Township, being known and designated as Tract A-1, containing 5.73 acres, more or less, as shown and more fully described on a plat thereof prepared by Michael L. Henderson, PS 6945 of Cornerstone of Seneca, Inc., dated July 26, 2009, and recorded in Plat Book B315, at Page 6, records of Oconee County, South Carolina. Being the same property conveyed to Thomas P. Duke and Andrea E. Duke by deed of England Properties, LP, dated May 3, 2007 and recorded May 4, 2007 in Deed Book 1583 at Page 187; thereafter, by deed of correction, B. Moigro England Jr. Trust conveyed an 84.5% interest in the subject property to B.M. England, Jr., by deed dated July 31, 2007 and recorded August 6, 2007 in Deed Book 1603 at Page 242; thereafter, by deed of correction, B.M. England, Jr. conveyed all his interest in the subject property to Thomas P. Duke and Andrea E. Duke by deed dated July 31, 2007 and recorded August 6, 2007 in Deed Book 1603 at Page 245. TMS No. 215-00-03-008 Property Address: 231 E. Bennett Road, Westminster, SC 29683 TERMS OF SALE: The successful bidder, other than the plaintiff, will deposit with the Clerk of Court at conclusion of the bidding, five per cent (5%) of said bid, in cash or equivalent, as evidence of good faith, same to be applied to purchase price in case of compliance, but to be forfeited and applied first to costs and then to plaintiff's debt in the case of noncompliance. Should the successful bidder fail or refuse to make the required deposit at time of bid or comply with the other terms of the bid within twenty (20) days, then the Clerk of Court may re-sell the property on the same terms and conditions (at the risk of the said defaulting bidder). Should the Plaintiff, or one of its representatives, fail to be present at the time of sale, the property is automatically withdrawn from said sale and sold at the next available sales day upon the terms and conditions as set forth in the Judgment of Foreclosure and Sale or any Supplemental Order. The successful bidder will be required to pay for documentary stamps on the Deed and interest on the balance of the bid from the date of sale to the date of compliance with the bid at the rate of 3.875%. THIS SALE IS SUBJECT TO ASSESSMENTS, COUNTY TAXES, EXISTING EASEMENTS, EASEMENTS AND RESTRICTIONS OF RECORD, AND OTHER SENIOR ENCUMBRANCES. Since a deficiency judgment is being demanded, the

## LEGAL NOTICES

## LEGALS

MENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOT-HILLS FARMSTEAD AS LESSEE; AND OTHER MATTERS RELATED THERETO.

**NOTICE OF PUBLIC HEARING**  
There will be a public hearing on Tuesday, December 19, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29681 for the following ordinance:

**STATE OF SOUTH CAROLINA  
OCONEE COUNTY  
Ordinance 2017-29**  
**AUTHORIZING OCONEE COUNTY, SOUTH CAROLINA, TO ENTER INTO AN EQUIPMENT ACQUISITION AND USE AGREEMENT FOR THE PURPOSE OF ACQUIRING CERTAIN EQUIPMENT IN AN AMOUNT NOT TO EXCEED \$5,552,500; AUTHORIZING THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO.**

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**STATE OF SOUTH CAROLINA  
OCONEE COUNTY  
Ordinance 2017-30**  
**AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE AGREEMENT BETWEEN OCONEE COUNTY AND ITECH SOUTH, LLC, DATED AS OF APRIL 1, 2015, PROVIDING FOR THE INCLUSION OF EUGENE CARLTON MORRIS AND JUNE COPELAND MORRIS AS SPONSORS; AND OTHER MATTERS RELATED THERETO.**

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**STATE OF SOUTH CAROLINA  
OCONEE COUNTY  
Ordinance 2017-31**  
**AN ORDINANCE AMENDING CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACK LANGUAGE FOR MULTI-FAMILY HOUSING STRUCTURES, AND OTHER MATTERS RELATED THERETO.**

**ALL SAFE STORAGE - SENECA  
PUBLIC AUCTION NOTICE**  
of the following storage units containing personal and household items:  
UNIT 33 PATRICK BROOM  
UNIT 42 RHONDA BRADY  
UNIT 127 ASHLEY MATZEN  
UNIT 128 DEBBIE MIZE  
UNIT 138 APRIL MYERS  
AND UNIT 188 MARSHA BURNS.  
The entire contents of these units will be sold via public auction on Thursday, DECEMBER 14, 2017, at 9:00 a.m. at All Safe Storage-Seneca located at 600 Shiloh Road in Seneca, SC 29678 unless


**PUBLISHER'S AFFIDAVIT**

**STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE**

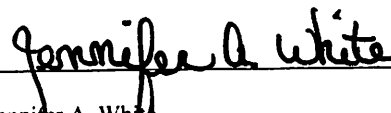
**OCONEE COUNTY COUNCIL**

**IN RE: PUBLIC HEARING - TUESDAY, DECEMBER 19, 2017 ORDINANCE 2017-31**

**BEFORE ME** the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 11/24/2017 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

  
\_\_\_\_\_  
Hal Welch  
General Manager

Subscribed and sworn to before me this  
11/24/2017

  
\_\_\_\_\_  
Jennifer A. White  
Notary Public  
State of South Carolina  
My Commission Expires July 1, 2024

**JENNIFER A WHITE  
NOTARY PUBLIC  
State of South Carolina  
My Commission Expires July 1, 2024**



December 19, 2017

**Public Comment**  
**SIGN IN SHEET**  
**6:00 PM**

The Public Comment Sessions at this meeting is limited to a total of 40 minutes, 4 minutes per person. Please be advised that citizens not utilizing their full four [4] minutes may not "donate" their remaining time to another speaker.

**PLEASE PRINT**

	FULL NAME	PURPOSE OF COMMENT
1	Tommy Adams	FAIR OAK YOUTH CENTER
2	Tom Markovich	2017-33 SILT FENCES
3	Tom Benbow	SC JEDA Bond Resolution
4	Jim Carpenter	GHS bonds
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Everyone speaking before Council will be required to do so in a civil manner. Council will not tolerate personal attacks on individual council members, county staff or any person or group. Racial slurs will not be permitted. Council's number one priority is to conduct business for the citizens of this county. All citizens who wish to address Council and all Boards and Commission appointed by Council should do so in an appropriate manner.



**PUBLIC HEARING  
SIGN IN SHEET  
OCONEE COUNTY COUNCIL MEETING  
DATE: December 19, 2017 6:00 p.m.**

**Ordinance 2017-28** "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOTHILLS FARMSTEAD AS LESSEE; AND OTHER MATTERS RELATED THERETO."

Written comments may be submitted at any time prior to the hearing for inclusion in the official record of the meeting.

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Public comment during a public hearing is not limited to four minutes per person.

Sign up sheets will be available thirty minutes prior to the hearing for those interested in addressing Council.

Written comments may be submitted at any time prior to the hearing for inclusion in the official record of the meeting.

Please submit written comments to the Clerk to Council, 415 South Pine Street, Wallhalla, South Carolina, 29691.

**Please PRINT your name**

1.	Sandra Gray
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**PUBLIC HEARING  
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OCONEE COUNTY COUNCIL MEETING  
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*NOTE*



**PUBLIC HEARING  
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OCONEE COUNTY COUNCIL MEETING  
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**WILLIAM TIMMONS**  
SENATOR, GREENVILLE COUNTY  
SENATE DISTRICT NO. 6

HOME ADDRESS:  
P.O. BOX 395  
GREENVILLE, SC 29602  
864.636.5521

SENATE ADDRESS:  
P. O. BOX 142  
GRESLEYTS SENATE OFFICE BUILDING  
COLUMBIA, SC 29205  
803.232.6888  
WILLIAMTIMMONS@SCSENATE.GOV



COMMITTEES:

BANKING AND INSURANCE  
CORRECTIONS AND PENOLOGY  
FISH, GAME AND FORESTRY  
GENERAL  
JUDICIARY

December 19, 2017

Dear Oconee County Council:

I formally request that you delay the vote on whether to support the Greenville Health System's (GHS) attempt to refinance their debt in furtherance of their partnership with Palmetto Health. Approving this measure could provide GHS an advantage in the pending lawsuit regarding the governance restructuring currently in the 13<sup>th</sup> Judicial Circuit.

At best, I believe that GHS has intentionally misled this community regarding the lawsuit. In the August 2016 press release, GHS' General Counsel stated that "[they] believe the law is clear that GHS has the authority to move forward with its proposed governance changes. This has already been confirmed by the South Carolina Attorney General's Office on two occasions."

This statement incorrectly represents the Attorney General's opinions. Both opinions reference the variables to consider when delegating statutorily granted governance to a private entity and conclude with the same sentence: "*In summary, only a court action would ensure that any specific proposal by GHS complies with the Constitution and Statute.*"

GHS would like you and the citizens of Greenville County to believe the false narrative that the South Carolina Supreme Court has approved the restructuring plan simply because they denied original jurisdiction and a motion for a temporary injunction; however, this is a purely procedural decision and not a matter has clearly been adjudicated in any way that would render this issue resolved.

After extensive consultation with staff attorneys in the General Assembly, as well as other private counsel, I believe the governance restructuring is an unlawful delegation of authority and needs to be handled through our judicial system. Until that time, it is imperative that we do not take any action that could not be undone in the event that the courts agree that this restructuring is unlawful.

On behalf of my 100,000 constituents in Greenville County, and in my capacity as a State Senator, I urge you to allow the judicial system to do its job and to delay voting on GHS' proposal to restructure their debt. Do not be complicit in the hostile takeover of a political subdivision with billions of dollars hanging in the balance.

Respectfully submitted,

A handwritten signature in cursive script that reads "William R. Timmons, IV".

Senator William R. Timmons, IV  
Post Office Box 395  
Greenville, SC 29602  
864.616.8821  
WilliamTimmons@SCSenate.gov

The Economic Impact of



A Statewide and Regional Analysis



**Prepared by:**

Joseph C. Von Nessen, Ph.D.  
Research Economist

**Commissioned by:**



October 2017

## Executive Summary

Duke Energy is one of the largest electric power holding companies in the United States, with approximately 7.5 million U.S. customers and \$22.7 billion in total annual operating revenues. A significant portion of this customer base is located in South Carolina, with Duke Energy servicing 30 of the state's 46 counties. As such, Duke Energy has long maintained a sizable economic presence in South Carolina through its role as a major employer that invests heavily in the local region. Not only does Duke Energy employ many high-wage, high-skilled workers, but it also supports an extensive local supply chain that extends to virtually every county in South Carolina. In addition, the recent \$3 billion grid improvement project that Duke Energy has committed to in South Carolina – known as the Power/Forward Carolinas Initiative – represents one of the largest capital investments to the state in recent years and will help boost the state's rate of economic growth in the coming decade. It will also reduce the number of unanticipated power outages to both commercial and residential customers, thereby helping to avert economic losses that result from these outages. The purpose of this study is to specifically quantify each of these economic benefits to South Carolina – both at the state and county levels. The key findings of this study are as follows:

