

**EDGEFIELD COUNTY WATER & SEWER AUTHORITY  
BOARD MEETING MINUTES**

*The September Regular Board of Directors Meeting of Edgefield County Water and Sewer Authority was held on September 23, 2019 starting at 5:30 p.m. at 100 Waterworks Rd., Edgefield, SC (ECWSA Administrative Building). No individual or organization requested a copy of the Agenda. Notice of this Board of Directors Meeting was posted in the Administration Office 4 weeks prior to meeting and the Agenda was posted September 19, 2019.*

**CALL TO ORDER:** Kennamer, 5:30 p.m.

**INVOCATION:** Timmerman

**MEMBERS PRESENT:** Johnson, Clark, Creswell, Kennamer, Timmerman, Williams and Kitchens

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Administrator Hare, Business Manager Carroway

**GUEST PRESENT:** Grant Davis of Mauldin & Jenkins

**AGENDA:** A motion was made by Johnson to approve the September 23, 2019 Agenda. Second by Timmerman. Vote unanimous to approve the agenda.

**MINUTES:** A motion was made by Johnson to approve the August 26, 2019 Minutes. Second by Creswell. Vote unanimous.

**PUBLIC COMMENT:** No comments from the public and no one present from the public.

**PRESENTATION OF THE DRAFT FY 2019 AUDIT**

After a brief introduction by Administrator Hare, Mr. Grant Davis of Mauldin & Jenkins made his presentation of the ECWSA FY 2019 Audit in draft form. Mr. Davis then began a review of the draft of the 2018-19 financials for the Board. Mr. Davis stated that the Authority was in a strong position financially at the conclusion of FY 2019. He stated that his staff had some additional work on the footnotes and other parts of the financial report to produce the final audit. The final report would also include Mauldin & Jenkins opinion of the Authority's finances, but that his staff had not discovered anything that would result in a negative opinion. At the conclusion of the audit, Mr. Davis expressed his appreciation, on behalf of his firm, for continued strong working relationship and cooperation of staff at the Authority. He also encouraged the Board to review the draft, and any questions they had could be answered at the presentation of the final draft in October 2019. Chairman Kennamer and other Board members thanked him for his work on the audit.

**FINANCIAL STATEMENT:** Administrator Hare discussed the Financial Statement ending August 31, 2019. Budget should be at 16.67%, Revenues are 21.18%, and Expenses are at 16.79%. Water Sales have been ahead of the last several years due to the lack of rain as compared to previous summers. As compared to FY2018, the Authority is \$418,911.18 ahead in revenues to date.

Mr. Williams asked at the end of Administrator Hare's Financial Report if he could make a statement. He had spoken to Mr. Willie Brite the previous week concerning high pressure and sand in the several rental properties that Mr. Bright owns. Administrator Hare responded to Mr. Williams that he had a phone conversation with Mr. Brite on Friday September 20, 2019 concerning the matter. He had informed Mr. Bright that a 3" PRV had been ordered for the line in question, but it had been backordered and had not shipped as of yet. Concerning the sand, Administrator Hare directed a Distribution crew to meet with Mr. Brite that afternoon to investigate the matter. No further discussion.

#### **REPORTS:**

John Hare, Administrator covered the following items during the report section:

- Administrator Hare gave a brief review of the development work and subdivision work being done on the Authority's system
- The date for the December Board meeting is December 16, 2019 at 6 p.m. No business will be conducted and a meal will be provided for the Board members and their spouses.

#### **BUSINESS:**

##### **A. RESOLUTION FOR REFINANCING OUTSTANDING BONDS**

Administrator Hare presented a Resolution prepared by Haynesworth, Sinkler, & Boyd (Authority Bond Counsel) concerning the refinancing of approximately \$7,250,000 worth of outstanding ECWSA bonds. This refinancing would net an approximate savings of \$450,000-\$460,000 over the life of the bonds, depending on the interest rate at closing in December. Administrator Hare further described the process of refinancing and a proposed timeline of events.

