



PUBLIC COMMENT

SIGN IN SHEET

Tuesday, October 15, 2013

6:00 PM

Limited to forty [40] minutes, four [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. As stated above, each speaker is restricted to a maximum of four [4] minutes.

Citizens with comments related to a specific action agenda item will be called first.

If time permits additional citizens may be permitted to speak on a non agenda items [at the discretion of the Chair].

PRINT Information Below

	FULL NAME	AGENDA ITEM FOR DISCUSSION	NON-AGENDA ITEMS
✓ 1	RICHARD MARCENGLIN		CAPITAL TAX
2			
3			
4			
5			
6			
✓ 7	Berry Nicks	ord - 2013 - 24	
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Everyone speaking before Council will be required to do so in a civil manner.

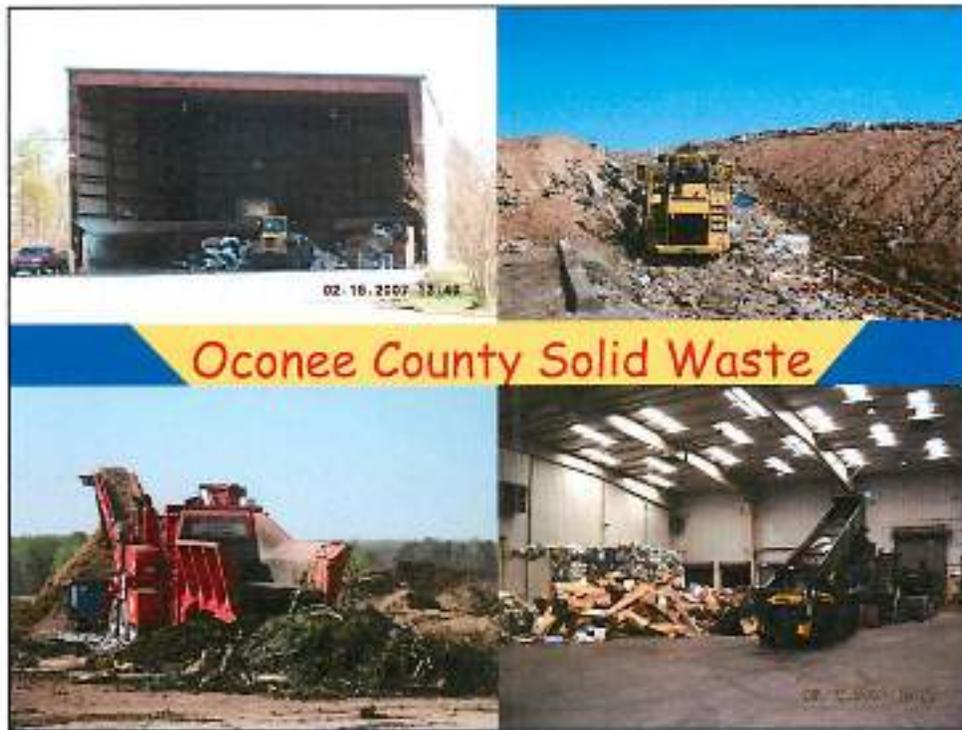
Council will not tolerate personal attacks on individual council members, county staff or any person or group.

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.

NOTE: Non Agenda Item matters can be addressed except for those which, due to law or proper protocol, would be inappropriate for public meetings of Council, such as, but not limited to, partisan political activity and/or comments.

Council may make closing comments directly following the public & extended public comment sessions if time permits.



Discussion

- Department Overview
- Historical Data
- Recycling Trends
- Where We Are Currently
- Recycling vs Budgets
- Ideas for Departmental Cost Savings



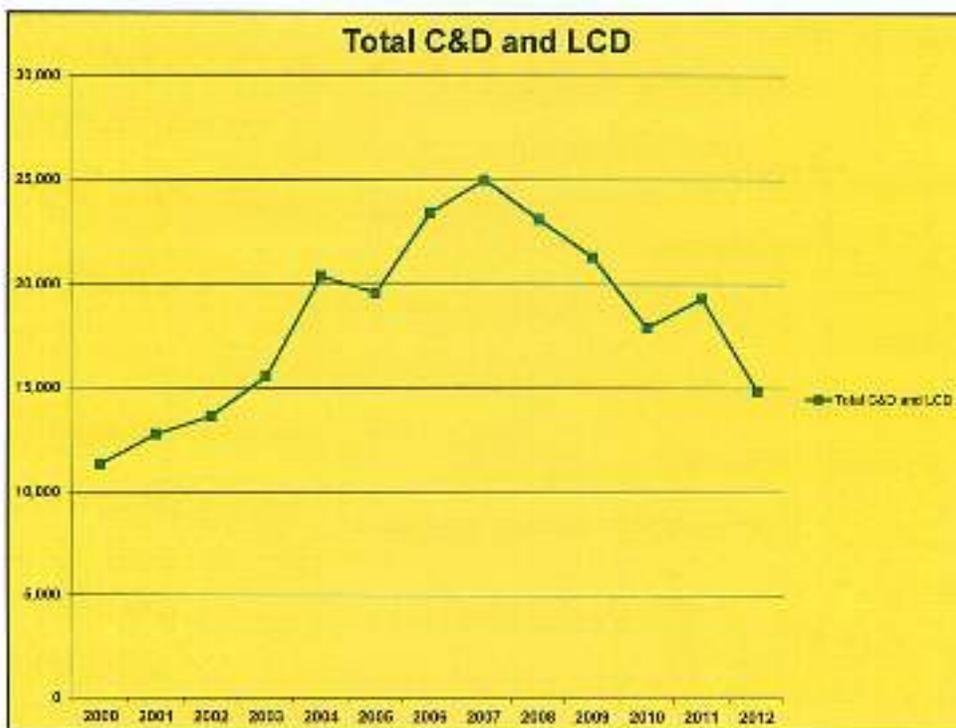
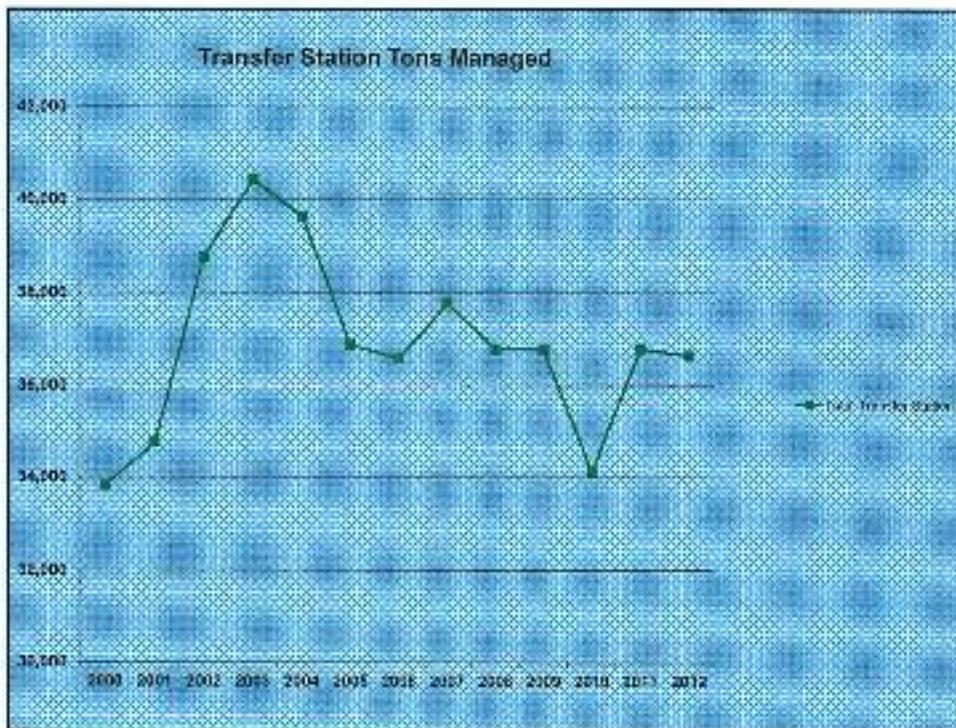


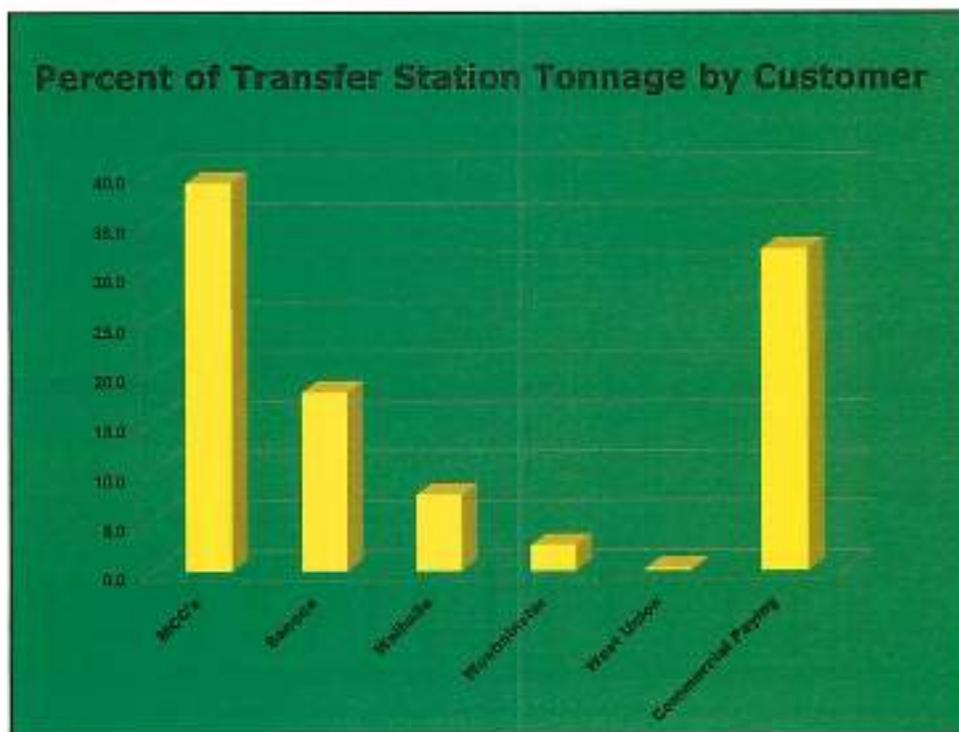
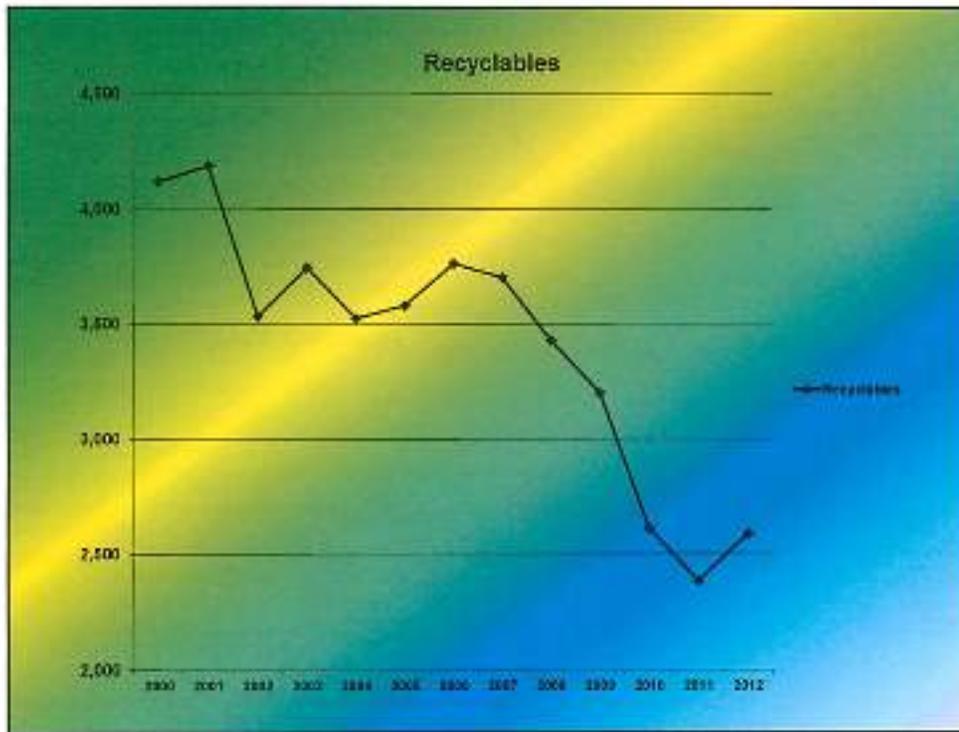
Solid Waste Department