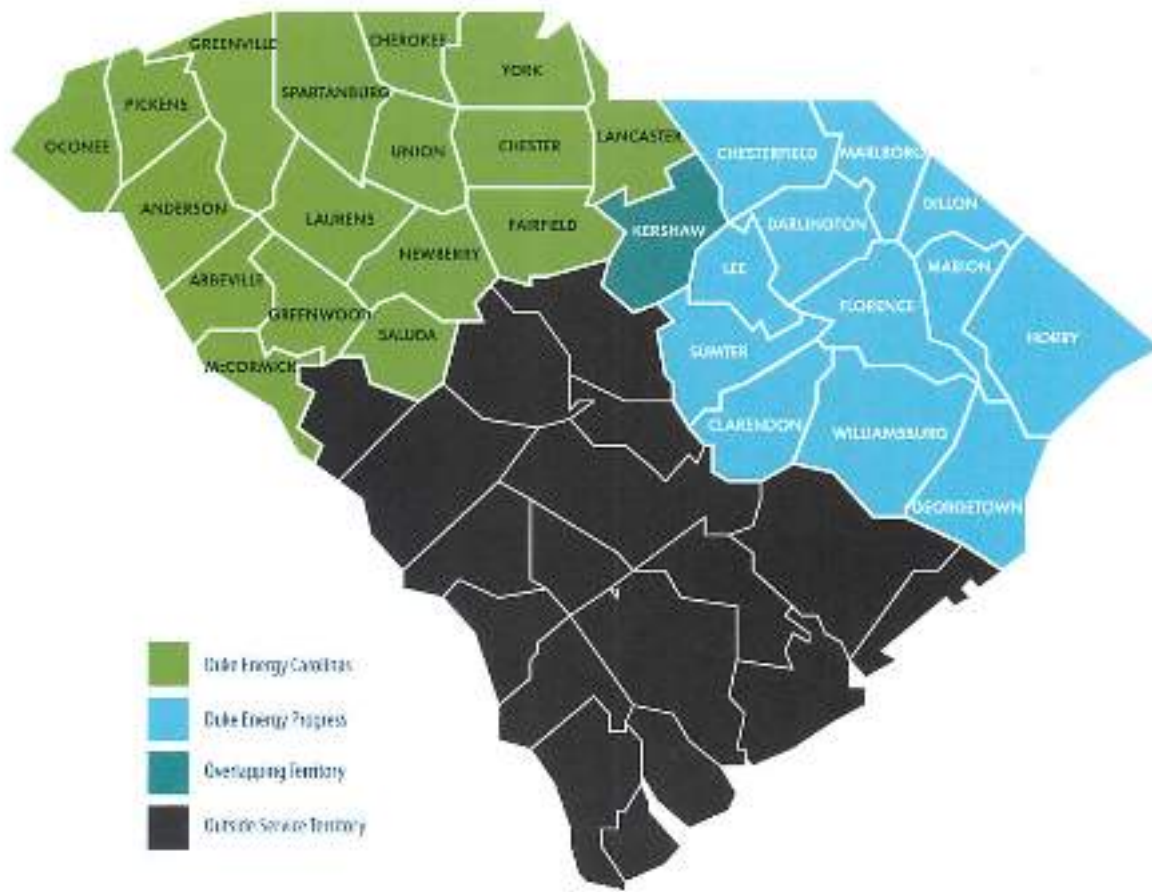
- The annual economic impact of Duke Energy on the state of South Carolina currently totals approximately \$6.6 billion. This figure reflects the dollar value representing all final goods and services produced in South Carolina that can be attributed (either directly or indirectly) to Duke Energy. This impact corresponds to 15,189 jobs and \$969.4 million in labor income that would not exist otherwise.
- This \$6.6 billion impact extends to every county in South Carolina, with the highest impacts occurring in the counties of York (\$1.1 billion), Oconee (\$1.1 billion), Greenville (\$838.3 million), Darlington (\$756.8 million), and Spartanburg (\$686.4 million).
- Duke Energy purchases a relatively high percentage of its raw materials from local vendors relative to other South Carolina firms because of the need to minimize lead times, reduce transportation costs, and have access to knowledge and experience with respect to local geographic conditions. This local purchasing behavior, in turn, dramatically increases the economic impact of Duke Energy relative to other firms of similar size by generating additional rounds of local spending activity.
- The employment multiplier effect associated with the current, ongoing activities of Duke Energy is estimated to be approximately 3.6. In other words, for every 10 jobs created by Duke Energy, another 26 jobs, on average, are created elsewhere in South Carolina. This employment multiplier is one of the highest among all industries in South Carolina and is largely the result of the relatively high percentage of local expenditures the company makes within the state.
- Duke Energy also contributes to a high-quality workforce as measured by wage levels. The average job supported by Duke Energy (either directly or indirectly) pays an annual wage that is approximately 53.8 percent higher than the average job in South Carolina.
- The net annual contribution that Duke Energy makes to South Carolina gross state product is approximately \$2.6 billion. This implies that Duke Energy generates economic activity that brings in about \$132.9 million in tax revenue annually for the state of South Carolina.
- Capital investments associated with the ten-year Duke Energy Power/Forward Carolinas Initiative will generate \$5.8 billion in total economic output for the state between 2017 and 2026. The peak investment period will occur in the year 2025, with an anticipated economic impact of \$961.9 million that will support a total of 5,409 jobs across South Carolina.
- The contribution to South Carolina's overall rate of economic growth resulting from capital investments associated with the Power/Forward Carolinas Initiative project is substantial. In particular, the grid improvement project is anticipated to boost South Carolina's annual rate of employment growth over and above its baseline rate by up to 0.4 percentage points. This implies that Duke Energy's contribution to statewide economic growth in the coming decade will likely be comparable to the contribution of one of advanced manufacturing's major sub-sectors (e.g., aerospace, automotive, or tires).
- The grid improvement project will also generate long-term economic gains by helping to prevent future unanticipated power losses to residential, commercial, and industrial customers. Specifically, this study estimates that by the year 2028 these reliability improvements will generate gross benefits for business and households that will total between \$503 million and \$724 million annually. This will be partially offset by rate increases that will total approximately \$530 million annually by 2028.

## Section I – Overview

Duke Energy is one of the largest electric power holding companies in the United States, which supplies and delivers 52,700 megawatts of electric generating capacity to approximately 7.5 million U.S. customers. Headquartered in Charlotte, North Carolina, Duke Energy serves six states in the Southeast and Midwest and owns and operates a diverse array of power generation assets – including a portfolio of renewable energy assets. With total operating revenues of \$22.7 billion across its six state region, the economic footprint of Duke Energy is significant.

In South Carolina, Duke Energy serves 30 of the state's 46 counties and is a major driver of the Palmetto State's economy – particularly within the Upstate, Rock Hill, and Florence/Pee Dee regions. As a Fortune 125 public utility that provides the energy needs for a large customer base consisting of both residential and commercial clients, Duke Energy employs a sizable workforce and also supports an extensive supply chain network throughout the state that generates considerable economic ripple effects across many industries. These ripple effects include additional indirect job creation that supports higher incomes for South Carolina residents and a substantial increase in overall economic activity. Figure 1 highlights the South Carolina counties in which Duke Energy directly operates.<sup>1</sup>

Figure 1 - Duke Energy Service Territory in South Carolina by County



Note that Duke Energy Carolinas (DEC) and Duke Energy Progress (DEP) are both subsidiaries of the Duke Energy Corporation.

In addition to these current operations, Duke Energy is also planning a new \$2.5 billion 10-year capital investment project across its six-state region to modernize its electric grid - \$3 billion of which will be specifically invested in South Carolina. Known as the Power/Forward Carolinas Initiative, this project will represent one of the largest capital investments in South Carolina that the state has experienced in many years and will generate a significant uptick in economic growth across the state. To put this into perspective, note that the South Carolina Department of Commerce (Commerce) documented that capital investment in South Carolina for the 2016 calendar year totaled approximately \$3.4 billion. Thus, the grid improvement project represents a nearly 10 percent increase in total capital investment for the state for each of the next ten years. Put another way, the average annual capital investment of the grid improvement project - \$333 million - would rank 2nd among all capital investment announcements by Commerce in 2016. Table 1 illustrates this hypothetical ranking.

**Table 1 – Top 10 S.C. Department of Commerce Economic Development Announcements in 2016<sup>2</sup>**

Ranking	Company Name	County	Capital Investment
1	Tajiri Ltd.	Greenwood	\$600 million
N/A	Duke Energy	Multiple Counties	\$333 million
2	China Jushi	Richland	\$300 million
3	Michelin North America	Spartanburg	\$270 million
4	Adger Solar	Clarendon	\$200 million
5	Robert Bosch LLC	Darchester	\$175 million
6	Blackoud	Berkeley	\$154 million
7	Evonik Industries	Berkeley	\$120 million
T8	NARENCO	Allendale	\$85 million
T8	Ritama, USA	Spartanburg	\$85 million
T10	Technic Industries	Anderson	\$75 million
T10	Tower Automotive	Greenville	\$75 million

The grid improvement project will specifically consist of incorporating new technologies to improve the customer experience and to increase efficiency as well as to help better prepare for and address various weather-related and physical attacks on the grid. It is also designed to help to reduce the number of unplanned in-state power outages to residential, commercial, and industrial customers, thereby reducing the current economic losses that arise each year as a result of these outages.

Thus, the total economic impact of Duke Energy in South Carolina in the coming years will arise from both its ongoing operations as well as from its new grid improvement project. The economic impact of Duke Energy is also relatively unique in that it serves a critical need of South Carolina - namely through providing employment opportunities for South Carolinians in rural areas of the state to an extent that few other organizations are able to do.

The purpose of this study is to estimate the economic impact of Duke Energy on the state of South Carolina at both the state and county levels. This economic impact will consist of three components as outlined above: (1) estimating the current total economic impact of Duke Energy on South Carolina - including all ongoing operations and associated business activities; (2) estimating the economic impact of the multi-year Power/Forward Carolinas Initiative, which in South Carolina will total approximately \$3 billion worth of capital investment; and (3) assessing the economic impacts that would arise from any decrease in power outages resulting from the improved infrastructure and thus improvements in reliability - both at the industry and household levels.

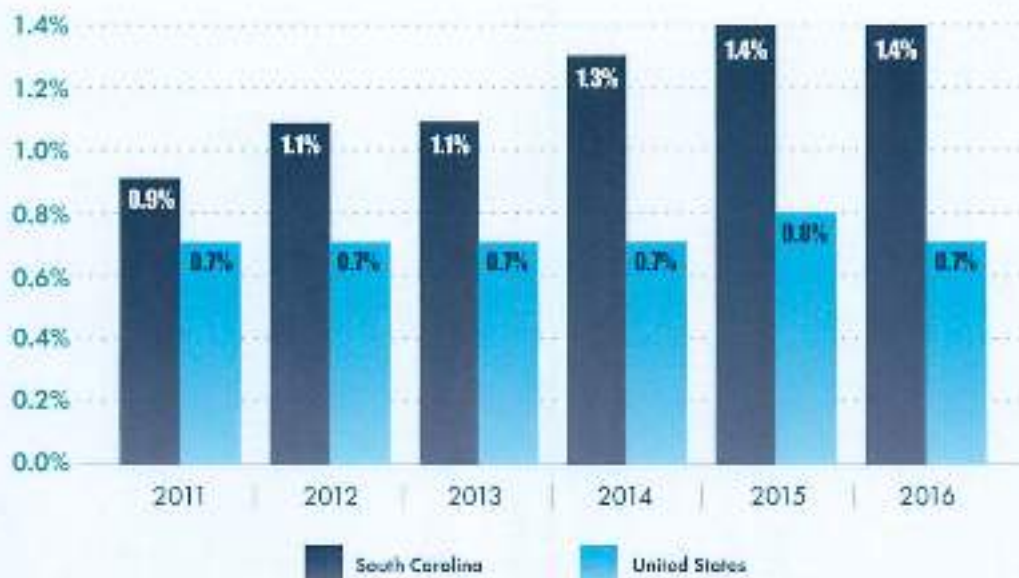
<sup>2</sup>[https://www.commerce.com/sites/default/files/2016\\_year\\_end\\_results\\_final\\_report\\_0.pdf](https://www.commerce.com/sites/default/files/2016_year_end_results_final_report_0.pdf)