**A RESOLUTION**

**PROVIDING FOR THE ISSUANCE AND SALE OF AN EDGEFIELD COUNTY WATER AND SEWER AUTHORITY, SOUTH CAROLINA WATERWORKS AND SEWER SYSTEM REFUNDING REVENUE BONDS, IN ONE OR MORE SERIES, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING SEVEN MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$7,250,000) AND OTHER MATTERS RELATING THERETO.**

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**SERIES RESOLUTION**  
Adopted September 23, 2019

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A motion was made by Timmerman to adopt the proposed Series Resolution as presented by Administrator Hare. Second by Clark. No discussion. Vote unanimous.

**B. MODIFICATION OF DEVELOPER’S AGREEMENT FOR WINDSOR SUBDIVISION**

Administrator Hare presented a small modification to the previously approved (June 2019) agreement between Ivey Development LLC., Edgefield County, and Edgefield County Water and Sewer Authority. The modification was a deletion of the old language in paragraph 11 that was replaced with new language.

Sewer and Development Agreement  
(Subdivisions / Developments)

STATE OF SOUTH CAROLINA )  
  )  
COUNTY OF EDGEFIELD    )

This agreement entered into between the Edgefield County Water and Sewer Authority (“Authority”), the County of Edgefield (“County”), and Ivey Development, LLC (“Owner”) with right to assignment, on this the \_\_\_\_ day of October, 2019.

WITNESSETH:

WHEREAS, the Owner desires to develop property they own in Edgefield County for residential or commercial use;  
and,

WHEREAS, as part of said development, water and sewer service is necessary, which shall be provided to this development by the Authority for the benefit of the citizens of Edgefield County,

NOW THEREFORE, in consideration of the mutual promises herein contained, it is agreed between the Authority and the Owner as follows:

1. The Owner agrees to install, in accordance with the Authority's specifications, the proper pipes as indicated on the plans showing sewer line layouts for Windsor Subdivision, Tax Parcel numbers 126-00-05-007, 126-00-05-002, 127-00-01-020, 126-00-05-026 and Owner also agrees to install all clean outs and manholes as indicated on said plans, with said plans being a part of this agreement upon approval by the Authority. The Owner agrees that they shall bear all costs of installation of said pipe lines including 445 taps to be made to the sewer lines.
2. The Owner shall be responsible for cost of maintenance of this system for one year from the date of the "Permit to Operate" issued by DHEC (Department of Health and Environmental Control).
3. The Owner agrees to and shall hereby transfer upon completion of the project, without cost, the exclusive management, control of, and title to said pipe line, including adequate easements, pipes, clean outs, manholes, and all other appurtenances to the Authority. Such lines shall belong exclusively to the Authority, which shall assume responsibility for maintenance, operation, and tapping; and shall have the sole discretion as to any future extensions or connections.
4. It is mutually agreed and understood that sewer service to the individual land owners or lessees requesting the same in this development shall be a transaction between the individual requesting sewer service and the Authority. The Owner shall have no decision-making authority or input as to the privilege and right of securing a tap from such lines.
5. The Owner shall receive no payments, now or in the future, for such lines or extensions thereto, and the Authority shall have no duty to extend such lines beyond their present status.
6. The Owner agrees that once this sewer main has been installed by the Owner and accepted by the Authority, the Owner will have no future interest in the line whatsoever.
7. The Authority agrees that the Owner may extend these lines from time to time as new streets are opened in this or other developments that may be served by these sewer mains. The installation shall be in accordance with the same specifications and other conditions of this agreement.
8. Construction or installation shall not be commenced until this agreement is accepted and signed by all parties and written approval has been given to the Owner by the Authority for installation to commence. The Authority will inspect and shall have authority to accept or reject work performed in connection with the installation of sewer lines. Owner agrees that the installation of all sewer lines will be in accordance with the Authority's specifications.
9. The Owner agrees to pay to the County a fee for the costs of the installation of a sewer main to the property. Such fee shall be determined by the County. This fee will be calculated by dividing the cost for construction and engineering of the new sewer line by the 445 units it proposes to serve. Fees are subject to the calculation of fees outlined in Attachment "A", which is incorporated into the terms of this Agreement.
10. Prior to the issuance of any building permit for this parcel, or subsequent subdivision of the parent parcel, the fee shall be paid to the County in addition to other fees associated with the building permit.
11. ~~The Owner shall provide to the County a performance bond or letter of credit in the amount necessary to pay the fee for 445 dwelling units as calculated by the County with an expiration date no sooner than July 1, 2022. The bond will be submitted to the County within 30 days of this Agreement and will be due and payable a final plat has not been approved and ten homes completed or under construction by the County prior to January 1, 2022.~~  
The Owner shall provide to the County a performance bond or letter of credit in the amount necessary to pay the fee as calculated per paragraph 9 for the 445 dwelling units. The bond or letter of credit will be due and payable if a final plat for phase one has not been approved and ten homes completed or under construction within the development prior to January 1, 2022. The bond or letter of credit will be released once 10 homes are under construction within the development. The Owner will provide the bond or letter of credit prior to the start of construction on the sewer extension by Edgefield Water and Sewer Authority and before the start of development improvements on the site by the Owner.