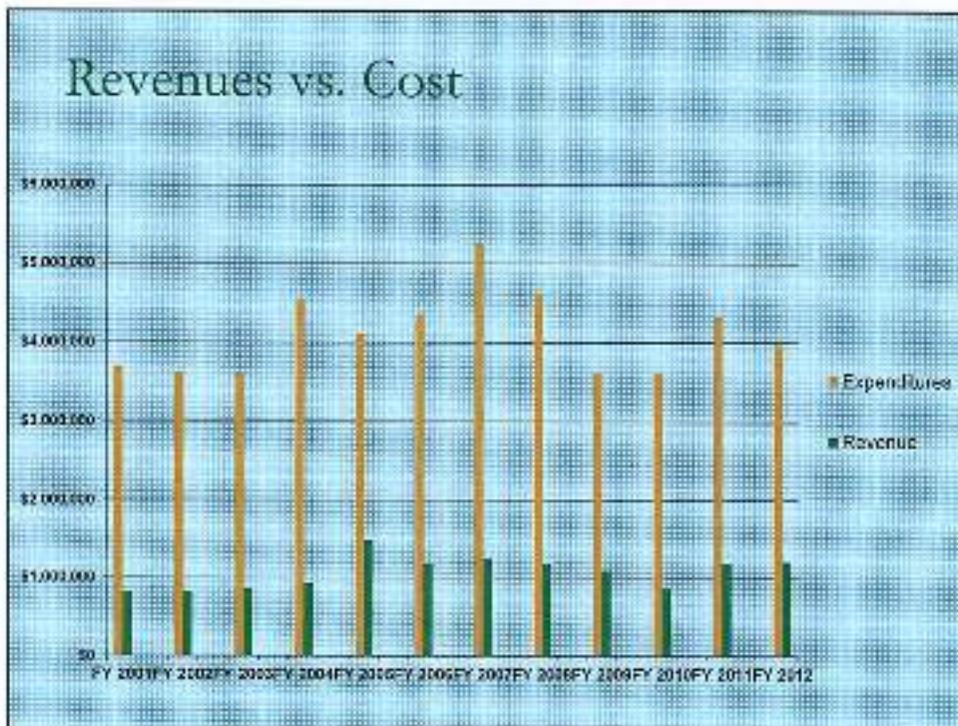
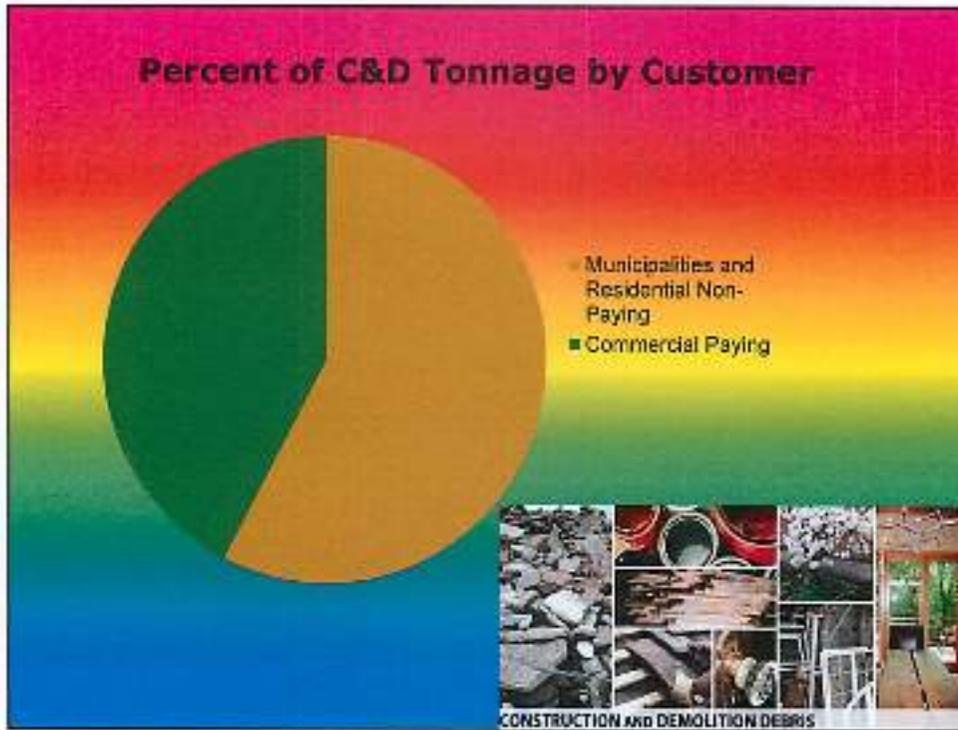
- 46 Employees
- 11 Manned Convenience Centers
- 1 Active C&D Landfill
- Material Recovery Facility (MRF)
- Transfer Station
- Mulch Yard
- Methane Extraction and Flare System
- Two Closed Municipal and One Partially Closed C&D Landfills



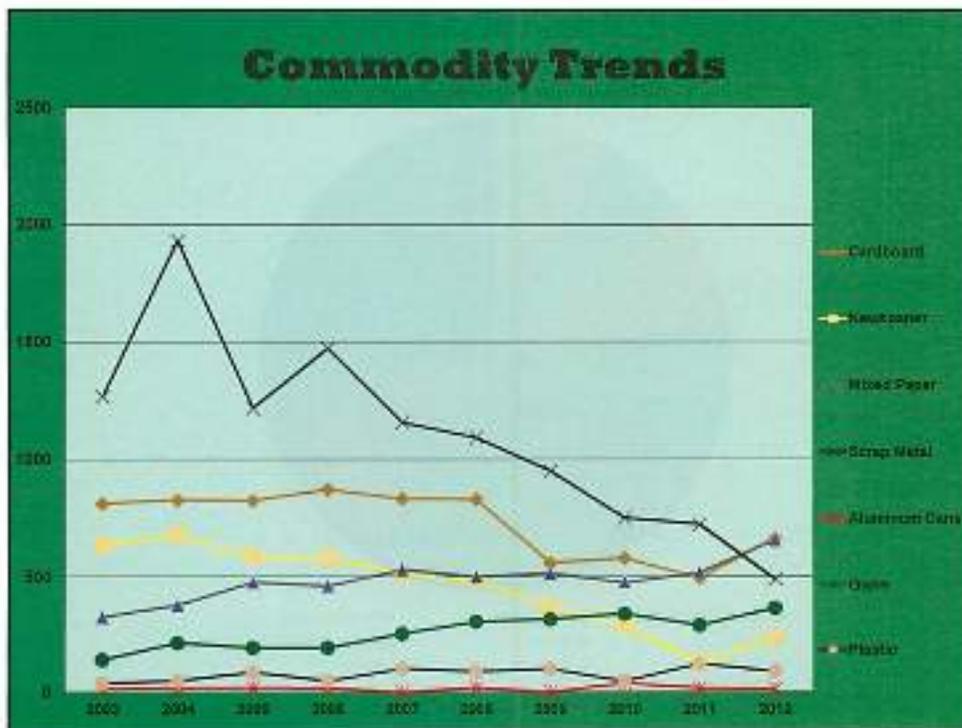
Total Waste Managed				
Fiscal Year	Total Transfer Station	Total C&D and LCD	Recyclables	Total Waste Managed
2000	33,809	11,349	4,120	49,278
2001	34,748	12,776	4,189	51,713
2002	38,764	13,638	3,534	55,936
2003	40,441	15,549	3,745	59,735
2004	39,641	20,393	3,525	63,559
2005	36,890	19,594	3,581	60,065
2006	36,575	23,440	3,763	63,778
2007	37,773	25,014	3,703	66,490
2008	36,781	23,121	3,431	63,333
2009	36,778	21,308	3,201	61,287
2010	34,101	17,995	2,613	54,619
2011	36,794	19,299	2,385	58,478
2012	36,633	14,871	2,590	54,094







Recycling Trends

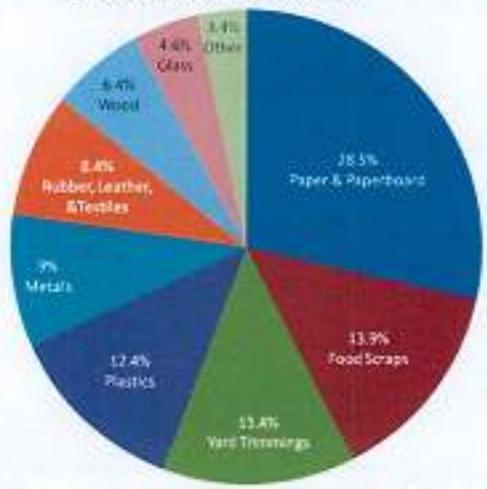


WHY A DOWNWARD TREND IN MATERIALS?

- Newspaper-Less newspaper due to society becoming electronically advanced.
- Scrap Metal and Aluminum-high rate of return from scrap dealers and influx of dealers.
- Cardboard – economy related...less big box items being purchased.



2010 Total MSW Generation (by Material)
250 Million Tons (Before Recycling)



- Paper and Paperboard
- Food Scraps
- Yard trimmings
- Plastics
- Metals
- Rubber, leather, & textiles
- Wood
- Glass
- Other

Where We Are Now!