## Section II – An Overview of Duke Energy’s Presence in South Carolina

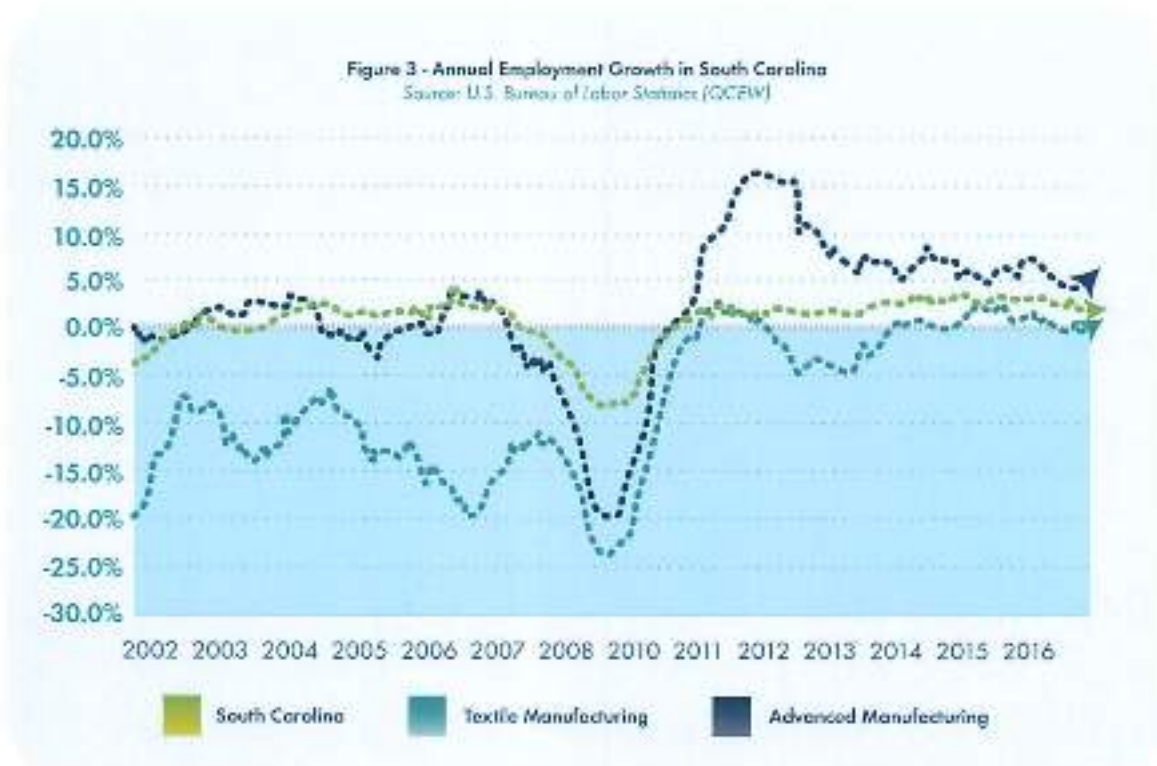
### *Accommodating the Increasing Demand for Electricity in South Carolina*

Since the year 2000, South Carolina has been experiencing several trends that – from an economic perspective – have greatly benefited the state. The first of these trends is a relatively high rate of population growth. With the aging of the United States population and the accompanying retirement of the baby-boomer generation, more Americans are now looking to re-locate to retirement destinations that have (among other things) a low cost of living, a pleasant climate, and access to both natural and recreational amenities. South Carolina provides many of these advantages and has long been known as a prime retirement destination. As such, South Carolina’s rate of population growth has increased in recent years as the baby-boomers transition into retirement. Figure 2 highlights the changing demographics of the South Carolina population, much of which is due to in-migration. Notice that South Carolina has consistently outpaced the population growth of the United States since 2011 by roughly 0.5 percentage points. This population growth serves to support the tourism, housing, and leisure and hospitality industries – among others.

Figure 2 - Annual Population Growth in South Carolina and the United States  
Source: U.S. Census Bureau



The second trend that has benefitted South Carolina's economy in recent years is the resurgence that has occurred in the state's manufacturing industry. Specifically, South Carolina has experienced significant growth in the automotive, aerospace, and tire sectors – collectively known as advanced manufacturing – which has been the primary driver of economic growth in the state since 2010. These sectors have replaced textile manufacturing, which has been in steady decline since the early 1990s as a result of increased globalization. Figure 3 specifically illustrates how the steady decline in South Carolina's textile industry was replaced by advanced manufacturing and how advanced manufacturing has been generating employment gains at more than twice the rate of the state's overall average.



The U.S. Energy Information Administration (EIA) currently projects that total national energy consumption will increase at an average annual rate of approximately 0.3 percent through the year 2050.<sup>7</sup> Because of the twin forces of population growth and advanced manufacturing employment growth in South Carolina – both of which exceed the national average – it is likely that there will be an accompanying increased demand for energy in the coming years in South Carolina that exceeds the national average for residential, commercial, and industrial consumers. The Power/Forward Carolinas Initiative is largely the result of the efforts of Duke Energy to accommodate this anticipated increase in statewide demand.

<sup>7</sup>Source: U.S. Energy Information Administration, Annual Energy Outlook 2017





## Providing Job Opportunities Outside of Metropolitan South Carolina

Although South Carolina has been consistently outpacing the United States in its rate of economic growth throughout the eight-year expansion that has followed the Great Recession, this rate of growth has not extended to all regions of the state. For example, of the 46 counties in South Carolina, only 6 currently have unemployment rates that are below that of the state average [4.0%.<sup>4</sup> Much of the employment gains that the state has experienced has been concentrated within the three major metropolitan regions of the state: Greenville/Spartanburg, Columbia, and Charleston.



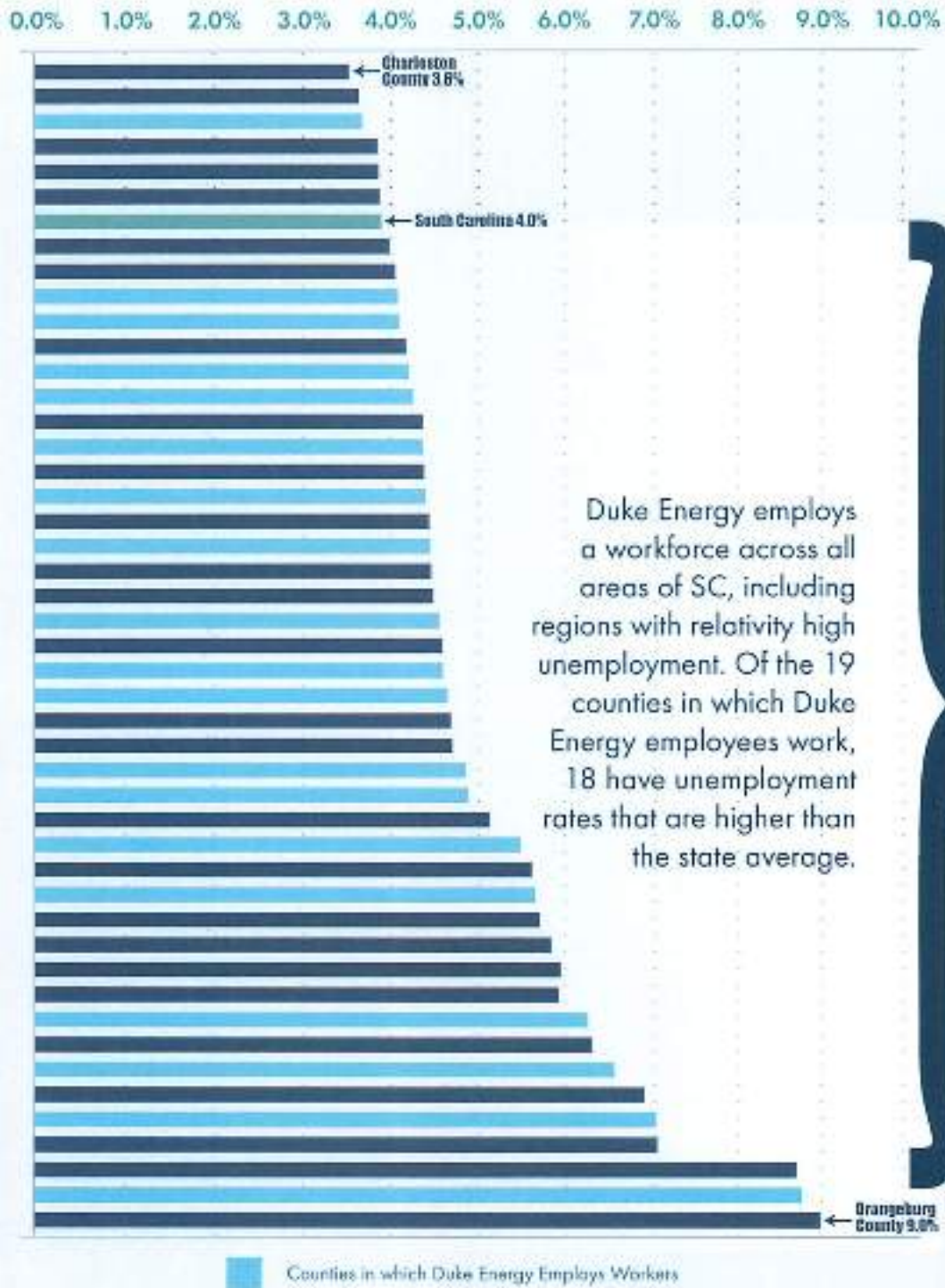
### Spotlight on Rural South Carolina

*One ongoing priority for South Carolina has been to create additional employment opportunities for residents living in non-metropolitan areas of the state. Duke Energy has helped to generate these opportunities and support economic activity in these regions through its large presence that extends to both the metropolitan and rural areas of the state.*

Specifically, Duke Energy currently employs workers in 19 of South Carolina's 46 counties. Of these 19 counties, 18 currently have unemployment rates above the state average. Figure 4 ranks the 46 counties by their unemployment rates and illustrates (in light blue) the counties in which Duke Energy employs a workforce. Note that Duke Energy employs workers in counties ranked among the highest in unemployment – including Williamsburg (6.7%), Marion (7.2%), and Fairfield (8.9%). The Power/Forward Carolinas Initiative will generate additional employment opportunities for these counties and increase overall economic growth in the coming decade.

<sup>4</sup>All unemployment rates listed in this report reflect the August 2017 figures provided by the U.S. Bureau of Labor Statistics (BLS).

Figure 4 - South Carolina Unemployment Rates by County  
 Source: U.S. Bureau of Labor Statistics (LAUS), August 2017



Given the growth trends in South Carolina's industry and population base, the importance of Duke Energy will continue to grow in the coming years. This includes Duke Energy's role as both a primary electricity provider servicing the state's population and as a major economic driver for South Carolina that supports a sizable employment base in both the rural and metropolitan regions of the state.