- 12. Owner agrees to transfer title to real estate designated on the Concept Plan as Future Greenway Extension and Future Greenway Trailhead to County. Edgefield County as consideration shall reduce the Planned Development application fee to \$1,100. Width of the right of way shall be a minimum of 50-feet.
- 13. Developer agrees to:
  - A) strive to minimize the number of road crossings of the proposed Greenway; and
  - B) Provide barrier, divide, or other readily identified boundary marker between proposed Greenway and private park.

Other:

- a. An Administrative Fee of \$25.00 and a security deposit of \$65.00 to be paid to Authority each time a sewer service is requested.
- C) This agreement is binding upon the parties hereto, their heirs, successors and assigns, and shall run with the developed land as covenants thereon.

Owner: \_\_\_\_\_  
Developer

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

Attest: \_\_\_\_\_

Authority \_\_\_\_\_  
Edgefield County Water & Sewer Authority

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

Attest: \_\_\_\_\_

We so consent to the terms of this Agreement:

Edgefield County Government

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

Attest: \_\_\_\_\_

A motion was made by Kitchens to accept the modified agreement. Second by Williams. No discussion. Vote unanimous.

**C. MEMORANDUM OF UNDERSTANDING WITH EDGEFIELD COUNTY CONCERNING SEWER ALONG STEPHENS RD.**

An MOU between Edgefield County & ECWSA concerning the installation of sewer along Stephens Rd. was presented by Administrator Hare to the Board. This MOU was almost identical in nature to the MOU previously approved this year, with only the location of the sewer line being different.

County of Edgefield

**Memorandum of Understanding**

State of South Carolina

This Memorandum of Understanding is made and entered into this \_\_\_\_ day of October, 2019, by and between the County of Edgefield (hereinafter referred to as the County) and the Edgefield County Water and Sewer Authority (hereinafter referred to as the Authority).

Whereas, the County wants to have orderly growth and development throughout Edgefield County; and

Whereas, the County can achieve this through proper development standards and installation of water and sewer lines; and

Whereas, the Authority has the exclusive rights to furnish water and sewer in all areas of Edgefield County as defined by the Act which created the Authority and Act Number 1192 of 1970, Acts of the General Assembly for South Carolina; and

Whereas, both parties desire to enter into an agreement to jointly fund and build a sewer line along Stephens Road to serve a proposed development; and

Whereas, this line would be sized to meet the needs of the proposed development; and

Whereas, a fee would be calculated to pay back the total cost of the sewer line and collected in conjunction with the building permit fee,

Now, Therefore, in consideration of the mutual promises and understandings contained herein and the benefits to be realized by both parties and in further considerations of the benefits to the general public through the enhancement of economic growth to be realized by this agreement, the parties hereto agree to the following:

**County of Edgefield Responsibilities:**

1. To provide a portion of the funding up to 25%, but not exceeding \$165,000 for the ROW, sewer line and measuring station.
2. To calculate the necessary impact fee to pay back the cost of construction and, if required, to obtain approval of the fee through the State of SC
3. To use all means of the County to obtain any necessary ROW for the sewer line.
4. To collect the impact fee through the Edgefield County building permit process and to reimburse quarterly the Authority for their share of the construction, engineering, and other associated project costs. Reimbursement shall be a percentage split, based on the project contribution, as

impact fees are received.

5. To assist the Authority as necessary in the design and siting of the sewer line.
6. To create a Developer's Agreement for this project and any subsequent projects that would connect to this line.
7. To recalculate impact fees in the future based on other users connecting to the proposed sewer line.
8. To have a County representative at all meetings concerning the development and construction of this sewer line.

**Edgefield County Water and Sewer Authority Responsibilities:**

1. To provide the remaining funding not appropriated by Edgefield County Council for the engineering, ROW, construction of the sewer line, and other associated costs.
2. To develop engineering plans for the construction of the project, using an engineering firm of the Authority's choosing.
3. To advertise publicly for bids for construction of this project.
4. To help the County in obtaining the necessary ROW for this project.
5. To provide oversight and inspection of the sewer line.
6. To review the impact fee calculation developed by the County, and review revisions in the future as needed.
7. Once the project has been designed, the Authority will bid the construction at the time agreed upon through the Developer's Agreement.
8. To assist Edgefield County, create a Developer's Agreement and be a party to the Developer's Agreement for this project and any subsequent projects that would connect to this sewer line.
9. To own, operate, and maintain this sewer line after construction in accordance to SCDHEC Regulations and ECWSA policies.

Edgefield County

By \_\_\_\_\_  
Scott Cooper, Chairperson  
Date: \_\_\_\_\_

Attest

\_\_\_\_\_  
Jennifer Gilley, Clerk to Council

Edgefield County Water and Sewer Authority

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

James Earl Kenamer

Date: \_\_\_\_\_

Attest

\_\_\_\_\_

A motion was made by Johnson to accept the MOU as presented by Hare. Second by Creswell. Vote unanimous.

**D. DEVELOPER’S AGREEMENT FOR TAVERN HILL SUBDIVISION**

A developer’s agreement between SLH Investments, Edgefield County, and ECWSA was presented by Administrator Hare for consideration. This Agreement was based on existing approved agreements with only a few minor changes.

Sewer and Development Agreement  
(Subdivisions / Developments)

STATE OF SOUTH CAROLINA    )  
  )  
COUNTY OF EDGEFIELD        )

This agreement entered into between the Edgefield County Water and Sewer Authority (“Authority”), the County of Edgefield (“County”), and SLH Investments, LLC (“Owner”) with right to assignment, on this the \_\_\_\_ day of October, 2019.

WITNESSETH:

WHEREAS, the Owner desires to develop property they own in Edgefield County for residential or commercial use; and,

WHEREAS, as part of said development, water and sewer service is necessary, which shall be provided to this development by the Authority for the benefit of the citizens of Edgefield County,

NOW THEREFORE, in consideration of the mutual promises herein contained, it is agreed between the Authority and the Owner as follows:

1. The Owner agrees to install, in accordance with the Authority’s specifications, the proper pipes as indicated on the plans showing sewer line layouts for Tavern Hill Subdivision, Tax Parcel numbers 125-00-00-012 and Owner also agrees to install all clean outs and manholes as indicated on said plans, with said plans being a part of this agreement upon approval by the Authority. The Owner agrees that they shall bear all costs of installation of said pipe lines including 212 taps to be made to the sewer lines.