Materials Recycled

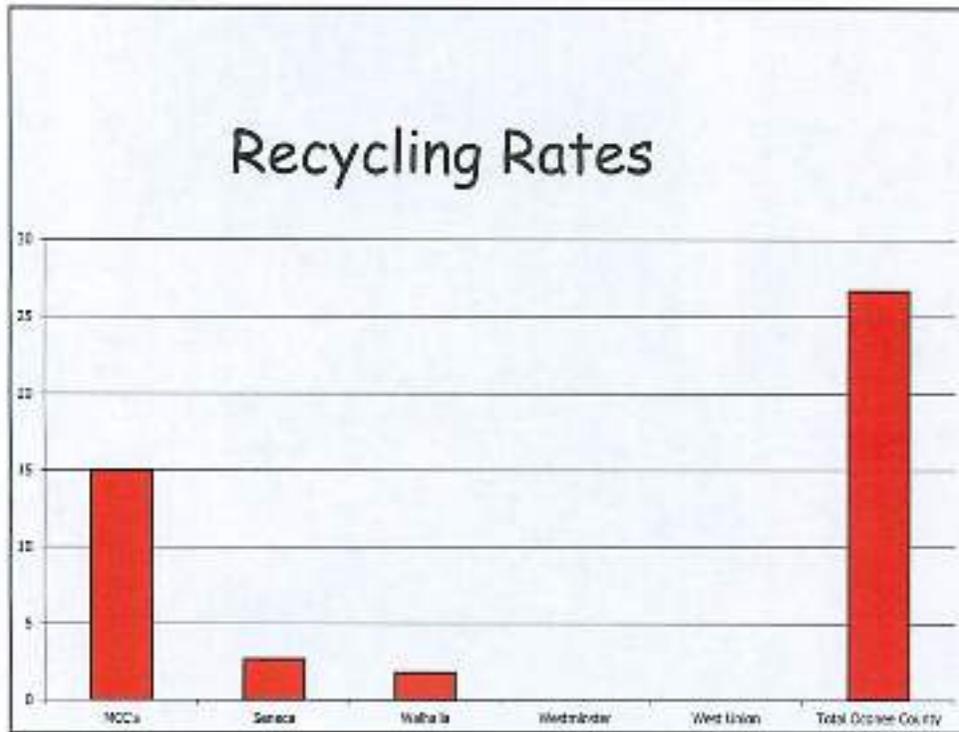
- **Newspaper and Mixed Paper**
- **Cardboard**
- **Scrap metal and Appliances**
- **Plastics (#'s 1-7)**
- **Aluminum Cans**
- **Glass** (Clear, Green, Brown)
- **Batteries** (Auto, Rechargeable, Lawn)
- **Cell Phones**
- **Eyeglasses**
- **Used Oil**, (Motor and Cooking)
- **Antifreeze**
- **Tires**
- **Ink Cartridges**









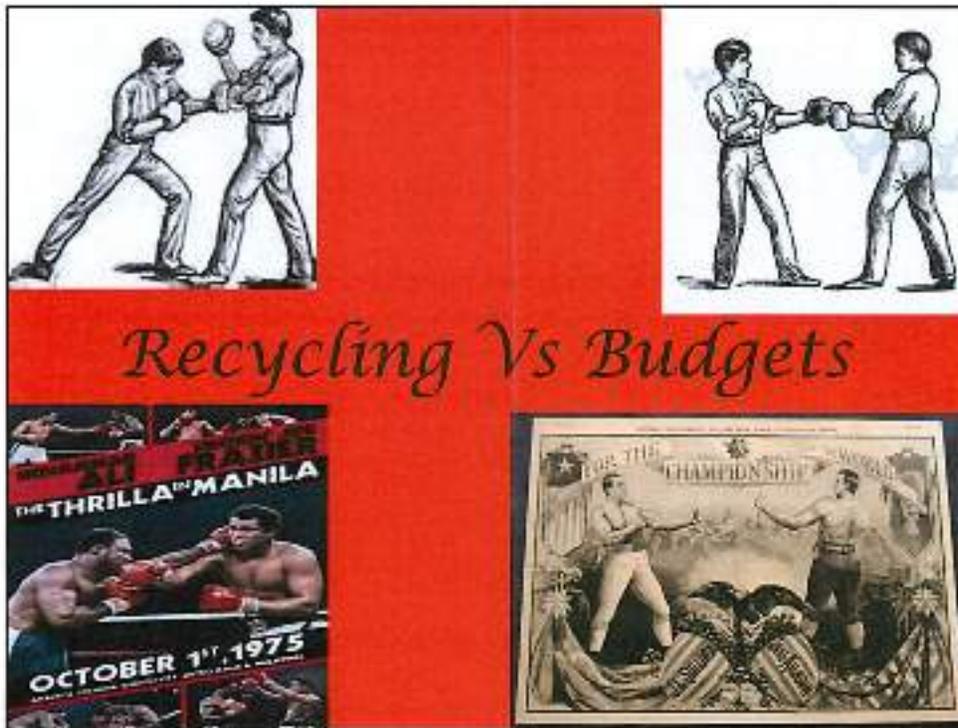


How We Compare?

Oconee County ranks 12th in residential recycling and 18th overall!

County	Population	Recycling Rate	Cardboard Tonnage	Paper Tonnage	Revenue
Cherokee	55,662	11.6%	6	168	\$139,175
Kershaw	62,343	27.7%	182	187	\$40,132
Darlington	68,299	14.9%	428	245	\$98,450
Greenwood*	69,835	33.0%	765	931	\$400,373
Oconee	74,618	26.4%	639	1,134	\$403,503
Lancaster	77,908	28.3%	303	200	\$83,054
Orangeburg	91,910	21.7%	330	130	\$145,165

* Tonnages include commercial and residential



Recycling Vs Budgets

What Effects Does Recycling Have?

- + Positive +
 - Increasing Recycling Percentages of Major Components = **Savings** = No Tipping Fee + Revenue From Sale
 - Less Landfill Space Used
 - Environmentally Friendly - Lowers Potential of Contamination
- - Negative -
 - Curb side recycling adversely effects municipalities budgets
 - Large storage areas to accumulate enough product to sell
 - Only viable if a market is available for specific product
 - If only small volumes collected = high cost mainly from fuel consumption

Recycling Rate Effect On Budget

Recycle Rate	MTD and City Fee/yr	Tons Recycled	Waste Disposed	Revenue	Disposal Cost	Difference
10%	20048	3188	23881	\$278,781	\$747,021	-\$468,240
12%	20546	3321	23715	\$289,761	\$738,720	-\$448,959
14%	21044	3454	23548	\$300,741	\$730,420	-\$429,679
16%	21542	3587	23382	\$311,721	\$722,120	-\$410,399
18%	22040	3720	23215	\$322,701	\$713,820	-\$391,119
20%	22538	3853	23050	\$333,681	\$705,520	-\$371,839
22%	23036	3986	22884	\$344,661	\$697,220	-\$352,559
24%	23534	4119	22718	\$355,641	\$688,920	-\$333,279
26%	24032	4252	22552	\$366,621	\$680,620	-\$313,999
28%	24530	4385	22387	\$377,601	\$672,320	-\$294,719
30%	25028	4518	22221	\$388,581	\$664,020	-\$275,439
32%	25526	4651	22056	\$399,561	\$655,720	-\$256,159
34%	26024	4784	21890	\$410,541	\$647,420	-\$236,879
36%	26522	4917	21725	\$421,521	\$639,120	-\$217,599
38%	27020	5050	21559	\$432,501	\$630,820	-\$198,319
40%	27518	5183	21394	\$443,481	\$622,520	-\$179,039
42%	28016	5316	21228	\$454,461	\$614,220	-\$159,759
44%	28514	5449	21063	\$465,441	\$605,920	-\$140,479
46%	29012	5582	20897	\$476,421	\$597,620	-\$121,199
48%	29510	5715	20732	\$487,401	\$589,320	-\$101,919
50%	30008	5848	20566	\$498,381	\$581,020	-\$82,639
52%	30506	5981	20401	\$509,361	\$572,720	-\$63,359
54%	31004	6114	20235	\$520,341	\$564,420	-\$44,079
56%	31502	6247	20070	\$531,321	\$556,120	-\$24,799
58%	32000	6380	19904	\$542,301	\$547,820	-\$5,519
60%	32498	6513	19739	\$553,281	\$539,520	13,761
62%	32996	6646	19573	\$564,261	\$531,220	33,041
64%	33494	6779	19408	\$575,241	\$522,920	52,321
66%	33992	6912	19242	\$586,221	\$514,620	71,601
68%	34490	7045	19077	\$597,201	\$506,320	90,881
70%	34988	7178	18911	\$608,181	\$498,020	110,161
72%	35486	7311	18746	\$619,161	\$489,720	129,441
74%	35984	7444	18580	\$630,141	\$481,420	148,721
76%	36482	7577	18415	\$641,121	\$473,120	168,001
78%	36980	7710	18249	\$652,101	\$464,820	187,281
80%	37478	7843	18084	\$663,081	\$456,520	206,561
82%	37976	7976	17918	\$674,061	\$448,220	225,841
84%	38474	8109	17753	\$685,041	\$439,920	245,121
86%	38972	8242	17587	\$696,021	\$431,620	264,401
88%	39470	8375	17422	\$707,001	\$423,320	283,681
90%	39968	8508	17256	\$717,981	\$415,020	302,961
92%	40466	8641	17091	\$728,961	\$406,720	322,241
94%	40964	8774	16925	\$739,941	\$398,420	341,521
96%	41462	8907	16760	\$750,921	\$390,120	360,801
98%	41960	9040	16594	\$761,901	\$381,820	380,081
100%	42458	9173	16429	\$772,881	\$373,520	399,361

Commercial Tonnage	Trapping Tax	Revenue	Disposal	Difference
112201	43	\$962541	\$850,438	\$112,103

Increasing Recycling Does Not Necessarily Equal Lower Departmental Costs or Higher Revenue!

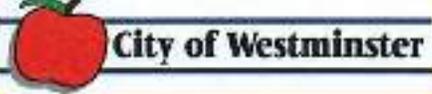
New areas of recycling = Upfront startup costs

Recycling small quantities = High fuel costs

Special waste recycling = high disposal costs (CRT's & televisions)

Some recycling programs (single stream) = lower revenues

Ideas for Departmental Savings

Increase Municipality Recycling Rate

- Curbside is currently ineffective – very little participation
No incentive to recycle – more incentive not to recycle (cost).
- Match of MCC's rate would save county approx. \$150,000. Every percentage point saves approximately \$36,000.
- Idea 1: Create incentive to increase recycling rate
- Idea 2: Work with them to increase bulk recycling at all city commercial/industrial facilities.



Start County Wide Industrial/Commercial Recycling



- Most facilities have to pay for recycling if using commercial waste companies. (\$70-\$85 per can per month)
- Several industries have shown interest in recycling several commodities (cardboard, paper, plastic bottles, and soda cans),



Idea 1: Start recycling route to include Industrial/commercial facilities outside city limits. Potentially add schools also. (Would require different equipment, but industries may could contribute)

PAYT- Pay As You Throw

• Pros

- Rewards all diversion activities
- Larger tonnage reduction than any other program change; low program cost
- High participation
- Utility/Equity; pay more or less based on use
- Behavior links to bill, choice, reminder
- Households have control over bill
- Needs no separate funding
- Average recycling rate increase of 15-20%

• Cons

- Requires thought changes
- Bill Changes: millage to per bag collection
- Concerns about illegal dumping
- Equity (low income, large families)
- More complex rate study, outreach



"PAYT is not a feel-good kind of thing here; it's a financial thing."
— Tom Miraglia, More Sustainable Planning Office



Composting Drive



Organic Compost



Non-recyclable Paper Food Waste Yard Waste

- Food waste is the second highest component in the waste stream.
- Food waste readily decomposes and usually starts decomposing before leaving house.
- Composting is easily done by average citizen.
- Compost used in gardens and flower beds.
- **Item 1: Start yearly composting drives and provide composting bins to county residents .**

Single Stream Recycling



■ Pros:

- Easier for residents resulting in higher recycling rates
- Requires little separation by residents or convenience center clerks
- Mainly aluminum cans, plastic and paper products

■ Cons:

- Nearly 60-80% less revenue if sold as is
- Requires extensive labor in sorting to obtain higher revenues
- High percentage of contamination resulting in disposal



Waste Stream Recycling / Dirty MRF

■ Pros

- Increases recycling rate
- Does not require residents to do anything extra

■ Cons

- Recyclables are filthy: extremely lowers sale price, creates vector problems, odor issues, etc
- Liability - Higher risks of needle punctures and other injuries due to sorting through garbage
- High turnover rate of employees due to working conditions. Use of inmate labor is ill advised due to liability



EDUCATION

Ms. Frizzle's Ideas for the Day

- We can change many things that we discard back into their basic material and make something new - over and over again.
- Using old materials allows us to cut out use of new materials.