## Section III – Economic Impact Methodology

Duke Energy is an electric power holding company operating in South Carolina that employs a large workforce and supports an extensive supply chain network throughout the state in order to facilitate its ongoing operations. The expenditures made by Duke Energy through various purchases with local businesses and through wages and salaries paid to employees introduce new spending activity at a statewide and regional level that would not exist otherwise. As a result, the presence of Duke Energy provides a stable base of activity that also helps contribute to long-run economic growth.

Yet these activities do not provide a complete picture of the impact of Duke Energy to South Carolina's economy. The expenditures that occur as part of the ongoing operations of Duke Energy represent direct economic activity within the region. However, these expenditures also lead to additional job creation and economic activity throughout the local region by way of the economic multiplier effect (or economic ripple effect).

Economic multiplier effects can be divided into direct, indirect, and induced impacts. The direct effect represents the initial change in economic activity. This includes, for example, the initial dollars that are injected into the economy of South Carolina directly through any ongoing maintenance efforts on the part of Duke Energy. This would include any employee wages and benefits, construction materials purchased, transportation equipment, or other overhead and administrative costs. This spending increases demand for goods and services and leads to the creation of new jobs and more income for employees and suppliers of the construction maintenance firms hired by Duke Energy.

The indirect effect reflects all of the additional economic impacts resulting from inter-industry linkages between other local businesses in South Carolina. For example, consider an equipment purchase that is made by Duke Energy to replace and upgrade existing infrastructure as part of standard grid maintenance. In this situation, the equipment provider would, as a result of Duke Energy's purchase, experience an increase in demand. This would require this equipment provider to purchase additional raw materials to accommodate the new increase in demand and to potentially hire additional employees if the increase in demand were high enough. The vendors of the equipment providers would then experience an increase in demand and have to purchase additional inputs as well, and so on. These indirect effects ripple through the economy of South Carolina.





The induced effect reflects additional economic activity that results from increases in the spending of household income. For example, when the aforementioned equipment provider hires new workers to satisfy an increase in demand, these workers will earn incomes. They will then spend part of this new income locally on, for example, food, entertainment, or housing. These industries will then see an increase in demand for their goods and services, which will lead to higher incomes for some of their employees, part of which will also be spent locally.

These successive rounds of indirect and induced spending do not go on forever, which is why a specific value can be calculated for each of them. In each round, money is "leaked out" for a variety of reasons. For example, firms may purchase some of their supplies from vendors located outside of the local area. In addition, employees will save part of their income or spend part of it with firms located outside of South Carolina. In order to determine the total economic impact that will result from an initial direct impact, economic multipliers are used. An economic multiplier can be used to determine the total impact (direct, indirect, and induced) that results from an initial change in economic activity (the direct impact). Multipliers are different in each sector of the economy and are largely determined by the size of the local supplier network as well as the particular region being examined. In addition, economic multipliers are available to calculate not just the total impact, but also the total employment and income levels associated with the total impact.

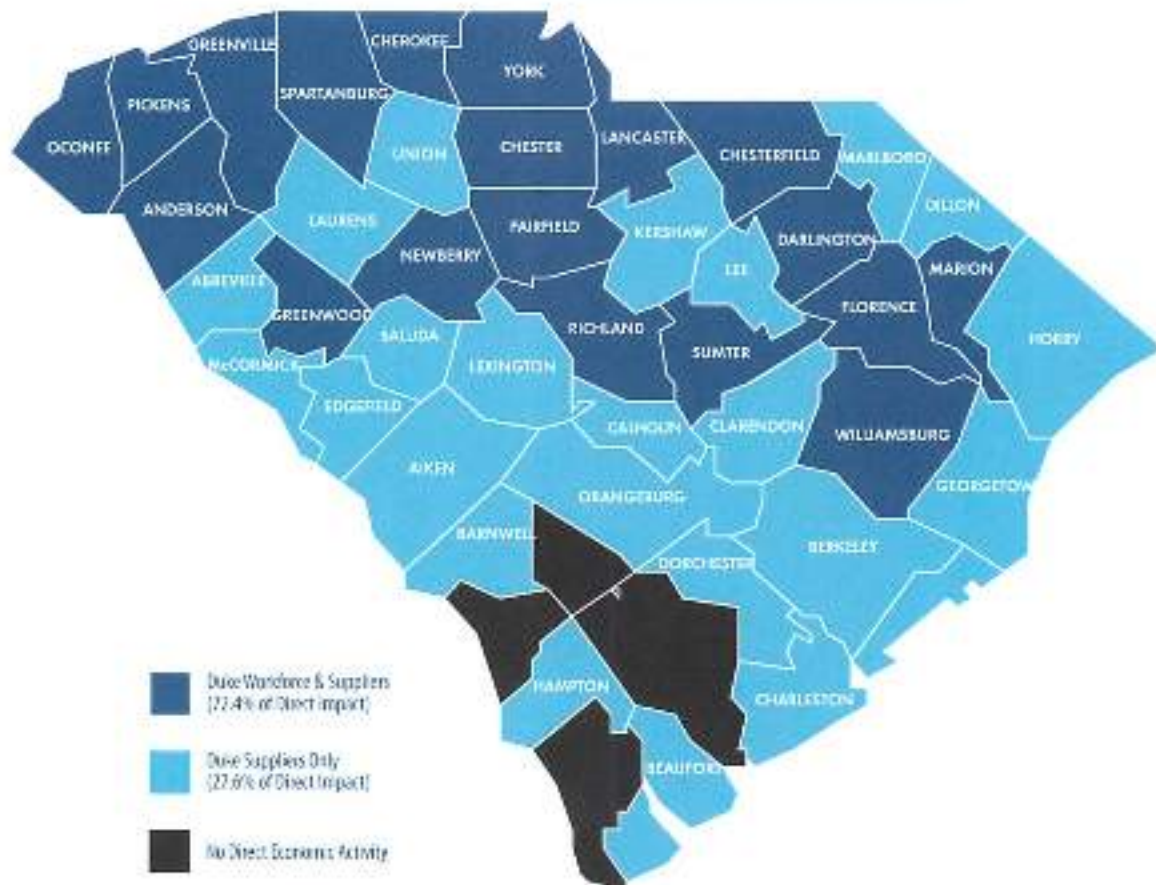
To estimate the economic impacts in this study, a detailed structural model (known as an input-output model) of South Carolina that contains specific information on economic linkages between all industries within the state was used. Separate input-output models were also created for each of the 46 county regions within South Carolina such that county-level estimates of Duke Energy's economic impact could also be determined. The input-output modeling software IMPLAN was used to calculate all estimates.

## Section IV – The Economic Impact of Duke Energy on South Carolina

### Current Economic Activity of Duke Energy

During the 2016 calendar year, Duke Energy – including both Duke Energy Progress [DEP] and Duke Energy Carolinas [DEC] – employed a workforce of 4,224 FTEs accompanied by total non-labor expenditures of approximately \$567.0 million.<sup>5</sup> These non-labor expenditures include capital equipment purchases, professional services, construction/remodeling efforts, and other general operating expenses associated with the ongoing business activities of Duke Energy. Although the Duke Energy workforce is primarily concentrated within the 19-counties in and around its service territory, the economic impact of Duke Energy extends to all virtually all counties across South Carolina. The \$567.0 million in non-labor expenditures cited above represent purchases made with in-state suppliers that are spread across 42 of South Carolina's 46 counties. Figure 5 specifically highlights the counties in which Duke Energy employees work and the additional counties in which Duke Energy has a direct economic impact solely through the various non-labor expenditures it makes. Note that approximately 72.4 percent of Duke Energy's direct economic activity occurs within the 19-county region in which its employees are located. Thus, even though the 19-county region in which its employees are located is the biggest economic beneficiary, the economic footprint of Duke Energy is far larger – extending to 42 of South Carolina's 46 counties.

Figure 5 - County-Level Distribution of Duke Energy's Direct Economic Activity



FTE refers to the number of "full-time equivalent" employees.

## Economic Impact: South Carolina

The structural input-output model estimates economic impacts in terms of three specific measures: economic output, employment, and labor income. Economic output is simply defined as the dollar value of the final goods and services purchased that can be attributed (directly or indirectly) to all ongoing operations associated with Duke Energy. It can also be thought of as an aggregate measure of total spending resulting from an initial direct expenditure. Because it includes all spending by consumers and businesses on both goods and services, it is an all-inclusive measure of the impact on total economic activity. Employment measures the impact on jobs in terms of the total number of FTE positions. Labor income represents total employee compensation, including wages, salaries, and benefits.

As described above, during 2016 Duke Energy employed 4,224 FTE workers in South Carolina with an accompanying \$567.0 million non-labor expenditures.<sup>6</sup> These direct economic impacts also lead to indirect and induced impacts through increases in demand for goods and services in other related industries and through increases in household spending activity – all of which are estimated using economic multipliers. Each impact is reported in Table 1, along with the accompanying totals. These totals represent the overall impact of Duke Energy on South Carolina.

**Table 1 – Economic Impact of Duke Energy on South Carolina**

	Employment	Labor Income	Economic Output
Direct Impact	4,224	\$512,081,233	\$3,116,226,823
Indirect Impact	6,258	\$269,823,601	\$838,687,068
Induced Impact	4,707	\$182,484,633	\$607,911,374
<b>Total Impact</b>	<b>15,189</b>	<b>\$969,389,467</b>	<b>\$6,562,825,265</b>

The 4,224 FTE employees that work for Duke Energy (along with all associated non-labor expenditures) generate approximately \$5.1 billion in annual economic output. This level of direct economic activity leads to indirect effects totaling approximately \$838.7 million in economic output and 6,258 jobs. These estimates reflect the increased demand for goods and services of local suppliers resulting from in-state expenditures on the part of Duke Energy. The direct economic activity also leads to induced effects totaling \$607.9 million in economic output and 4,707 jobs. This is a reflection of economic activity in South Carolina generated across all industries that is the result of increased household spending. The combination of the direct, indirect, and induced effects leads to a total economic impact of approximately \$6.6 billion, which is associated with 15,189 jobs across South Carolina.

*The employment multiplier associated with all of Duke Energy's economic activities in South Carolina is approximately 3.6. This implies that for every 10 jobs that are supported directly by Duke Energy, an additional 26 jobs are created elsewhere in South Carolina. This employment multiplier effect is one of the highest among all industries in South Carolina and provides Duke Energy with an ability to scale up employment in ways that most other South Carolina firms cannot. The average employment multiplier across all industries in South Carolina is approximately 1.8.<sup>7</sup>*

*This employment scaling effect is a key finding of this study and reflects one of the primary reasons why Duke Energy is such a powerful economic engine in South Carolina.*

<sup>6</sup> This calculation excludes expenditures provided by Duke Energy which are categorized into a specific North American Industry Classification System (NAICS) code and have been reported in each region's associated annual financial reports.

<sup>7</sup> This average employment multiplier was calculated using input-output models for the state of South Carolina and incorporating the most recently published industry-level data.

The utilities industrial sector often has a substantially higher multiplier effect within a local region than most others. The reason for this difference arises from two primary factors: (1) the necessity of minimizing lead times; (2) the necessity of local experience. In both cases, these necessities incentivize utility companies to purchase raw materials locally, thus creating a larger in-state supply chain. The larger in-state supply chain is what generates the higher multiplier effect.

First, because of the relatively high demand for electricity and grid maintenance, any firms in the utility sector's supply chain that can design, manufacture, deliver, or install infrastructure in a short time period will have a distinct competitive advantage over those that cannot (i.e., those firms that can minimize lead times). The availability of steel, in particular, is a critical component of this supply chain. The size and weight of raw infrastructure materials keep transportation costs high, which also makes local manufacturers that can minimize shipping times and distances beneficial. Further, any company that is hired by a utility to construct or install grid infrastructure will have to use construction crews. If these construction crews are hired from within the region and do not have to relocate, this provides a significant cost savings.