2. The Owner shall be responsible for cost of maintenance of this system for one year from the date of the "Permit to Operate" issued by DHEC (Department of Health and Environmental Control).
3. The Owner agrees to and shall hereby transfer upon completion of the project, without cost, the exclusive management, control of, and title to said pipe line, including adequate easements, pipes, clean outs, manholes, and all other appurtenances to the Authority. Such lines shall belong exclusively to the Authority, which shall assume responsibility for maintenance, operation, and tapping; and shall have the sole discretion as to any future extensions or connections.
4. It is mutually agreed and understood that sewer service to the individual land owners or lessees requesting the same in this development shall be a transaction between the individual requesting sewer service and the Authority. The Owner shall have no decision-making authority or input as to the privilege and right of securing a tap from such lines.
5. The Owner shall receive no payments, now or in the future, for such lines or extensions thereto, and the Authority shall have no duty to extend such lines beyond their present status.
6. The Owner agrees that once this sewer main has been installed by the Owner and accepted by the Authority, the Owner will have no future interest in the line whatsoever.
7. The Authority agrees that the Owner may extend these lines from time to time as new streets are opened in this or other developments that may be served by these sewer mains. The installation shall be in accordance with the same specifications and other conditions of this agreement.
8. Construction or installation shall not be commenced until this agreement is accepted and signed by all parties and written approval has been given to the Owner by the Authority for installation to commence. The Authority will inspect and shall have authority to accept or reject work performed in connection with the installation of sewer lines. Owner agrees that the installation of all sewer lines will be in accordance with the Authority's specifications.
9. The Owner agrees to pay to the County a fee for the costs of the installation of a sewer main to the property. Such fee shall be determined by the County. This fee will be calculated by dividing the cost for construction and engineering of the new sewer line by the 212 units it proposes to serve. Fees are subject to the calculation of fees outlined in Attachment "A", which is incorporated into the terms of this Agreement.
10. Prior to the issuance of any building permit for this parcel, or subsequent subdivision of the parent parcel, the fee shall be paid to the County in addition to other fees associated with the building permit.
11. ~~The Owner shall provide to the County a performance bond or letter of credit in the amount necessary to pay the fee for 212 dwelling units as calculated by the County with an expiration date no sooner than July 1, 2022. The bond will be submitted to the County within 30 days of this Agreement and will be due and payable if a final plat has not been approved and ten homes completed or under construction by the Owner prior to January 1, 2022.~~

The Owner shall provide to the County a performance bond or letter of credit in the amount necessary to pay the fee as calculated per paragraph 9 for the 212 dwelling units. The bond or letter of credit will be due and payable if a final plat for phase one has not been approved and ten homes completed or under construction within the development prior to January 1, 2022. The bond or letter of credit will be released once 10 homes are under construction within the development. The Owner will provide the bond or letter of credit prior to the start of construction on the sewer extension by Edgefield Water and Sewer Authority and before the start of development improvements on the site by the Owner.

Other:

- a. An Administrative Fee of \$25.00 and a security deposit of \$65.00 to be paid to Authority each time a sewer service is requested.
- A) This agreement is binding upon the parties hereto, their heirs, successors and assigns, and shall run with the developed land as covenants thereon.

Owner: \_\_\_\_\_  
Developer

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

Attest: \_\_\_\_\_

Authority : \_\_\_\_\_  
Edgefield County Water & Sewer Authority

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

Attest: \_\_\_\_\_

We so consent to the terms of this Agreement:

Edgefield County Government

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

Attest: \_\_\_\_\_

### Attachment "A" Calculation of Fees

1. Fees will be calculated on the total cost of the project charged per house via the building permit fee. The fee is calculated as follows:

$$\text{Total Cost of Project} / \text{Total Number of Permitted Homes} = \text{Fee Per Building Permit}$$