- Education is not a quick fix but a substantial long term solution.
- Education is best used towards kids.
- Educational efforts towards adults only reach a small percentage (similar to voter turnout).



QUESTIONS



2012 Oconee County Property Data



THE DATA INCLUDED IN THIS PRESENTATION
REPRESENTS PROPERTY VALUES AS OF 12/31/12
AS REQUIRED BY STATE MANDATE.
THIS BEING THE SAME DATA SET PROVIDED TO
THE AUDITOR TO ESTABLISH 2013 MILLAGE AND
CREATE 2013 TAX NOTICES

Presenters: Jonathan T. Brown, Data Analyst
Linda Shugart, County Assessor

Total Parcel Count

2

Classifications

61,874 Parcels

• Legal Residence (4% ratio)	• 20,700
• Other (6% ratio)	• 28,610
• Agricultural / Farm	• 7,294
• Commercial Farm	• 147
• Commercial	• 1,598
• Exempt	• 1,743
• Multi-Lot Discount	• 402
• Homeowner's Association	• 419
• Mixed Use	• 961

Classification	Parcel Count	Fair Market Value	Assessed Value
Legal Residence	23,623	3,301,673,010	132,066,920
Other	30,812	2,253,158,422	135,176,915
Agricultural	3,841	21,706,190	866,627
Mixed Ag	3,453	407,655,885	17,922,815
Commercial Farm	155	90,752,000	102,076
Commercial	1,598	542,062,041	32,522,586
Exempt	1,779	NA	
Multi-Lot	402	6,595,210	395,673
Homeowner's Association	419	4,225,090	253,411
Mobile Homes	5,146	58,642,149	2,826,826

Interpreting the Data

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The proper classification of parcels is one of the critical roles the Assessor plays. Currently 54.63% of parcels in Oconee County qualify and receive some type of special assessment.

Values by Fire District

Fire District	Land Market	Building Market	Total Market	% of Total	Land Assessed	Building Assessed	Total Assessed	% of Total
Oakway	90,387,560	113,326,441	203,714,001	2.58%	4,548,935	1,650,420	6,199,355	1.90%
Salem	506,495,390	279,846,083	786,341,473	9.96%	13,890,822	20,104,965	33,995,787	10.43%
Corinth	182,307,850	446,906,182	629,214,032	7.97%	20,686,982	7,702,054	28,389,036	8.71%
Mountain Rest	91,584,990	72,199,365	163,784,355	2.07%	3,329,047	2,168,710	5,497,757	1.69%
Walhalla	130,474,580	173,381,260	303,855,840	3.85%	7,515,859	2,134,136	9,649,995	2.96%
Westminster	248,707,640	236,639,730	485,347,370	6.15%	10,433,319	6,399,591	16,832,910	5.16%
Seneca	274,709,140	492,763,437	767,472,577	9.72%	22,911,917	10,727,072	33,638,989	10.32%
Fairplay	88,018,600	80,752,872	168,771,472	2.14%	3,929,469	3,318,601	7,248,070	2.22%
Long Creek	81,050,070	39,804,512	120,854,582	1.53%	1,807,608	830,968	2,638,576	0.81%
Cleveland	83,598,850	36,821,823	120,420,673	1.53%	1,568,641	825,348	2,393,989	0.73%
Keowee Ebenezer	404,045,820	347,889,947	751,935,767	9.52%	16,214,202	18,651,509	34,865,711	10.69%
Friendship	80,808,500	148,619,947	229,428,447	2.91%	7,457,876	2,913,020	10,370,896	3.18%
Crossroads	128,891,890	145,135,095	274,026,985	3.47%	6,065,369	2,978,239	9,043,608	2.77%
Pickett Post	123,814,960	130,983,763	254,798,723	3.23%	5,725,006	2,760,433	8,485,439	2.60%
South Union	122,738,150	150,593,738	273,331,888	3.46%	7,109,308	5,250,577	12,359,885	3.79%
West Union	204,045,780	321,077,734	525,123,514	6.65%	14,510,213	7,023,965	21,534,178	6.60%
Keowee Fire	400,883,000	570,190,176	971,073,176	12.30%	25,945,393	16,955,699	42,901,092	13.16%
Salem	3,211,300	7,583,955	10,795,255	0.14%	293,482	90,333	383,815	0.12%
Seneca	142,229,510	416,857,946	559,087,456	7.08%	19,905,972	7,230,854	27,136,826	8.32%
Walhalla	40,325,230	125,456,666	165,781,896	2.10%	4,779,890	1,591,315	6,371,205	1.95%
Westminster	25,185,750	79,114,710	104,300,460	1.32%	3,669,500	1,122,842	4,792,342	1.47%
West Union	8,155,430	18,150,043	26,305,473	0.33%	968,445	379,154	1,347,599	0.41%

Variance between 4% and 6% Classification

6

Parcel Value	Ratio	Assessment	Tax	Less School Credit	Tax Due
250,000	4%	10,000	2,150	1,101	1,049
250,000	6%	15,000	3,225	0	3,225

State Mandated Qualifications for Legal Residence 12-43-220(c)(2)

7

- Owner-occupant must have actually owned AND occupied the residence as his legal residence.
- Owner-occupant must have been domiciled at that address for some period during the applicable tax year.
- Owner-occupant or his agent must apply for the 4% assessment ratio before the first penalty date for the payment of taxes for the year for which the owner first claims eligibility.
- Residence can only be established on parcel nationwide.

(Continued)
12-43-220(c)(2)

8

- Applicant must provide proof the assessor requires including, but not limited to:
 - Copy of owner-occupants' most recently filed SC individual income tax return
 - Copies of SC motor vehicle registrations for all motor vehicles registered in name of the owner-occupant
 - SC driver's license
 - SC voter registration
 - Federal income tax return – including all Schedules that were filed with the return
 - Other proof required by the assessor necessary to determine eligibility

Section 12-43-230;

Agricultural Farm
Exemption

Definition

“(a) For the purposes of this article, unless otherwise required by the context, the words "agricultural real property" shall mean any tract of real property which is used to raise, harvest or store crops, feed, breed or manage livestock, or to produce plants, trees, fowl or animals useful to man, including the preparation of the products raised thereon for man's use and disposed of by marketing or other means. It includes but is not limited to such real property used for agriculture, grazing, horticulture, forestry, dairying and mariculture.”

“...The department shall provide by regulation for a more detailed definition of "agricultural real property" consistent with the general definition set forth in this section, to be used by county assessors in determining entitlement to special assessment under this article. Such regulations shall be designed to exclude from the special assessment that real property which is not bona fide agricultural real property for which the tax relief is intended.”

Section

12-43-230;

12-43-232;

12-43-233

Agricultural Farm

Exemption

Qualifications

Items required when applying for farm use:

- Tracts used to harvest timber must be 5 acres or more.
- Must not be subject to covenants and restrictions which restrict the use of the property from being agricultural.
- Non-timberland tracts must be a minimum of 10 acres.
- Non-timberland tracts less than 10 acres must have earned a minimum of \$1,000 Gross Farm Income for three of the last five years
- Must be contiguous with a qualifying parcel in the exact same ownership.
- “Grandfathered”
 - Owned by parent or immediate family member and remained in Agricultural Use since December 31, 1983.

Valuation of Parcels

11

Annual Reassessment Assignments

- **Physical Change**
 - Building permit
 - Omitted improvement
 - Land Split / new parcel
- **Change in Use**
 - No longer farm
- **Assessable Transfer of Interest**
 - Change in ownership which results in the property being reassessed at Fair Market Value.
- **Appeal**
 - Applies only to Fair Market Value with an effective date of the last county appraisal.
 - Section 12-60-2520

County Wide Reassessment

SECTION 12-43-217. Quadrennial reassessment

(A) Notwithstanding any other provision of law, once every fifth year each county or the State shall appraise and equalize those properties under its jurisdiction. Property valuation must be complete at the end of December of the fourth year and the county or State shall notify every taxpayer of any change in value or classification if the change is one thousand dollars or more. In the fifth year, the county or State shall implement the program and assess all property on the newly appraised values.

2015 Oconee County Reassessment

Section 12-37-3140

13

15% Cap

The increase in the fair market value of real property attributable to the periodic countywide assessment program implemented pursuant to Section 12-43-217 is limited to 15% within a 5 year period.

15% Cap Example

14

2010 Reassessment

Land Value \$300,000
Building Value \$700,000
Total Value \$1,000,000

2015 Reassessment

Land Value \$600,000
Building Value \$900,000
Total Value \$1,500,000
15% Cap \$1,150,000

15% Cap			
	Prior to 2010 Reval	2010	2015
Fair Market Value	100,000	150,000	165,000
Taxable Value	100,000	115,000	132,250

15% Cap			
	Prior to 2010 Reval	2010	2015
Fair Market Value	250,000	312,500	390,625
Taxable Value	250,000	287,500	330,625

15% Cap			
	Prior to 2010 Reval	2010	2015
Fair Market Value	1,000,000	750,000	1,000,000
Taxable Value	1,000,000	750,000	862,500

New Addition with the 15% cap

	Prior to 2010 Reval	2010	2015	New Addition	2015 TOTAL
Fair Market Value	100,000	150,000	165,000	10,000	175,000
Taxable Value	100,000	115,000	132,250	10,000	142,250

15% Cap and ATI (invalid sale)

	Prior to 2010 Reval	2010	Transaction Value	2015	Note: The transaction value is not reflective of the market value, so the market value applies.
Fair Market Value	250,000	312,500	40,000	390,000	
Taxable Value	250,000	287,500	40,000	390,000	

15% Cap and ATI(arms-length transaction)

	Prior to 2010 Reval	2010	Transaction Value	2015	Note: The transaction value is reflective of the market value, so they are the same.
Fair Market Value	1,000,000	750,000	1,500,000	1,500,000	
Taxable Value	1,000,000	750,000	1,500,000	1,500,000	

Illustrations



- A. SAME OWNER SINCE 2007 PURCHASED FOR \$100,000 AND WAS CAPPED AT \$115,000 IN 2010. 2015 REVAL FMV IS \$375,000 BUT IT WILL BE CAPPED AT \$132,250.
- B. 2013 ATI- PURCHASE PRICE AND FMV \$380,000
- C. 2012 ATI- PURCHASED FOR \$375,000. APPLIED FOR 25% ATI REDUCTION ON 6% PROPERTIES THEREFORE THE VALUE IS \$281,250.
- D. 2013 ATI--- VALUE OF \$370,000
- E. PURCHASED IN 2009 FOR \$200,000. CURRENT FAIR MARKET VALUE IS \$375,000. CAPPED AT \$230,000.
- F. 2011 FORECLOSURE-BANK SOLD IT FOR \$150,000. FAIR MARKET VALUE WAS SET AT \$275,000. 2015 FAIR MARKET VALUE IS 360,000 BUT IT WILL BE CAPPED AT \$316,250.

Conclusion

18

Typically less than 3% of the parcels in Oconee County fall subject to annual reassessment. Which, means the majority of parcels in Oconee County maintain their Total Taxable Value assigned during the county wide Reassessment for the full 5 year cycle. Resulting in the value remaining below Fair Market on capped parcels until the market drops or and Assessable Transfer of Interest takes place.