Local knowledge and experience is a second factor that drives utilities to purchase from local vendors. The requirements for the construction, installation, and maintenance of grid infrastructure can vary significantly by region, and experience with respect to local conditions matter. This can include - for example - local knowledge on geographic conditions (e.g., soil consistency) or regarding the permitting process.

Duke Energy also generates and supports high-wage, high-skilled employment opportunities for South Carolinians. These contributions can be directly observed by examining wage levels. Duke Energy supports a total of 15,189 employees across South Carolina with \$969.4 million in associated labor income. These figures imply that the average job supported, directly or indirectly, by Duke Energy pays an annual total employee compensation (including wages and benefits) of \$63,822. This is approximately 54 percent higher than the average total employee compensation in South Carolina (\$41,486), as illustrated in Figure 6.







**Table 2 – Counties Containing Highest Dollar Volume of Duke Energy Economic Impacts**

County	Total Employment	Total Labor Income	Total Economic Output
York	3,039	\$223,312,948	\$1,138,015,632
Oconee	3,267	\$257,040,059	\$1,120,564,389
Greenville	1,766	\$97,331,311	\$838,324,508
Darlington	2,076	\$152,112,583	\$756,809,003
Spartanburg	1,199	\$53,569,623	\$686,359,339
Charleston	1,027	\$42,345,515	\$619,256,003
Richland	360	\$15,485,301	\$214,447,249
Anderson	469	\$28,270,241	\$208,480,445
Flambee	323	\$20,358,054	\$128,834,310
Cherokee	200	\$8,588,012	\$117,846,760
Sumter	191	\$9,187,002	\$103,432,097
Lexington	120	\$4,943,199	\$72,288,777
Berkely	101	\$4,170,490	\$60,988,768
Pickens	114	\$5,958,040	\$56,590,709
Lancaster	131	\$8,028,756	\$35,539,190
Greenwood	116	\$6,589,736	\$53,303,783

Although it is dispersed throughout South Carolina, the majority (78.6%) of Duke Energy’s economic impact is contained within York, Oconee, Greenville, Darlington, Spartanburg, and Charleston counties. Further, Figure 7 illustrates that the “high impact” counties largely represent the major metropolitan regions of South Carolina. This is to be expected given that firms within the utility supplier network are more likely to be located within a major metropolitan region.

It is also important to recognize that the size of the economic impacts listed depend greatly on the source of those impacts. For example, while Duke Energy’s highest impact occurs in York County when measured by economic output, its highest impact is in Oconee County when measured by employment. This is a result of the fact that Duke Energy has more employees working in Oconee County than in York County, even though Duke Energy spends more with suppliers (i.e., non-labor expenditures) in York County than in Oconee County. A breakout of all county-level estimates appears in Appendix I.





## Economic Impact: Contributions to State Tax Revenue

Another major impact of Duke Energy comes from the increase in state tax revenue that results from the economic activity it supports. As summarized in Table 3, the total economic impact of Duke Energy for the state of South Carolina approximates \$6.6 billion.

Historically, every additional dollar that is generated in economic activity (i.e., nominal gross state product) within South Carolina also generates 5.1 cents in new state tax revenue.<sup>8</sup> By applying this figure to the economic activity generated by Duke Energy, the tax revenue from this total volume of activity can be estimated.<sup>9</sup> Table 3 displays these results, which show that the annual total estimated tax revenue that arises from Duke Energy is approximately \$132.9 million.

**Table 3 – Annual State Tax Revenue Derived from Duke Energy**

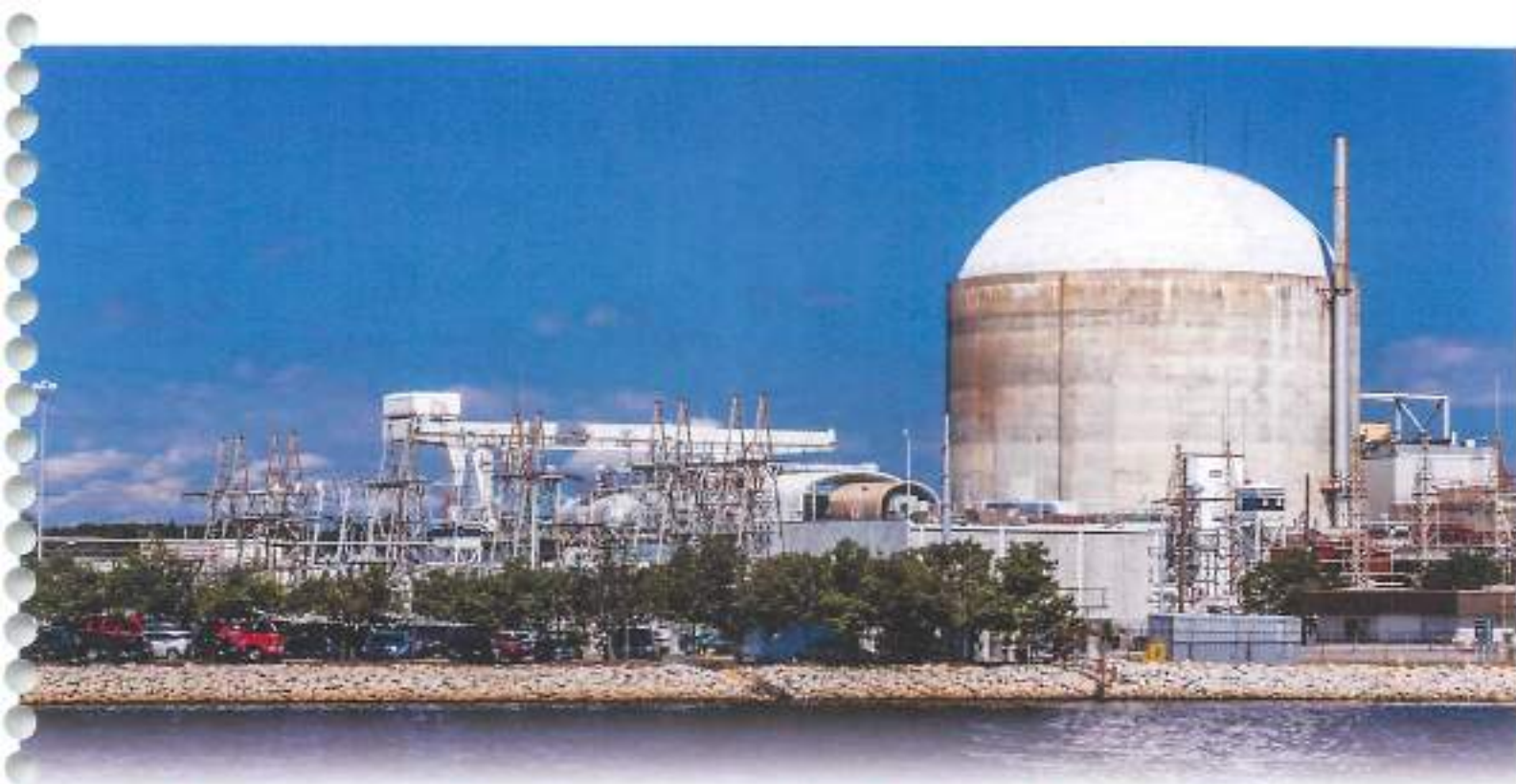
Category	Dollar Value
Estimated Economic Output for South Carolina	\$6,562,825,265
Estimated Tax Revenue Generated for South Carolina	\$132,875,788

<sup>8</sup>The historical relationship between South Carolina nominal gross state product and the South Carolina general fund revenue (as measured and tracked by the South Carolina Board of Economic Advancement) was estimated using ordinary least squares regression techniques.  
<sup>9</sup>Economic output represents the value of industry production and is therefore synonymous with gross state product. As such, the dollar value of all intermediate inputs was subtracted from economic output before the 5.1-cent estimate was applied to estimate total tax revenue.

## Section V – The Economic Impact of Duke Energy’s Power/Forward Carolinas Initiative

Duke Energy is currently in the early stages of executing a \$25 billion, 10-year capital investment project across its six-state region to modernize its electric grid - \$3 billion of which will be specifically invested in South Carolina. This project, known as the Power/Forward Carolinas Initiative, will consist of incorporating new technologies to improve the customer experience and to increase efficiency as well as to help better prepare for and address various weather-related and physical attacks on the grid. It is also designed to help to reduce the number of unplanned in-state power outages of residential, commercial, and industrial customers, thereby reducing the current economic losses that arise each year as a result of these outages. This section of the report will estimate the potential economic impacts of the Power/Forward Carolinas Initiative that arise from (1) capital investments in South Carolina’s electricity infrastructure and (2) benefits to South Carolina businesses and households from increased electric grid reliability. The strategic programs associated with the grid improvement plan are as follows:

Strategic Program	Descriptions
Advanced Metering Infrastructure (AMI)	Providing customers payment options, usage data, and energy-saving tools, as well as automating functions like meter-reading, connect and disconnect, and outage detection.
Self-Optimizing Grid (SOG)	System capacity and technology to locate and isolate faults (short circuits) and automatically reconfigure the system, thus shortening or even eliminating outages for many customers.
Targeted Underground (TUG)	Converting heavily treed neighborhoods prone to power outages from overhead to underground construction to decrease outages, reduce momentary interruptions (blinks), improve major storm restoration time, and improve customer satisfaction.
Distribution Hardening & Resiliency	Upgrading equipment to address the leading causes of trouble, reducing outages and momentary interruptions, and making the system more resilient to major hurricanes, ice storms, as well as routine storms.
Advanced Systems	Upgrading systems that manage grid devices, monitor equipment health, analyze data from monitoring sensors to improve system operations and maintenance activities, make communication faster and enable self-healing techniques.
Communications Network Updates	Providing high-speed, high bandwidth, secure communication pathways (fiber optic and wireless) for the increasing number of smart components, sensors, and remotely activated devices on the transmission and distribution systems.
Transmission Investment	Equipment upgrades, food irrigation, physical and cyber security and system intelligence to make a smarter and more reliable and secure transmission system.



## Economic Impact: Capital Investments in South Carolina Electricity Infrastructure

The Power/Forward Carolinas Initiative will take place from 2017 to 2026. Approximately \$3 billion worth of capital and infrastructure purchases will be made with businesses located in South Carolina, and Duke Energy will expand their total employment by 2,388 to oversee and carry out all grid improvement related functions and strategic programs. Both capital investment and hiring will be scaled up over time, with peak operations associated with the initiative occurring in 2025. Table 4 summarizes the total annual economic impacts associated with the Power/Forward Carolinas Initiative in South Carolina, which include all associated economic multiplier effects. Note that the total annual impacts will range from approximately \$184 million in 2017 to \$962 million in 2025. This level of activity, in turn, will support between 1,037 and 5,409 total jobs in South Carolina.