2. Total cost of the project is to include the following: engineering, permitting, right-of-way acquisition, materials, cost of construction, legal, and any other cost directly attributable to the cost of this specific sewer main as determined jointly by Edgefield County and Edgefield County Water & Sewer Authority.
3. Fees may be adjusted at the joint discretion of Edgefield County and Edgefield County Water and Sewer Authority if future users connect to the sewer main. These fees shall not be adjusted more than once annually.
4. Adjustment of fees can be made in one of *two* ways if additional users tie in to the sewer main. The adjustment can be calculated as above if a residential development connects. For example:  
Development #1 has 300 homes. The cost of the sewer main = \$500,000

$$\$500,000/300 = \$1,666.67 \text{ Fee per Permit}$$

After two years, Development #1 has built 50 homes, and Development #2 proposes to connect 100 homes. The calculation would be as follows:

$$\$500,000 - \$83,333.50 \text{ (Fees paid to Date by the 50 homes Constructed)} = \$416,666.50$$

$$\$500,000/400 \text{ homes (Development \#1 + Development \#2)} = \$1,250 \text{ Building Fee}$$

$$\text{Development \#1 1}^{\text{st}} \text{ 50 Homes Building Fee} - \$1,666.67$$

<u>New Building Fee</u>	-	<u>\$1,250.00</u>
Difference		\$ 416.67
<u>Number of Homes Built in Development #1</u>		<u>50</u>
Total Rebate to Development #1		\$20,833.50

$\$20,833.50/250$  Remaining Homes in Development #1 = \$83.33 Rebate per Home

$\$1,250$  Building Fee - \$83.33 Rebate = \$1,166.67 Building Fee for Development #1.

The repayment for the project would then be as such:

Development #1 1 <sup>st</sup> 50 Homes =	\$ 83,333.50
Development #1 250 Homes =	\$ 291,667.50
Development #2 100 Homes =	\$ 125,000.00
Total =	\$ 500,001.00

A second method of calculation may be used if a large commercial or industrial user connects. A prorated or rebate fee can be applied as in the above example. This method would use the volume of sewer contributed as the basis for adjustment. For example:

Development #1 has 300 homes. The cost of the sewer main = \$500,000

$\$500,000/300 = \$1,666.67$  Fee per Permit

Commercial User #1 decides to connect. They contribute 25,000 gpd of sewer. Development #1 contributes 90,000 gpd (300 homes x 300 gpd or 1 ERU).

$\$500,000 - \$83,333.50$  (Fees paid to Date by the 50 homes Constructed) = \$416,666.50

250 Remaining Development #1 Homes x 300 gpd = 75,000 gpd

Commercial User #1 has 25,000gpd/300gpd = 83.3 Equivalent Residential Units (ERU)

Development #1(300 homes or ERU) + Commercial User #1(83.3 ERU) = 383.3 ERU

$\$500,000/383.3 = \$1,304.46$  Fee per Permit

Development #1 1<sup>st</sup> 50 Homes Building Fee - \$1,666.67

<u>New Building Fee</u>	-	<u>\$1,304.46</u>
Difference		\$ 362.21
<u>Number of Homes Built in Development #1</u>		<u>50</u>
Total Rebate to Development #1		\$18,110.50

$\$18,110.05/250$  Remaining Homes in Development #1 = \$72.44 Rebate per Home

$\$1,304.46$  Building Fee - \$72.44 Rebate = \$1,232.02 Building Fee for Development #1.


5. The applicable "look back" window for any adjustment to building fees will be seven years. No adjustment to fees paid shall be made to building permit fees outside of this window.
6. Edgefield County and Edgefield County Water and Sewer Authority will jointly have sole discretion over determining which method shall be used for calculating any adjustments to fees.
7. Fees will be payable at the time of issuance of each building permit. No building permit will be issued without payment of this fee.

This is to provide for the extension of sewer along Stephens Rd. to the proposed Tavern Hill subdivision. A motion was made by Johnson to accept the agreement. Second by Kitchens. Vote unanimous.

**EXECUTIVE SESSION** – The Board did not enter in to Executive Session

Motion was made by Clark to adjourn.  
Second by Kitchens  
Time: 6:14 p.m., September 23, 2019  
Vote Unanimous

Approved

  
James Earl Kennamer, Chairman