PUBLIC HEARING SIGN IN SHEET

Oconee County Council Meeting

October 15, 2013 ~ ~ 6:00 p.m.

Ordinance 2013-24 "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND **ULBRICH PRECISION FLAT WIRE, LLC** (THE "COMPANY") **ULBRICH SOLAR WIRE, LLC** AND **PLANT ROAD, LLC**, AS CO-SPONSORS; AND OTHER MATTERS RELATING THERETO INCLUDING, WITHOUT LIMITATION, PAYMENT OF A FEE IN LIEU OF TAXES RELATED TO THE PROJECT"

Ordinance 2013-26 "AN ORDINANCE TO AMEND THE AGREEMENT AUTHORIZED BY ORDINANCES NO. 2006-027, 2008-017, 2010-04, 2010-24, 2010-32, 2011-09, 2011-15, 2011-34 and 2013-06 RELATING TO THE INDUSTRIAL/BUSINESS PARK OF OCONEE AND PICKENS COUNTIES SO AS TO ENLARGE THE PARK"

Ordinance 2013-28 " AN ORDINANCE TO DEVELOP A JOINTLY OWNED AND OPERATED INDUSTRIAL/BUSINESS PARK IN CONJUNCTION WITH PICKENS COUNTY, SUCH INDUSTRIAL/ BUSINESS PARK TO BE GEOGRAPHICALLY LOCATED IN OCONEE COUNTY AND ESTABLISHED PURSUANT TO SOUTH CAROLINA CODE OF LAWS OF 1976 §4-1-170, ET SEQUITUR, AS AMENDED; TO PROVIDE FOR A WRITTEN AGREEMENT WITH PICKENS COUNTY PROVIDING FOR THE EXPENSES OF THE PARK, THE PERCENTAGE OF REVENUE APPLICATION, AND THE DISTRIBUTION OF FEES IN LIEU OF AD VALOREM TAXES TO THE COUNTIES AND RELEVANT TAXING ENTITIES; TO PROVIDE THAT JOB TAX CREDITS ALLOWED BY LAW BE PROVIDED FOR BUSINESSES LOCATING IN SAID PARK; TO PERMIT A USER FEE IN LIEU OF *AD VALOREM* TAXATION WITHIN SAID PARK; AND TO AUTHORIZE THE EXECUTION AND DELIVERY OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF SENECA RELATED TO THE CREATION OF THE PARK WITHIN THE CITY LIMITS OF THE CITY OF SENECA AND THE DISTRIBUTION OF CERTAIN FEES IN LIEU OF AD VALOREM TAXES DUE TO OCONEE COUNTY FROM THE PARK, AND THE PAYMENT BY OCONEE COUNTY TO THE CITY OF SENECA AND OTHER TAX PAYING ENTITIES IN OCONEE COUNTY OF FEE IN LIEU OF TAXATION DERIVED WITHIN THE PARK ; AND OTHER MATTERS RELATED THERETO"

Ordinance 2013-31 "AN ORDINANCE AUTHORIZING THE GRANT OF CERTAIN EASEMENT RIGHTS AND EXECUTION AND DELIVERY OF AN ELECTRIC LINE RIGHT-OF-WAY EASEMENT AGREEMENT AFFECTING CERTAIN REAL PROPERTY OWNED BY OCONEE COUNTY; AND OTHER MATTERS RELATED THERETO"

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.

Written comments may be submitted at any time prior to the hearing for inclusion in the official record of the meeting.

PRINT Your Name & Check Ordinance[s] You Wish to Address

	Ordinance #	2013-24	2013-26	2013-28	2013-31
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None



Economic Development – County Council Agenda Item Summary
10.15.13

Code Name – Project Gamma

Project Gamma is dealing with an existing company based in Oconee County. This item has had two readings previously and now is at third and final reading.

The company name now can be made public and it is ULBRICH PRECISION FLAT WIRE, LLC a Connecticut limited liability company and ULBRICH SOLAR WIRE, LLC., a Connecticut limited liability company and PLANT ROAD, LLC, a South Carolina limited liability company. All three entities operate within the facility located in Westminster, SC.

The Economic Development Commission and the State of South Carolina have worked with this Project to provide an incentive illustration to demonstrate the business case on why this company needs to choose Oconee for their competitive expansion opportunity over the State of Oregon. This was an interstate-competitive situation.

After months of discussion, Ulbrich has chosen to expand its specialty metal products manufacturing facility in Oconee County, South Carolina, based, in part, on the incentives offered by Oconee County.

- **Ulbrich will invest *not less than \$5 million in the project***, all of which will be in tangible personal property (machinery and equipment).
 - Of the \$5 million in tangible personal property (machinery and equipment), \$3.6 million will be in *new* machinery and equipment.
- Initially, this project has no new jobs associated with it but by moving forward with this expansion it will competitively position the facility for positive future growth.

In return, Oconee County has offered to put into place a fee-in-lieu-of-taxes (FILOT) arrangement, with the assessment ratio indexed at six percent (6%) for 20 years, and the millage rate locked for 20 years at the rate prescribed by the FILOT statute. The County has also agreed to place the project in a multi-county industrial park (MCIP), with Pickens County as the partner county. This is what the ordinances before you put into place. The documents contain the standard provisions protecting the County and have been reviewed by the County Attorney.

The State Department of Commerce has offered a one-time Investment Credit to the company choosing Oconee County for this expansion.

The above has been prepared by:

Richard K. Blackwell, SCCED
Executive Director
Oconee County Economic Development Commission

STATE OF SOUTH CAROLINA
OCONEE COUNTY
ORDINANCE 2013-24

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND ULBRICH PRECISION FLAT WIRE, LLC (THE "COMPANY") ULBRICH SOLAR WIRE, LLC. AND PLANT ROAD, LLC, AS CO-SPONSORS; AND OTHER MATTERS RELATING THERETO INCLUDING, WITHOUT LIMITATION, PAYMENT OF A FEE IN LIEU OF TAXES RELATED TO THE PROJECT

WHEREAS, Oconee County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina, 1976, as amended (the "Code"), to acquire, construct, or cause to be acquired or constructed by lease or otherwise, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry or business providing for the construction, operation, maintenance and improvement of such projects; to enter into or allow financing agreements with respect to such projects; to provide for payment of a fee in lieu of taxes pursuant to the Act; and, to accept any grants for such projects through which powers the industrial development of the State of South Carolina (the "State") and will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, the County is authorized by the Act to execute a fee in lieu of tax agreement, as defined in the Act, with respect to any such project; and

WHEREAS, Ulbrich Precision Flat Wire, LLC, a limited liability company duly organized under the laws of the State of Connecticut (the "Company"), and Ulbrich Solar Wire, LLC and Plant Road, LLC, as Co-Sponsors in the Project (jointly hereafter the "Sponsors") have requested the County to enter into a Fee Agreement pursuant to the Act for the purpose of authorizing and of acquiring and expanding, by construction and purchase, certain land, a building or buildings, and machinery, apparatus, and equipment, for the purpose of the development of a facility which manufactures metal products in which the minimum level of taxable investment is not less than Five Million Dollars (\$5,000,000) in qualifying fee in lieu of tax investment by the end of the fifth (5th) year following the year of execution of the Fee Agreement, all as more fully set forth in the Fee Agreement attached hereto; and

WHEREAS, the County has determined that the Project would benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally; and, that the Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either; and, that the purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes; and, that the

inducement of the location or expansion of the Project within the County and State is of paramount importance; and, that the benefits of the Project will be greater than the costs; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Sponsors that the Project would be a "project" as that term is defined in the Act and that the Project would subserve the purposes of the Act; and

WHEREAS, the County Council has previously determined to enter into and execute the aforesaid Inducement Agreement and Millage Rate Agreement, and a Fee Agreement and to that end has, by its Resolution adopted on September 3, 2013, authorized the execution of an Inducement Agreement, which included a Millage Rate Agreement, and, will by this County Council Ordinance, authorize a fee in lieu of tax agreement (the "Fee Agreement"); and

WHEREAS, the Sponsors have caused to be prepared and presented to this meeting the form of the Fee Agreement by and between the County and the Sponsors which includes the agreement for payment of a payment in lieu of tax; and

WHEREAS, it appears that the instrument above referred to, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended; and

WHEREAS, the Project will be located in a joint county industrial and business park with a Pickens County,

NOW, THEREFORE, BE IT ORDAINED by Oconee County, South Carolina, as follows:

Section 1. In order to promote industry, develop trade and utilize and employ the manpower, agricultural products and natural resources of the State by assisting the Sponsors to expand a manufacturing facility in the State, and acquire by acquisition or construction a building or buildings and various machinery, apparatus, and equipment, all as a part of the Project to be utilized for the purpose of a facility which manufactures metal products, the execution and delivery of a Fee Agreement with the Sponsors for the Project is hereby authorized, ratified and approved.

Section 2. It is hereby found, determined and declared by the County Council, as follows:

(a) Based solely upon representations of the Sponsors, the Project will constitute a "project" as said term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County;

(c) The terms and provisions of the Inducement Agreement and Millage Rate Agreement are hereby incorporated herein and made a part hereof;

(d) The Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;

(e) The Project and the Fee Agreement give rise to no pecuniary liability of the County

or incorporated municipality or a charge against the general credit or taxing power of either;

(f) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes;

(g) The inducement of the location or expansion of the Project within the County and State is of paramount importance; and,

(h) The benefits of the Project will be greater than the costs.

Section 3. The form, terms and provisions of the Fee Agreement presented to this meeting and filed with the Clerk of the County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement were set out in this Ordinance in its entirety. The Chairman of County Council and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Sponsors. The 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 Fee Agreement now before this meeting.

Section 4. The Chairman of the County Council and the Clerk of the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement and this Ordinance.

Section 5. 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.

Section 6. 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.

Section 7. 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 Sponsors make and continue to make all filings required by the Act and provide copies thereof to the County.

Passed and approved this 15th day of October 2013.

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Joel Thrift, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth Hulse, Clerk to County Council
Oconee County, South Carolina

First Reading: September 3, 2013
Second Reading: September 17, 2013
Public Hearing: October 15, 2013
Third Reading: October 15, 2013

FEE AGREEMENT

between

OCONEE COUNTY, SOUTH CAROLINA

and

ULBRICH PRECISION FLAT WIRE, LLC
a Connecticut limited liability company
and

ULBRICH SOLAR WIRE, LLC., a Connecticut limited liability company
AND
PLANT ROAD, LLC, a South Carolina limited liability company
(jointly with the Company hereinafter the “Sponsors”)

Dated as of November 1, 2013

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.

Prepared by J. Wesley Crum, III P.A.

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Oconee County, South Carolina

FEE AGREEMENT

THIS FEE AGREEMENT (this "Fee Agreement") is made and entered into as of November 1, 2013, 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 ULBRICH PRECISION FLAT WIRE, LLC (the "Company"), a limited liability company duly organized and existing under the laws of the State of Connecticut and ULBRICH SOLAR WIRE, LLC, a Connecticut limited liability company AND PLANT ROAD, LLC, a South Carolina limited liability company (jointly with the Company hereinafter the "Sponsors").

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 cost benefit analysis required by Section 12-44-40(H)(1)(c) demonstrates the benefits of the Project to the public are greater than the costs of the Project to the public.

Pursuant to an Inducement Agreement executed by the County on September 3, 2013 and by the Company on _____ (referred to herein as the "Inducement Agreement") authorized by a resolution adopted by the County Council on September 3, 2013 (referred to herein as the "Inducement Resolution"), the Sponsors have agreed to expand, acquire and equip by construction, purchase, lease-purchase, lease or otherwise a facility for the manufacture of metal products (the "Facility") which is located in the County, which would 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 Project in the Park (as hereinafter defined) in the County involves an initial taxable investment of at least \$5,000,000 in qualifying Economic Development Property (hereinafter defined) in the County.