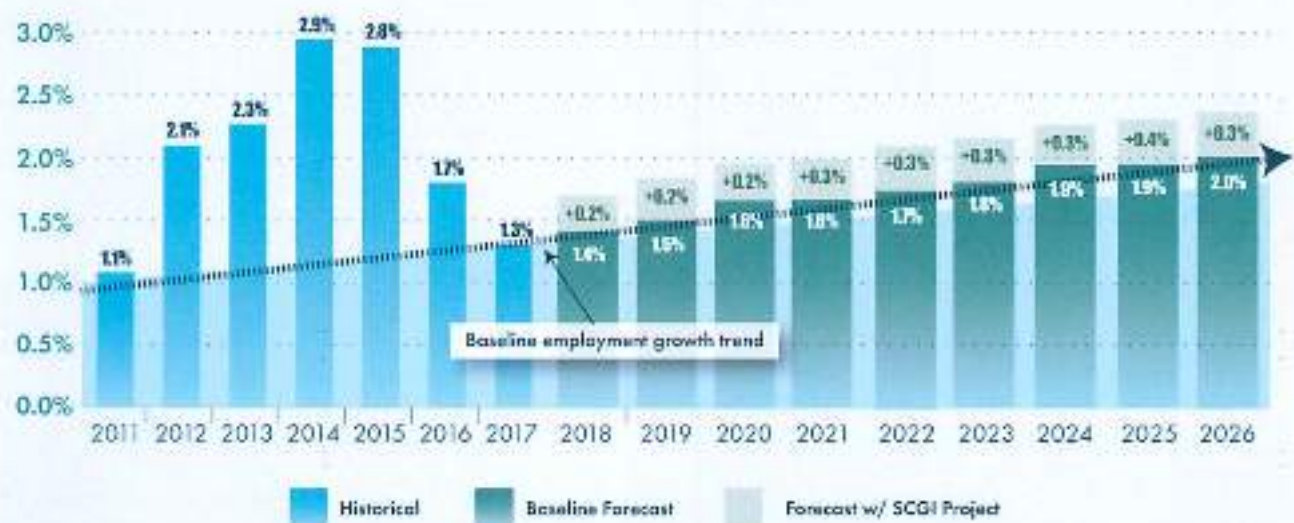
**Table 4 – Total Annual South Carolina Economic Impact of Duke Energy’s Power/Forward Carolinas Initiative: 2017-2026**

Year	Total S.C. Economic Output	Total S.C. Employment (FTE)	Total Number of Duke Energy Employees (FTE) <sup>10</sup>	Total S.C. Labor Income
2017	\$194,392,527	1,037	458	\$60,247,721
2018	\$264,366,686	1,486	656	\$86,378,177
2019	\$480,091,511	2,699	1,192	\$156,843,692
2020	\$437,798,606	2,462	1,087	\$143,044,671
2021	\$541,696,128	3,046	1,345	\$176,991,757
2022	\$715,080,114	4,021	1,775	\$233,642,589
2023	\$710,253,156	3,993	1,763	\$232,066,101
2024	\$776,940,371	4,368	1,929	\$253,854,577
2025	\$961,991,072	5,409	2,388	\$314,317,348
2026	\$689,664,853	3,878	1,712	\$225,338,502
<b>Total Economic Impact between 2017 and 2026: \$5,762,217,025</b>				
<b>An average of nearly 3,300 jobs supported per year between 2017 and 2026</b>				

<sup>10</sup>Note that the total number of Duke Energy employees in the column was arrived at by assuming that all 2,388 anticipated hires would be working on the grid improvement project by the year 2025. This employment number was then scaled during the remaining years to correspond to annual capital investment dollars provided by Duke Energy.

In order to accurately capture the magnitude that the Power/Forward Carolinas Initiative will have on South Carolina's economy, the estimates displayed in Table 4 were integrated into a long-run state level forecast to provide perspective on the extent to which this grid improvement will affect overall employment growth rates. Employment growth is the single best indicator for the health of any local region, and as such it is an appropriate metric to use to gauge the extent to which the grid improvement plan will affect overall economic growth in South Carolina. Figure 8 provides annual employment growth rates from 2011 to 2026, including historical rates, a projected "baseline" growth rate, and a growth rate incorporating the anticipated employment gains from the grid improvement.

Figure 8 - South Carolina Employment Outlook: 2018-2026



South Carolina's baseline employment growth trend is represented by the black arrow in Figure 8. This is specifically calculated by using the average annual change in the rate of employment growth from 2000 to 2017.<sup>11</sup> This average annual change is then assumed to continue through 2026. While employment growth clearly deviated from this trend between 2012 and 2016, this was due in large part to significant gains in advanced manufacturing. These gains were specifically the result of major job announcements among both new and existing South Carolina firms within the aerospace, automotive, and fire industries. These industries helped to increase the state employment growth rate to nearly 3.0 percent in 2014 and 2015.

In the absence of further industry gains of comparable size, this study assumes that the long-run employment growth trend outlined in Figure 8 will continue over the next decade in order to highlight how the Power/Forward Carolinas Initiative has the potential to affect employment growth in South Carolina in a similar manner to advanced manufacturing's impact in recent years. As Figure 8 illustrates, the grid improvement plan will likely increase South Carolina employment growth by up to 0.4 percentage points above its baseline rate in the coming decade.

<sup>11</sup> Since the year 2000, South Carolina's employment growth rate has increased, on average, by approximately 0.06% each year. The baseline employment growth trend presented in this report through 2026 is using the most recently available employment growth figures available (August 2017) as a starting point.



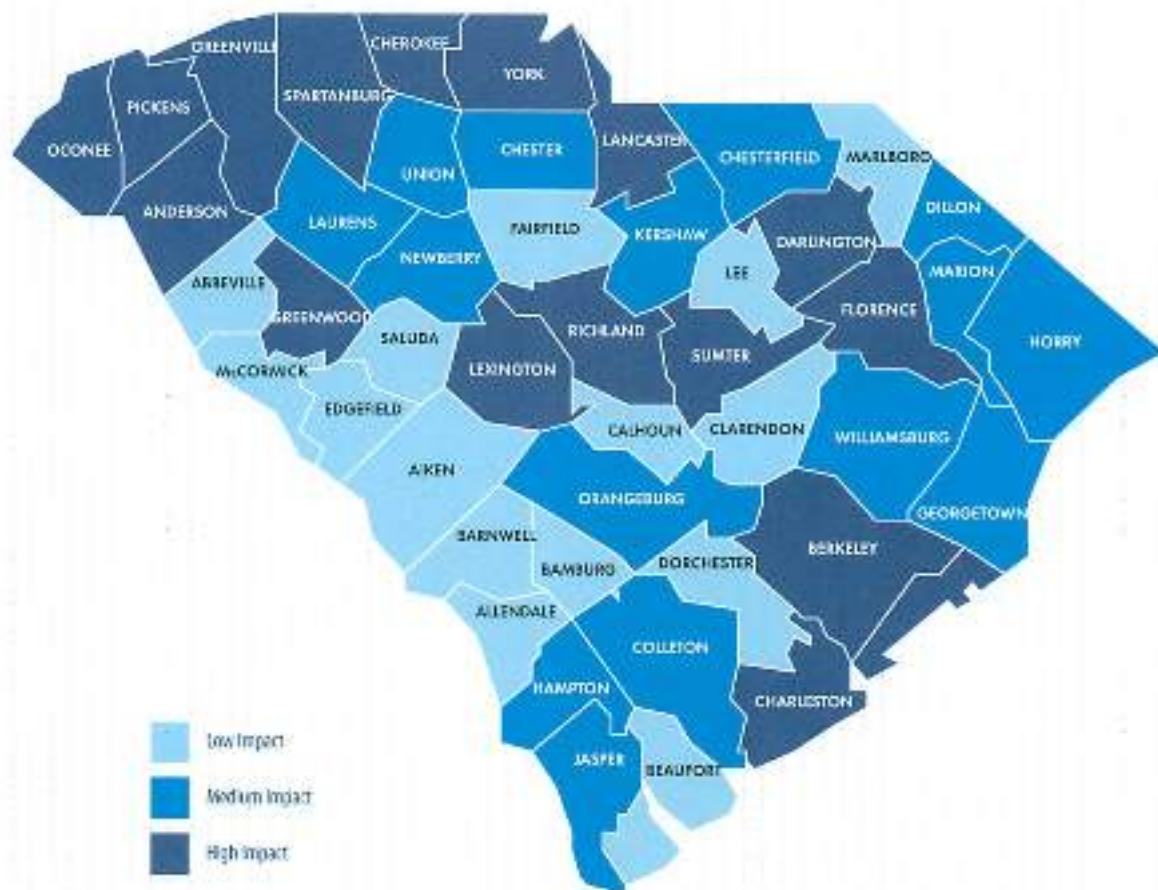
To put this additional growth in context, recent announcements from automotive manufacturers either expanding or relocating to South Carolina have ranged from \$0.5 billion to \$1.5 billion, implying that the Power/Forward Carolinas Initiative is roughly equivalent to three major automotive manufacturing announcements in the state.

*This implies that Duke Energy's contribution to statewide economic growth in the coming decade will likely be comparable to the contribution of one of advanced manufacturing's major sub-sectors (e.g., aerospace, automotive, or tires).*



As with the standard, ongoing operations of Duke Energy, the majority of the impact of the Power/Forward Carolinas Initiative will be concentrated within counties that either [1] contain a workforce hired by Duke Energy to complete the initiative or [2] contain the major vendors/suppliers that Duke Energy is purchasing raw materials from to build the planned infrastructure. As a result, the distribution of the county-level impacts will not necessarily be directly tied to the distribution of Duke Energy's customer base in South Carolina. A summary of the county level distribution of these impacts from 2017 to 2026 appears below in Figure 9. Table 5 displays the top county level impacts that will likely occur during the peak construction year of 2025. Although the impacts themselves are very different, the distribution is fairly similar to that of the current operations of Duke Energy.

Figure 9 - County-Level Distribution of Duke Energy's Power/Forward Carolina's Initiative Total Economic Impact: 2025





**Table 5 – Economic Impacts of Power/Forward Carolinas Initiative on Highest Impacted Counties in 2025**

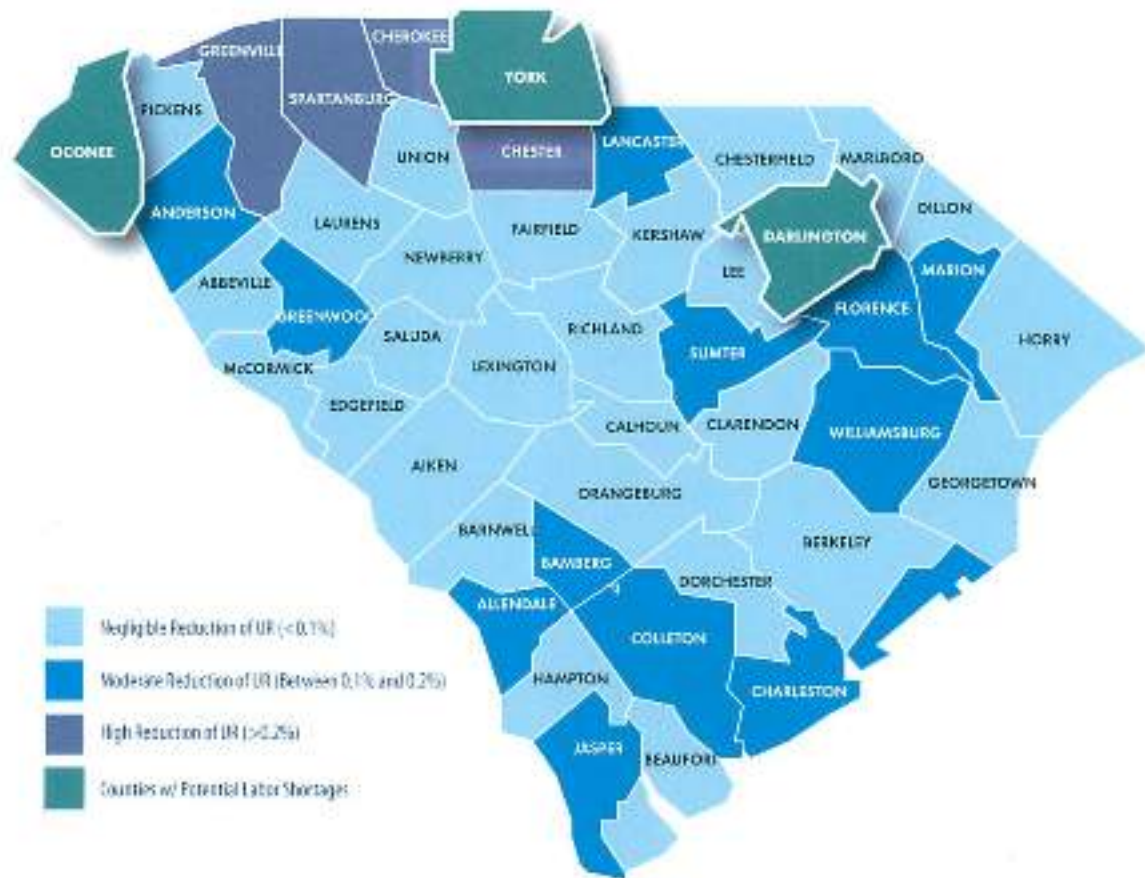
County	Total Employment	Total Labor Income	Total Economic Output
York	1,198	\$69,595,414	\$213,001,818
Oconee	1,352	\$78,566,877	\$240,459,634
Greenville	585	\$33,976,700	\$103,988,159
Darlington	831	\$48,269,224	\$147,731,465
Spartanburg	323	\$18,784,339	\$57,490,834
Charleston	257	\$14,930,365	\$45,695,467
Richland	91	\$5,278,541	\$16,155,358
Anderson	163	\$9,483,081	\$29,023,659
Florence	121	\$7,043,446	\$21,556,978
Cherokee	51	\$2,976,065	\$9,108,464
Sumter	55	\$3,175,427	\$9,718,624
Lexington	29	\$1,690,533	\$5,173,999
Berkley	24	\$1,417,006	\$4,336,850
Pickens	35	\$2,041,589	\$6,248,432
Lancaster	47	\$2,710,626	\$8,296,067
Greenwood	39	\$2,254,443	\$6,899,886

Although the documented county-level increases in total employment due to the Power/Forward Carolinas Initiative will represent significant gains for South Carolina over the next decade, they also have the potential to introduce new workforce challenges for the state. For example, while more densely populated metropolitan counties such as Greenville, Richland, and Charleston are likely to have a sufficient workforce supply to accommodate the employment needs for this initiative, it is possible that some rural counties will not. In addition, the fact that the new workforce required by Duke Energy will consist primarily of high-skilled, technical positions means that only a subset of the available workforce in both metropolitan and rural counties will qualify.



Figure 10 highlights the counties in South Carolina projected to experience the biggest declines in unemployment as a result of the grid improvement plan. Note that Oconee, York, and Darlington counties are projected to be the three counties most likely to experience a workforce shortage as a result. This is due to a combination of the following: (1) Duke Energy anticipates hiring a relatively large number of workers from in and around these counties and (2) these counties already have low unemployment rates and thus a relatively low supply of unemployed workers from which to hire.

Figure 10 - Power/Forward Carolinas Initiative: Impact on Unemployment Rates (UR) by County



To help address these workforce needs, Duke Energy has created strategies focused on energy career awareness, strategic partnerships, and education pathways for careers in energy. Specifically, Duke Energy partners with several colleges in the Carolinas that educate future lineworkers, engineers, and other roles critical to the success of the grid improvement plan. Duke Energy is also partnering with other utilities in the region to form the Carolinas Energy Workforce Consortium (CEWC) to collectively raise awareness of energy jobs, promote statewide workforce development efforts, and make stronger connections with education partners to build the future pipeline of talent for the industry. Additionally, the Duke Energy Foundation is investing in high performing, sustainable programs and initiatives that contribute to the goal of building a diverse workforce of the future. Duke Energy Foundation grants fund education programs and initiatives focused on K-12 science, technology, engineering and math (STEM) skills, early childhood literacy and workforce development. Programs like these help to foster an interest in the STEM fields, support job readiness, and to create the next generation of workforce business and industries need to be successful.



## *Economic Impact; Improvements in South Carolina Electric Infrastructure Reliability*

In addition to the temporary economic impacts that will arise over the next decade from Duke Energy's capital investments in the state's electricity infrastructure as documented above, grid improvements will also have long-run positive impacts on South Carolina's economy by reducing unplanned power outages and the associated costs these unplanned outages impose on customers across Duke Energy's 30-county service area. Unplanned power outages are typically divided into two categories: non-major events (or normal service interruptions) and major events.

### **Non-Major Event Disruptions**

In 2016, Duke Energy serviced a total of approximately 740,000 retail customers in South Carolina, of which 16.4 percent were business (i.e., non-residential) customers. Retail customers currently experience approximately \$334 million in annual outage costs related to normal-service interruptions (non-major events); businesses comprise over 98 percent of this total impact. Upon completion of the Power/Forward Carolinas Initiative, this study estimates that these costs could be reduced by up to 57 percent. Annual outage costs are projected to grow to nearly \$565 million by 2028 without the grid investment due to anticipated declines in reliability using current infrastructure.

Duke Energy estimates grid reliability using two industry-standard measures, excluding Major Event Days (MEDs):

- *System Average Interruption Frequency Index (SAIFI): total number of sustained (>5 minutes) customer interruptions divided by the total number of customers served*
- *System Average Interruption Duration Index (SAIDI): total customer interruption duration (in minutes) divided by the total number of customers served*

Figures 11 and 12 highlight the specific changes to SAIFI and SAIDI values that Duke Energy anticipates will occur both with and without grid improvements through the year 2028. The projected improvements to SAIFI and SAIDI denoted in Figure 11 will then lead to grid reliability improvements of 51.8 percent and 58.4, respectively, as shown in Figure 12. These projected changes, in turn, provide the basis to evaluate the economic impact of grid improvements for non-major event disruptions.

Figure 11 - SAIFI and SAIDI Projections: 2018-2028

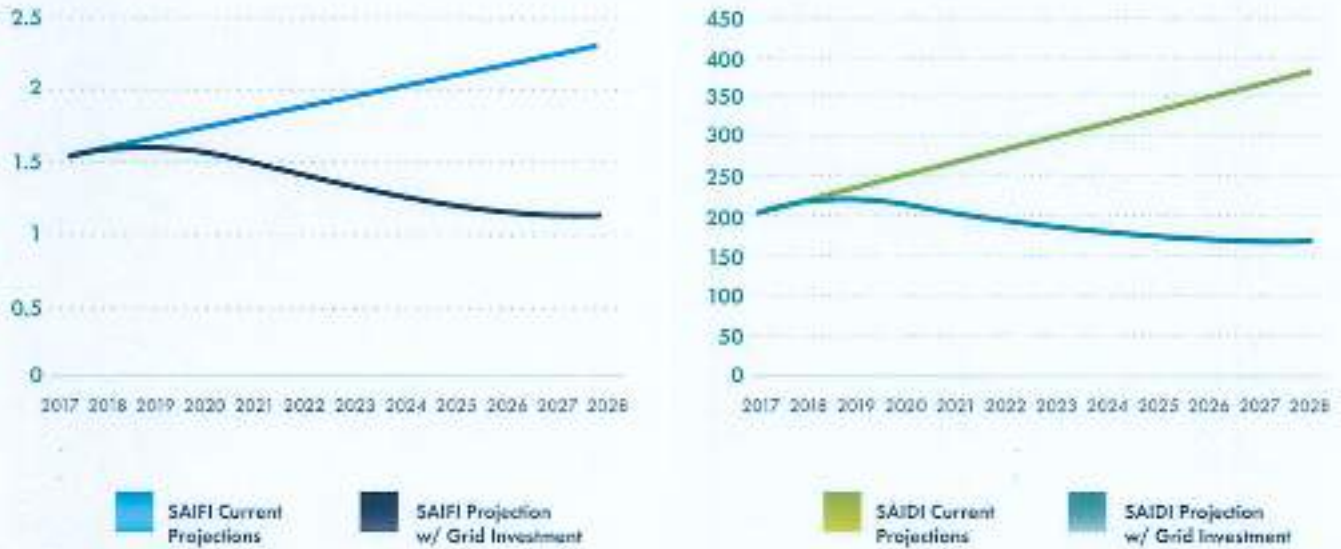
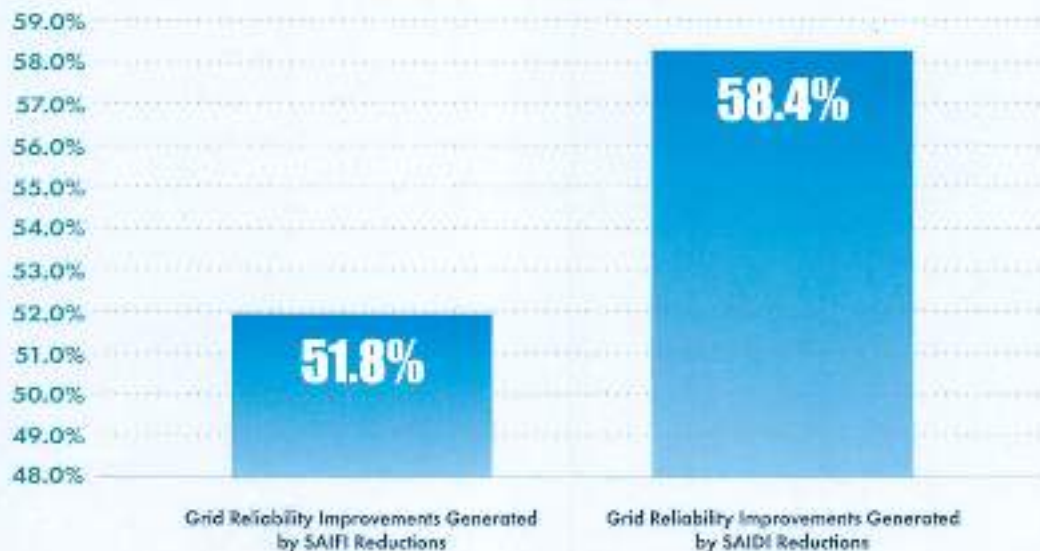


Figure 12 - Percentage Grid Reliability Improvement Resulting from Anticipated SAIFI and SAIDI Reductions



### Major Event Disruptions

The SAIFI and SAIDI projections in Figures 11 and 12 do not consider the potential benefits related to avoided or shortened outages during major events. Clearly hurricanes, such as Matthew in 2016, are included in the impacts of major events, but there are many other smaller scale multi-day events such as ice, severe thunderstorms, and severe wind storms that also qualify as major events and result in outages experienced by Duke's customers and are included in the major event data. In 2016, Duke customers that experienced an MED outage event (or events) in South Carolina were out of power for an average of 15 hours. While MEDs are less common, the impacts to customers, businesses, and communities are more severe. Based on an analysis provided by Duke Energy, the grid investment plan is projected to reduce the minutes of interruption time associated with these major event outages by 30 percent on average, as Table 6 denotes.