Pursuant to an Ordinance adopted on October 15, 2013 (the "Fee Ordinance"), as an inducement to the Sponsors to develop the Project and at the Sponsors' request, the County Council authorized the County to execute and deliver this Fee Agreement which 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 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.

"Authorized Sponsors Representative" shall mean any person designated from time to time to act on behalf of each or any of the Sponsors by its President or one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary or any assistant secretary or any Member 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 by its President, one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary or any assistant secretary or any Member. 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 Fee Agreement.

“Authorized County Representative” shall mean the Chairman of County Council, Administrator of the County or their designee as evidenced by a written certificate of the Chairman of County Council or 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 Ulbrich Precision Flat Wire, LLC, a Connecticut limited liability company 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 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 4.6 of this Fee Agreement, (ii) a casualty to the Phase of the Project, or any part thereof, described in Section 4.7 of this Fee Agreement or (iii) a

condemnation to the Phase of the Project, or any part thereof, described in Section 4.8 of this Fee Agreement.

"Economic Development Property" shall mean all items of real and/or tangible personal property 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 (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, together with any and all additions, accessions, replacements and substitutions thereto or therefor to the extent such machinery, equipment and fixtures constitute Economic Development Property and thus become a part of the Project under this Fee Agreement.

"Event of Default" shall mean any Event of Default specified in Section 5.6 of this 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 owned by, leased by or on behalf of the Sponsors for the Project.

"Fee Agreement" shall mean this fee agreement.

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

"Improvements" shall mean improvements to real property, 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 Fee Agreement.

"Inducement Agreement" shall mean the Inducement Agreement entered into between the County on September 3, 2013 and the Company on _____ 2013 as authorized by the Inducement Resolution.

"Inducement Resolution" shall mean the resolution of the County Council adopted on September 3, 2013, authorizing the County to enter into the Inducement Agreement.

"Investment Period" shall mean the period commencing January 1, 2013 and ending on the last day of the fifth (5th) property tax year following the property tax year in which this Agreement is executed; or, the tenth (10th) property tax year following the property tax year in which this Agreement is executed if the County shall hereafter agree, pursuant to and in accordance with the Act, to extend the Investment Period.

"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 Oconee County and Pickens County in which the Economic Development Property is located, originally dated January 16, 2007 and as amended from time to time.

"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 twenty years after each such Phase of the Project becomes subject to the terms of this Fee

Agreement. Anything contained herein to the contrary notwithstanding, the last Phase Termination Date shall be no later than December 31, 2038, or December 31, 2043, if an extension of time in which to complete the Project is granted by the County at its discretion pursuant to Section 12-44-30(13) of the Act, as amended, but only if the County subsequently agrees to such an extension of the Investment Period in writing, or an even later date if the Phase Termination Date is extended, in accordance with the terms hereof, with or without an extension of the Investment Period, but only if the County subsequently agrees to a maximum Phase Termination Date exceeding twenty years after each Phase of the Project becomes subject to the terms of this Fee Agreement and such agreement is approved by the county Council and reduced to writing.

"Project" shall mean such of the Equipment, Improvements, and/or Real Property located at the Facility, which constitutes eligible Economic Development Property under the Act and this Agreement and which is reported as such to the SC Department of Revenue on the appropriate forms.

"Real Property" shall mean the real property described in Exhibit A, together with all and singular the rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto to the extent such shall become a part of the Project under the terms of this Fee Agreement; all Improvements now or hereafter situated thereon; and all fixtures now or hereafter attached thereto, but only to the extent such Improvements and fixtures are deemed to become part of the Project under the terms of this Fee Agreement.

"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 the 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 Sponsor in their sole discretion, elect to remove pursuant to Section 4.7(c) or Section 4.8(b)(iii) of this Fee Agreement.

"Replacement Property" shall mean any property which is placed in service as a replacement of any item of Equipment or any Improvement which is scrapped or sold by the Sponsors and treated as a Removed Component under Sections 4.6, 4.7 or 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.

"Required Minimum Investment" shall mean that the Sponsors shall be required to invest under and pursuant to the Fee Agreement not less than Five Million Dollars (\$5,000,000) in qualifying, taxable investment in the Project by the end of the fifth (5th) year after the year of execution of the Fee Agreement and such investment will be maintained, without regard to depreciation, in accordance with the Act.

"Sponsors" shall mean the Company, Ulbrich Solar Wire, LLC and Plant Road, LLC in conformity with the terms of the Act.

"State" shall mean the State of South Carolina.

Any reference to any agreement or document in this Article I or otherwise in this 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 Sponsors 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 Fee Agreement and to carry out its obligations hereunder. The County has duly authorized the execution and delivery of this 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.

(d) The benefits of the Project, based upon the representations of value by the Company and a cost benefit analysis performed by the Oconee County Economic Development Commission exceed the costs of the Project to the County.

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

(a) The Sponsors represent and warrant that the Sponsors are each duly organized and in good standing under the laws of the State of Connecticut and South Carolina, and are each qualified to do business in the State, has power to enter into this Fee Agreement, and by proper company action has duly authorized the execution and delivery of this Fee Agreement.

(b) The Sponsors represent and warrant that the execution and delivery of this Fee Agreement by the Sponsors 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 of the Sponsors 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 metal 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 expand or to locate the Project in the State.

(e) The Sponsors anticipate that the cost of the project will be at least \$5,000,000 in qualifying Economic Development Property in the County on or before December 31, 2018.

(f) The Sponsors agree to invest not less than Five Million Dollars (\$5,000,000) in Economic Development Property (the "Required Minimum Investment") on or before December 31, 2018, and to maintain such investment, without regard to depreciation, in the Project from that point on until the end of the Term. Should such Required Minimum Investment not be met, the

Sponsors will lose the benefit of the Fee Agreement, and the Project will revert to normal tax treatment, pursuant to Section 12-44-140(B) of the Act and Section 4.2 hereof. Failure to maintain the investment shall result in termination of this Agreement and its benefits prospectively, in accordance with Section 4.4 hereof.

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 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 Sponsors may lose the benefit of this Fee Agreement if they do not meet the Required Minimum Investment.

Section 3.2 Diligent Completion. The Sponsors agree to use their 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, 2018. Anything contained in this Agreement to the contrary notwithstanding, the Sponsors shall not be obligated to complete the acquisition of the Project in the event that they pay all amounts due under the terms of this Fee Agreement, and provided that the Sponsors may lose the benefit of this Fee Agreement if they do not complete the Project.

Section 3.3. Filings

(a) On or before May 1 of each year up to and including the May 1 immediately following the preceding December 31 of the year in which the completion of the Project has occurred, including an extension of the Investment Period if granted by the County, the Sponsors shall provide the Oconee County Auditor, Treasurer, and Assessor with a list of all Project property as was placed in service during the year ended as of the prior December 31.

(b) The Sponsors shall deliver to the Oconee County Auditor, Treasurer and Assessor copies of all annual filings made with the Department with respect to the Project during the term of this Agreement, not later than thirty (30) days following delivery thereof to the Department.

(c) The Sponsors shall cause a copy of this Agreement to be filed with the Oconee County Auditor, Oconee County Treasurer, Oconee County Assessor and the Department within thirty (30) days after the date of execution and delivery hereof.

(d) The Sponsors shall be responsible to the County (i) for filing annual tax reports to the South Carolina Department of Revenue, (ii) for computing the fee in lieu of tax owed to the County for the Economic Development Property and (iii) for paying the fee in lieu of tax and any other amounts due hereunder to the County.

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 arrangement under Section 12-44-50(A)(1) of the

Act, and to meet the Required Minimum Investment, the County and the Sponsors have negotiated the amount of the payments in lieu of taxes in accordance therewith. In accordance therewith, the Company shall make payments in lieu of ad valorem taxes on all real and personal 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, 2018, or up to December 31, 2023, if an extension of time to complete the Project is subsequently granted by the County in its discretion pursuant to Section 12-44-30(13) of the Act, 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 equal 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 19 years using original income tax basis for State income tax purposes for any real property (provided, if real property is constructed for the fee or is purchased in an arms length transaction, fair market value is deemed to equal the original income tax basis, otherwise, the Department of Revenue and Taxation will determine fair market value by appraisal) and 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 the 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 an 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 nineteen years thereafter or such longer period of years that the annual fee payment is permitted to be made by the Company 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 cumulative, combined millage rate in effect for the Project site on June 30, 2013, which the parties believe to be 213.0 mils (which millage rate shall remain fixed for the term of this Fee Agreement), to determine the amount of the payments in lieu of taxes which would be due in each of the twenty 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 Company under the Act, as amended.

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 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 Failure to Make Required Minimum Investment. Notwithstanding any other provision of this Agreement to the contrary, in the event that investment (within the meaning of the Act) in the Project has not exceeded \$5,000,000 in non-exempt (subject to the fee) investment, as required under Section 12-44-30 (13) of the Act by December 31, 2018, then, unless otherwise agreed to by the County, beginning with the payment due in 2019, 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 2019 using the calculations described in this Section, over, (ii) the total amount of payments in lieu of ad valorem taxes actually made by the Sponsors with respect to the Project through and including 2019. Any amounts determined owing pursuant to the foregoing sentence shall be subject to interest as provided under State law for non-payment of ad valorem taxes.

Section 4.3 Payments in Lieu of Taxes on Replacement Property. If the Company elects 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 or any successor provision, the Company 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 original 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 twenty (20) (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 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 subject to the provisions of the Act, 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; provided, always, however, and notwithstanding any other provision of this Agreement, that if at any time subsequent to December 31, 2018, the total value of the Project based on the original income tax basis of the Equipment, Real Property and Improvements contained therein, without deduction for depreciation, is less than \$5,000,000 in taxable (fee-in-lieu of tax) investment then, beginning with the first payment thereafter due hereunder and continuing until the end of the Fee Term, the

Company shall make payments for the Project equal to the payments which would be due if the Project property were not Economic Development Property.

Section 4.5 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 4.6 Removal of Equipment. Provided that no Event of Default shall have occurred and be continuing under this Fee Agreement, and subject to Section 4.4, 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 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 each of 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 each of the Sponsors, in their sole discretion, elect to remove pursuant to Section 4.7(c) or Section 4.8(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 4.7 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 Project 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 4.4, hereof. Subject to the terms and provisions of the Act, 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 elects not to rebuild pursuant to subsection (b), the damaged portions of the Project shall be treated as Removed Components.

Section 4.8 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 Project shall be taken rendering continued occupancy of the Project commercially infeasible in the judgment of the Company, the Sponsors shall have the option to terminate this 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 Project or a transfer in lieu thereof, and subject to Section 4.4, hereof, the Sponsors may elect: (i) to terminate this 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 Company; or (iii) to treat the portions of the Project so taken as Removed Components.

ARTICLE V

MISCELLANEOUS

Section 5.1 Maintenance of Existence. Each of the Sponsors agree (i) that it shall not take any action which will materially impair the maintenance of its company existence and (ii) that they will maintain their respective companies' existence and good standing under all applicable provisions of State law. Provided, however, the Company or any of the 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 company that is a Sponsor herein.

Section 5.2 Indemnification Covenants; Fees and Expenses of County.