**Table 6 – Current Reliability Associated with MEDs in South Carolina**

	Customer Interrupted	Customer Minutes Interrupted
10-Year Historical Average, S.C.	232,271	709,705,028
Estimated Reduction (%)	33%	30%
Hypothetical MED, after project completion	154,847	496,793,520

This method only partially captures the value from the most severe events like Hurricane Fran, Floyd, and Matthew as well as severe winter icing events like the December 2002 Ice Storm. Models do not effectively capture the community impacts from these most severe events where widespread infrastructure damage may mean limited access to basic needs such as fuel, food, and shelter. In many cases (particularly in South Carolina's most rural areas) these critical services being available are directly tied to electric infrastructure repairs making material progress. An effective example to illustrate these broader benefits comes from looking at a specific analysis applied to Hurricane Matthew events and projects the outcomes that would have occurred if the proposed grid investments had already been completed.

A projected outage event reduction of 33 percent and a 28 percent reduction in duration from Matthew for the combined DEC/DEP South Carolina would have the potential to move Hurricane Matthew restoration completion from 6 days to approximately 4 days (excluding areas where flood waters prevented access). In addition, customers impacted from the event would have dropped by 26 percent. DEC South Carolina impacted regions would have experienced 28 percent fewer events, which would help to speed restoration in the more lightly hit areas and freeing those resources for re-allocation into harder hit areas once restoration was completed.



## Measuring the Economic Impact of All Unplanned Power Outages

In order to determine the economic impact resulting from reductions in unplanned power outages due to grid improvements over the next decade, this study began by taking SAIFI and SAIDI projections developed by Duke Energy (listed in Figures 11 and 12) for non-major events along with data on the number and type of Duke customers (i.e., residential, business, and commercial) and used these as inputs into the Interruption Cost Estimate Calculator (ICE) developed by the U.S. Department of Energy. The ICE model specifically calculates the average interruption cost for residential, business, and commercial customers for a given SAIFI/SAIDI data pair using a regression model that takes into account factors such as the duration of the outage, the industry affected, household demographics patterns, and various seasonal factors.<sup>12</sup> By estimating the interruption costs associated with current SAIFI/SAIDI projections vs. SAIFI/SAIDI projections that take into account grid improvements and then subtracting the latter from the former, the annual direct cost savings resulting from reliability improvements can be determined.

These direct cost savings, however, do not represent the full economic impact of reliability improvements. When businesses experience these cost reductions, over time they will begin to expand their economic activities through additional purchases of raw inputs and the hiring of additional employees. Both sets of activities represent new economic activity that is the result of the direct cost savings due to reliability improvements. To specifically estimate the additional economic activity that businesses undertake as a result of these cost savings, the IMPLAN model was used.<sup>13</sup>

To estimate cost savings for businesses and households associated with reductions in unplanned power outages during Major Event Days (MEDs), Duke Energy took the 10-year historical values described in Table 6 to define an annual average for MED events (including typical customers interrupted (CI) and customer minutes interrupted (CMI) from major events annually). Duke Energy applied this annual average to project estimates of the avoided CI (customers interrupted or impacted) and CMI (customers minutes of interruption or duration) reductions that would be realized as a result of proposed Power Forward grid investments. These data, in turn, were then used as inputs into the ICE tool to estimate the direct cost savings of reliability improvements as the improved infrastructure comes on line over the investment period. Once again, these direct cost savings estimates were then translated into total economic impacts through use of the IMPLAN model.

<sup>12</sup> Additional detailed methodology on the ICE model can be found at <http://www.ice-model.com>

<sup>13</sup> Cost savings estimates derived from the ICE model were as inputs into the South Carolina IMPLAN model. Because IMPLAN does not provide electricity measurements that document how dynamic changes in production costs will affect industrial purchasing activity over time, this study used existing industry measurements for the major industrial sectors from external sources.

### Primary Results

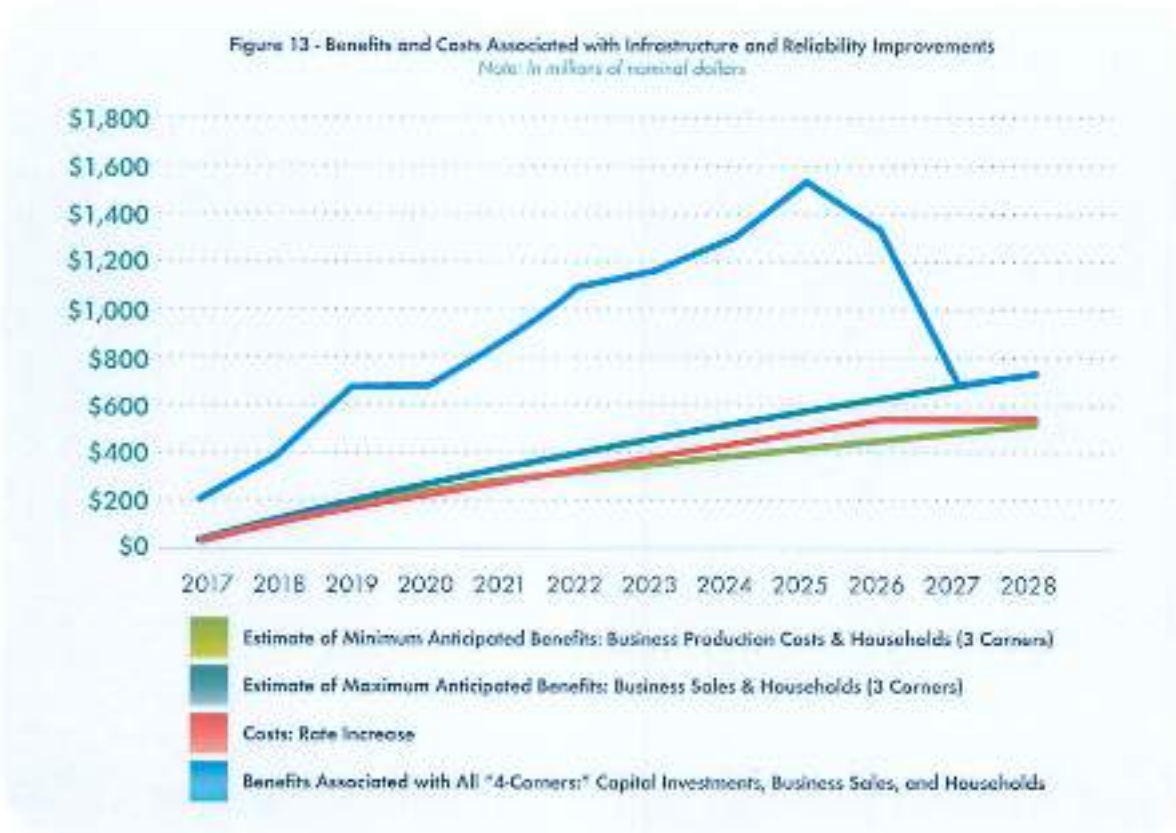
The positive economic impacts that result from the Power/Forward Carolinas Initiative can be represented by examining the “four corners” of the initiative – that is – by examining the multiple ways in which value is provided to customers and communities in South Carolina and the broader Carolinas region. Consider each of the following benefits of grid improvement as summarized in the figure below:

- Core Reliability Improvements
- Statewide economic benefits resulting from all capital investments associated with building new infrastructure
- Loss avoidance among businesses and households
- Reduction of impacts associated with major event days

Each of these benefits can be quantified for the state of South Carolina.



Figure 13 summarizes the total benefits and costs associated with infrastructure construction and reliability improvements between 2017 and 2028. Note that the benefits increase over time as new infrastructure comes on line. Rate increases grow along with the grid investment and generally track closely with business and household reliability benefits.



Consider first the costs [annual rate increases] associated with grid improvements in Figure 13. Note that annual rate increases are expected to continue until all capital investments are completed in 2026, at which time rate increases will terminate and costs will remain relatively constant moving forward. Total annual costs [rate increases] will range from \$84 million in 2018 to \$530 million by 2028 in South Carolina.

The anticipated gross benefit of reliability improvements [business production costs and households] will range from approximately \$79 million in 2018 to \$503 million by the end of 2028. If these avoided costs were then translated into new sales activity by businesses, this sales volume would total \$724 million by 2028. Thus, the long-run annual benefit for businesses and households in South Carolina [by 2028] associated with all reliability improvements will likely range between \$503 million and \$724 million depending upon the extent to which businesses are able to translate cost savings into new sales activity. This "benefits range" thus includes three of the four corners addressed above: core reliability improvements, loss avoidance among businesses and households, reduction of impacts associated with major event days.

Combining the maximum anticipated economic benefits associated with the three corners with the all capital investments associated with grid improvement ("corner 4") yields a total economic impact ranging from \$184 million in 2017 to \$1.5 billion in 2025 (the peak year of capital investment). This final set of estimates fully integrates the combined effects of the "four corners" of the grid improvement project.

## Appendix I – Economic Impact of Duke Energy in South Carolina by County

Counties Ranked by Total Economic Output

County	Total Employment	Total Labor Income	Total Economic Output
York	3,039	\$223,317,948	\$1,138,015,632
Oconee	3,267	\$257,040,059	\$1,120,564,389
Greenville	1,766	\$97,331,311	\$888,324,508
Darlington	2,076	\$152,112,583	\$756,809,003
Spartanburg	1,199	\$53,569,623	\$686,359,339
Charleston	1,027	\$42,345,515	\$619,256,003
Richland	360	\$15,485,301	\$214,477,249
Anderson	469	\$26,270,241	\$208,480,445
Florence	323	\$20,358,054	\$128,834,310
Cherokee	200	\$8,588,012	\$117,846,760
Sumter	191	\$9,187,002	\$103,432,097
Lexington	120	\$4,943,199	\$72,288,777
Berkeley	101	\$4,170,490	\$60,988,768
Pickens	114	\$5,958,040	\$56,590,709
Lancaster	131	\$8,028,786	\$55,539,190
Greenwood	116	\$6,589,736	\$53,303,783
Chester	93	\$4,956,042	\$45,837,341
Orangeburg	62	\$2,553,287	\$37,338,975
Horry	62	\$2,548,357	\$37,266,876
Chesterfield	49	\$2,402,273	\$25,620,776
Union	40	\$1,664,088	\$24,335,436
Marion	54	\$3,238,313	\$22,719,668
Kershaw	30	\$1,230,303	\$17,991,808
Williamsburg	40	\$2,393,339	\$16,007,199
Hampton	24	\$975,351	\$14,263,429
Laurens	18	\$754,652	\$11,035,940
Dillon	16	\$669,678	\$9,793,296
Newberry	18	\$861,367	\$9,458,215
Georgetown	15	\$631,429	\$9,233,940
Clarendon	12	\$500,189	\$7,314,712
Colleton	51	\$2,097,760	\$6,709,179
Lee	11	\$455,974	\$6,668,108
Marlboro	11	\$454,529	\$6,646,985
Fairfield	11	\$573,577	\$5,292,586
Jasper	36	\$1,490,853	\$4,768,133
Abbeville	6	\$253,675	\$3,709,721
Edgefield	3	\$137,772	\$2,014,757
Bamberg	15	\$619,346	\$1,980,827
Beaufort	2	\$102,358	\$1,496,868
Dorchester	2	\$88,179	\$1,289,518
Barnwell	2	\$72,459	\$1,059,631
Allendale	8	\$315,168	\$1,007,990
McCormick	1	\$30,651	\$448,236
Aiken	1	\$26,842	\$392,532
Saluda	0	\$770	\$11,253
Colhoun	0	\$35	\$513