(a) The Sponsors agree jointly and severally to indemnify and save the County, its members, 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, except such claims as may arise from the failure of the representations made by the County pursuant to Sections 2.1(a) and 2.1(c). The Sponsors shall jointly and severally 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 jointly and severally defend them in any such action, prosecution or proceeding with counsel reasonably agreeable to the County.

(b) The Sponsors further agree, jointly and severally, to pay all reasonable and necessary expenses incurred by the County with respect to the preparation and delivery, and administration of this Agreement, including but not limited to attorneys fees and expenses.

Section 5.3 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 or exercise of sovereignty, 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; (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; or 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 Company, if the Company does 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 such clearly marked 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. Notwithstanding the above, the Sponsors agree:

- (i) to maintain complete books and records accounting for the acquisition, financing, construction and operation of the Project. Such books and records shall permit ready identification of the components of the Project;
- (ii) confirm the dates on which each portions of the Project are placed in service; and
- (iii) include copies of all filings made by the Sponsors with the Oconee County Auditor or the Department with respect to property placed in service as part of the Project.

Notwithstanding anything herein to the contrary, however, nothing in this Agreement shall be construed as limiting, in any regard, the exercise of its governmental sovereignty and police power by the County.

Section 5.4 Assignment and Subletting. This 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 5.5 Events of Default. The following shall be "Events of Default" under this Fee Agreement, and the term "Events of Default" shall mean, whenever used with reference to this Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Sponsors to pay any other amounts due hereunder or 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 pay any other amounts to the County due hereunder or to perform any of the material terms, conditions, obligations or covenants of the Sponsors hereunder, other than those already noted in this Section 5.5 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.

(c) The Sponsors shall file a voluntary petition seeking an order for relief in bankruptcy, or shall be adjudicated insolvent, or shall file any petition or answer or commence a case seeking any reorganization, composition, readjustment, liquidation or similar order for relief or relief for itself under any present or future statute, law or regulation, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of either of the Sponsors or of the Project, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due.

Section 5.6 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; 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 Fee Agreement, including, without limitation, those actions previously specified in this Agreement.

In addition to all other remedies herein provided, the nonpayment of payments in lieu of taxes herein shall constitute a lien for tax purposes as provided in Section 12-44-90 of the Act. In this regard, and notwithstanding anything in this Agreement to the contrary, the County may exercise the remedies provided by general law (including, without limitation, Title 12, Chapter 49, of the South Carolina Code) relating to the enforced collection of ad valorem taxes to collect any payments in lieu of taxes due hereunder.

Section 5.7 Remedies Not Exclusive. No remedy conferred upon or reserved to the County under this 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 Sponsors is not competent to waive.

Section 5.8 Reimbursement of Legal Fees and Expenses. The Sponsors agree to reimburse or otherwise pay, on behalf of the County, any and all reasonable 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 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 5.9 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.

Section 5.10 Notices. Any notice, election, demand, request or other communication to be provided under this 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: Ulbrich Precision Flat Wire, LLC
692 Plant Road
Westminster, South Carolina 29693
Attention: Plant Manager

AS TO THE SPONSORS: Ulbrich Solar Wire, LLC.
Plant Road, LLC
692 Plant Road
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 5.11 Binding Effect. This Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company 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 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 5.12 Counterparts. This 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 5.13 Governing Law. This Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 5.14 Headings. The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

Section 5.15 Amendments. The provisions of this Fee Agreement may only be modified or amended in writing by any agreement or agreements entered into between the parties.

Section 5.16 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 Fee Agreement.

Section 5.17 Severability. If any provision of this 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 5.18 Limited Obligation. ANY OBLIGATION OF THE COUNTY CREATED BY OR ARISING OUT OF THIS FEE AGREEMENT SHALL BE A LIMITED OBLIGATION OF THE COUNTY, PAYABLE BY THE COUNTY SOLELY FROM THE PROCEEDS DERIVED UNDER THIS 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 5.19 Force Majeure. Except with respect to the timely payment of all fee in lieu of tax payments to the County hereunder and to the extent recognized by the Act, 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 cause, similar or dissimilar, beyond Sponsors' reasonable control.

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and behalf by the County Chairman and to be attested by the Clerk to County Council; and the Sponsors have caused this 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: _____
Joel Thrift, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

ULBRICH PRECISION FLAT WIRE, LLC.

By: _____
Its:

ULBRICH SOLAR WIRE, LLC

By: _____
Its:

PLANT ROAD, LLC

By: _____
Its:

EXHIBIT A
LAND DESCRIPTION

Parcel 1

All that certain piece, parcel or tract of land containing 17.65 acres, more or less, lying being and situate at the northeast corner of the intersection of SC Highway 183 and SC Road 37-109, in Oconee County, South Carolina having according to plat entitled "Prepared for American Industrial Partners", by Jimmy H. Turner, RLS, dated May 25, 1998, the following metes and bounds, to-wit:

BEGINNING at a nail and cap at the intersection of SC Highway 183 and SC Road 37-109, and running along the center line of SC Highway 183 N 13-32-23 E 995.93 feet to an iron pin, joint corner of property now or formerly of Z.T. Abbott, Jr.; thence along said property the following courses and distances: S 52-30-33 E 108.01 feet to an iron pin; thence S 45-13-00 E 194.75 feet to an iron pin; thence S 40-44-16 E 186.69 feet to an iron pin; thence S 32-07-26 E 167.94 feet to an iron pin; thence S 41-48-46 E 90.65 feet to an iron pin; joint corner of property now or formerly of Marett Oleta, as Trustee; thence along said property the following courses and distances: S 45-03-00 E 115.68 feet to an iron pin; thence S 27-17-04 E 685.27 feet to an iron pin; thence S 14-21-49 W 192.88 feet to a nail and cap in the center of SC Road 37-109; thence along the center of said road the following courses and distances: N 65-49-47 W 804.94 feet to a nail and cap; thence N 68-38-22 W 367.71 feet to a nail and cap; the POINT OF BEGINNING.

Parcel 2

All that certain piece, parcel or lot of land, lying and being situate in the State of South Carolina, County of Oconee, in the Tugaloo Township, at the southeastern intersection of South Carolina Highway 183 and S37-109, containing five and twenty-seven one hundredths (5.27) acres, more or less, as shown and more fully described on a plat hereof by Wayne R. Garland, RLS, d/b/a Landmark Surveys, dated March 21, 1979 and recorded in Plat Book P-44, page 221 records of Oconee County, South Carolina.

Cost/Benefit Analysis
Project Gamma
Oconee County

Project Data

New Building (Construction)	\$	-
Existing Building	\$	-
Land Cost	\$	-
Equipment (Less Pollution Cor	\$	5,000,000
Employees		0
Avg. Hourly Wage	\$	-
Avg. Salary	\$	-
Total Direct Payroll	\$	-

Project Multipliers

Income		1.37
Investment -- Construction		1.33
Investment -- Machinery		0.20

Employment Impacts

Employment -- Direct		0
<u>Employment -- Indirect</u>		<u>0</u>
Total Employment Impact		0

Net Costs	<u>Year 1</u>	<u>20-Year NPV</u>
Local	\$ 9,717	\$ 58,745
<u>Total State & Local Costs</u>	<u>\$ 9,717</u>	<u>\$ 58,745</u>
 Net Benefits		
Local	\$ 56,212	\$ 271,339
Local Economy	\$ 2,000,000	\$ 1,877,934
<u>Total Local Benefits</u>	<u>\$ 2,056,212</u>	<u>\$ 2,149,274</u>

	<u>Year 1</u>	<u>20-Year NPV</u>
Local Government Costs		
Fee-in-Lieu of Property Taxes	\$ 9,058	\$ 55,444
MCP Split	\$ 659	\$ 3,301
Special Source	\$ -	\$ -
Gov't Services	\$ -	\$ -
Education Costs	\$ -	\$ -
Site Acquisition	\$ -	\$ -
Site Preparation	\$ -	\$ -
Site Utilities	\$ -	\$ -
Special Infrastructure	\$ -	\$ -
Equipment / Machinery	\$ -	\$ -
Special Development Financing	\$ -	\$ -
Consulting/ Special Studies	\$ -	\$ -
Waived Fees / Permits	\$ -	\$ -
Streamlined Approvals	\$ -	\$ -
Total Value of Costs	\$ 9,717	\$ 58,745
Local Government Benefits		
Taxes from existing building	\$ -	\$ -
Direct Property Taxes	\$ 65,929	\$ 330,084
New Residential Prop. Taxes		
Single family - (Owner occupied)	\$ -	\$ -
Single Family - (Rental)	\$ -	\$ -
Multi-family (Rental)	\$ -	\$ -
Prop. Taxes from New Autos	\$ -	\$ -
LOST from Const. Materials	\$ -	\$ -
LOST from Increase Retail Sales	\$ -	\$ -
LOST from Operational Supplies	\$ -	\$ -
Public Utilities	\$ -	\$ -
Total Value of Benefits	\$ 65,929	\$ 330,084
Net Local Benefits	\$ 56,212	\$ 271,339
Local Benefit/Cost Ratio	6:1	5:1
Local Economy Benefits		
Total Private Sector Benefits	\$ 2,000,000	\$ 1,877,934

STATE OF SOUTH CAROLINA
OCONEE COUNTY
ORDINANCE 2013-26

AN ORDINANCE TO AMEND THE AGREEMENT AUTHORIZED BY ORDINANCES NO. 2006-027, 2008-017, 2010-04, 2010-24, 2010-32, 2011-09, 2011-15, 2011-34 and 2013-06 RELATING TO THE INDUSTRIAL/BUSINESS PARK OF OCONEE AND PICKENS COUNTIES SO AS TO ENLARGE THE PARK.

WHEREAS, pursuant to Ordinance No. 2006-027 enacted on December 5, 2006 by Oconee County Council, Oconee County (the “County”) entered into an Agreement for Development of Joint County Industrial and Business Park dated as of January 16, 2007 with Pickens County (the “Agreement”), which was subsequently amended by Ordinance No. 2008-17 enacted on October 21, 2008 by the County, resulting in the Agreement as amended by the First Amendment to the Agreement dated November 3, 2008; by Ordinance No. 2010-04 enacted on May 4, 2010 by the County, resulting in the Agreement as amended by the Second Amendment to the Agreement dated May 4, 2010; by Ordinance No. 2010-24 enacted on July 21, 2010 by the County, resulting in the Agreement as amended by the Third Amendment to the Agreement dated August 16, 2010; by Ordinance No. 2010-32 enacted on December 7, 2010 by the County, resulting in the Agreement as amended by the Fourth Amendment to the Agreement dated January 18, 2011; by Ordinance 2011-09 enacted on April 5, 2011 by the County, resulting in the Agreement as amended by the Fifth Amendment to the Agreement dated June 6, 2011, by Ordinance 2011-15 enacted on November 1, 2011 by the County, resulting in the Agreement as amended by the Sixth Amendment to the Agreement dated November 7, 2011; by ordinance 2011-34 enacted on February 7, 2012 by the County, resulting in the Agreement as amended by the Seventh Amendment to the Agreement dated February 7, 2012; by ordinance 2013-06 enacted on May 7, 2013 by the County, resulting in the Agreement as amended by the Eighth Amendment to the Agreement dated June 10, 2013 (hereinafter collectively referred to as the “Park Agreement”); and

WHEREAS, pursuant to Section 3 of the Park Agreement, the boundaries of the park created therein (the “Park”) may be enlarged pursuant to ordinances of the respective County Councils of the County and Pickens County; and

WHEREAS, Oconee County is desirous of enlarging the Park by the addition of the property described on Exhibit A of the Ninth Amendment to the Agreement, attached hereto;

NOW, THEREFORE, be it ordained by Oconee County Council that the Park Agreement is hereby and shall be amended by the Ninth Amendment to the Agreement to include the property in Oconee County described in the schedule attached to the Ninth Amendment to the Agreement as Exhibit A (as such description may be hereafter refined), and that the Chairman of Oconee County Council is hereby authorized to execute and deliver any desired amendments to the Park Agreement necessary to accomplish the aforesated enlargement.

Section 1. The Chairman of the County Council and the Clerk of the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Ninth Amendment to the Agreement and the performance of all obligations of the County under and pursuant to the Ninth Amendment to the Park Agreement and this Ordinance.

Section 2. 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.

DONE in meeting duly assembled this 15th day of October, 2013

OCONEE COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Joel Thrift, Chairman, County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

First Reading:	September 3, 2013
Second Reading:	September 17, 2013
Public Hearing:	October 15, 2013
Third Reading:	October 15, 2013

Addition to Exhibit A (Oconee County)
Agreement for Development of Joint County
Industrial Park dated as of January 16, 2007,
Amended on November 3, 2008,
Second Amended on May 4, 2010
Third Amended on August 16, 2010
Fourth Amended on January 18, 2011
Fifth Amended on June 6, 2011
Sixth Amended on November 7, 2011
Seventh Amended on February 7, 2012
Eighth Amended on June 10, 2013
Ninth Amended on November 18, 2013
Between Oconee County and Pickens County

Tract 9

**Ulbrich Precision Flat Wire, LLC, Ulbrich Solar Wire, LLC and Plant Road, LLC 692 Plant Road and 695 Plant Road
Westminster, SC**

Parcel 1

All that certain piece, parcel or tract of land containing 17.65 acres, more or less, lying being and situate at the northeast corner of the intersection of SC Highway 183 and SC Road 37-109, in Oconee County, South Carolina having according to plat entitled "Prepared for American Industrial Partners", by Jimmy H. Turner, RLS, dated May 25, 1998, the following metes and bounds, to-wit:

BEGINNING at a nail and cap at the intersection of SC Highway 183 and SC Road 37-109, and running along the center line of SC Highway 183 N 13-32-23 E 995.93 feet to an iron pin, joint corner of property now or formerly of Z.T. Abbott, Jr.; thence along said property the following courses and distances: S 52-30-33 E 108.01 feet to an iron pin; thence S 45-13-00 E 194.75 feet to an iron pin; thence S 40-44-16 E 186.69 feet to an iron pin; thence S 32-07-26 E 167.94 feet to an iron pin; thence S 41-48-46 E 90.65 feet to an iron pin; joint corner of property now or formerly of Marett Oleta, as Trustee; thence along said property the following courses and distances: S 45-03-00 E 115.68 feet to an iron pin; thence S 27-17-04 E 685.27 feet to an iron pin; thence S 14-21-49 W 192.88 feet to a nail and cap in the center of SC Road 37-109; thence along the center of said road the following courses and distances: N 65-49-47 W 804.94 feet to a nail and cap; thence N 68-38-22 W 367.71 feet to a nail and cap; the POINT OF BEGINNING.

Parcel 2

All that certain piece, parcel or lot of land, lying and being situate in the State of South Carolina, County of Oconee, in the Tugaloo Township, at the southeastern intersection of South Carolina Highway 183 and S37-109, containing five and twenty-seven one hundredths (5.27) acres, more or less, as shown and more fully described on a plat hereof by Wayne R. Garland, RLS, d/b/a Landmark Surveys, dated March 21, 1979 and recorded in Plat Book P-44, page 221 records of Oconee County, South Carolina.

STATE OF SOUTH CAROLINA)	
	)	NINTH AMENDMENT OF AGREEMENT
COUNTY OF OCONEE	)	FOR DEVELOPMENT OF JOINT COUNTY
COUNTY OF PICKENS	)	INDUSTRIAL/BUSINESS PARK

THIS AGREEMENT for the ninth amendment of an agreement for the development of a joint county industrial/business park located both within Oconee County, South Carolina and Pickens County, South Carolina, such original agreement dated as of January 16, 2007, and subsequently amended, previously, on November 3, 2008, May 4, 2010, August 16, 2010, January 18, 2011, June 6, 2011, November 7, 2011, February 7, 2012, June 10, 2013 by and between the County of Oconee and the County of Pickens both political subdivisions of the State of South Carolina (the "Agreement"), is made and entered into as of this 18th day of November 2013 by and between the parties hereto (the "Ninth Amendment to Agreement").

RECITALS

WHEREAS, pursuant to the Agreement, Oconee County, South Carolina ("Oconee County"), and Pickens County, South Carolina ("Pickens County") in order to promote economic development and thus provide additional employment opportunities within both of said counties, have established in Oconee County and Pickens County a Joint County Industrial and Business Park (the "Park"); and

WHEREAS, as a consequence of the establishment of the Park, property therein is exempt from ad valorem taxation, but the owners or lessees of such property are required to pay annual fees in an amount equal to that amount for which such owner or lessee would be liable except for such exemption; and

WHEREAS, pursuant to the Agreement, Oconee County and Pickens County have agreed to accept responsibility for the costs of infrastructure, maintenance, management, promotional costs, and other appropriate costs associated with the establishment and operation of the Park; and

WHEREAS, Oconee County and Pickens County desire to amend the Agreement, as previously amended, as more specifically provided below:

NOW, THEREFORE, in consideration of the mutual agreement, representations and benefits contained in this Ninth Amendment to Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. **Binding Agreement.** This Ninth Amendment to Agreement serves as a written instrument amending the entire Agreement between the parties, as previously amended, and shall be binding on Oconee County and Pickens County, their successors and assigns.

2. **Authorization.** Article VIII, Section 13(d), of the Constitution of South Carolina (the "Constitution") provides that counties may jointly develop an industrial or business park with other counties within the geographical boundaries of one or more of the member

counties, provided that certain conditions specified therein are met and further provided that the General Assembly of the State of South Carolina provides by law a means by which the value of property in such park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability for school districts. Section 4-1-170, Code of Laws of South Carolina, 1976, as amended ("Section 4-1-170"), satisfies the conditions imposed by Article VIII, Section 13(d), of the Constitution and provides the statutory vehicle whereby a joint county industrial park may be created.

3. **Ninth Amendment to the Agreement.** As of the date of this Ninth Amendment to the Agreement, the Eighth Amendment to the Agreement, the Seventh Amendment to the Agreement, the Sixth Amendment of the Agreement, the Fifth Amendment to the Agreement, the Fourth Amendment to the Agreement, the Third Amendment to the Agreement, the Second Amendment to the Agreement, the First Amendment to the Agreement and the Agreement as previously amended are further amended, in accordance with Section 3(B) of the Agreement, so as to expand the Park premises in Oconee County by the addition of one (1) tract of land, to be shown as "Tract 9") on the revised Exhibit A, attached hereto, which shall amend, replace, and supersede the previously amended Exhibit A to the Agreement which was in effect prior to execution of this Ninth Amendment to Agreement.

4. **Severability.** In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Ninth Amendment to Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Ninth Amendment to the Agreement.

5. **Termination.** All other terms and conditions of the Agreement as amended by this Ninth Amendment to the Agreement, and as previously amended, shall remain in full force and effect

6. **Counterparts.** This Ninth Amendment to Agreement may be executed in multiple counterparts, all of which shall constitute but one and the same document.

WITNESS our hands and seals of this 15th day of October, 2013

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Joel Thrift, Chairman of County Council
Oconee County, South Carolina

By: _____
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

WITNESS our hands and seals as of this 18th day of November, 2013

PICKENS COUNTY, SOUTH CAROLINA

By: _____
G. Neil Smith, Chairman of County Council
Pickens County, South Carolina

ATTEST:

By: _____
Donna Owens, Clerk, County Council
Pickens County, South Carolina

**EXHIBIT A
LAND DESCRIPTION
OCONEE COUNTY**

TRACT 1

Timken US Corporation
430 Torrington Road
Walhalla, South Carolina 29691

All that certain piece, parcel or tract of land situate, lying and being in West Union School District, Oconee County, South Carolina, containing 103.45 acres, more or less, as will appear by plat thereof prepared by Schumacher Engineering Services, Dated September 23, 1966, revised November 9, 1966 and February 20, 1967, recorded in Plat Book P-29, page 132 in the office of the Clerk of Court for Oconee County, South Carolina. BEGINNING at a point in the center of Road S 37-324, thence S 75-13 E 34.7 feet to an iron pin corner, old; thence S 75-13 E 1464.6 feet to an iron pin corner; old; thence S 18-16 W 1418.89 feet to an iron pin corner, new; thence N 73-32 W 811.15 feet to an iron pin corner, old; thence S 05-28 W 481 feet to an iron pin corner, old; thence N 74-34 W 1248.93 feet to an iron pin corner, new; thence N 15-32 E 445.85 feet to I.P.O.; thence N 70-08 W 124.93 feet to I.P.O.; thence N 15-20 E 1604.90 feet to I.P.O.; thence N 74-38 W 1050.31 to a stone corner, old; thence N09-41 W 237.32 feet to I.P.O.; thence N 76-47 E 1351.79 feet to a nail in the center of bituminous road, designated Point "B"; thence S 26-42 E 474.8 feet along center of road to a nail; thence S 23-51 E 276.8 feet along center of road to a nail; thence S 16-07 E 264.8 feet along center of road to a nail; thence S 09-20 E 222.8 feet along center of road to point designated Point "A"; same being the point of beginning. Said tract being the major portion of a tract of land conveyed to the Torrington Company (Maine) by Piedmont-Oconee Corp. by deed dated June 17, 1960, recorded in Deed Book 8-F, page 8, and the property conveyed by deed of Leroy C. Martin and Raleigh L. Martin to the Torrington Company (Maine) dated January 25, 1967, recorded in Deed Book 10-B at page 35, which said conveyance was made to make the center line of road the property line and by deed of James Robert LeCroy to the Torrington Company (Maine) dated February 14, 1967, recorded in Deed Book 10-B, page 34 which deed was made to make the center line of road the line; less a strip of land conveyed by The Torrington Company (Maine) to James Robert LeCroy by deed dated July 25, 1967, recorded in Deed Book 10-E, page 87, which deed was made for the purpose of making the center line of the road the property line.

(Tract 2 added in by the First Amended Park Agreement dated November 3, 2008)

TRACT 2

BorgWarner Torqtransfer Systems Inc.

All that certain piece, parcel or tract of land, situate, lying and being in the State of South Carolina, County of Oconee, Township of Seneca, containing 78.176 acres, more or less and shown and more fully described by metes and bounds on plat of survey thereof made by R. Jay Cooper, P.E. & L.S. dated April 6, 1990, which plat is recorded in the Office of the Clerk of Court for Oconee County in Plat Book A-54, pages 9 and 10 and which is incorporated herein by reference.

The within described property was conveyed to Borg-Warner Powertrain Systems Corporation by deed of Emhart Industries, Inc. dated September 26, 1995 and recorded in the Office of the Clerk of Court for Oconee County in Deed Book 834 at page 313 on November 5, 1995.

(Tract 3 added in by the Second Amended Park Agreement dated May 4, 2010)

TRACT 3

Greenfield Industries, Inc.

All that piece, parcel or tract of land situate, lying and being in the County of Oconee, State of South Carolina, located on the Southern side of U.S. Highway 76 and 123 and being more particularly shown and designated as a tract of land containing 78.20 acres, more or less, on a plat entitled "Plat of a Tract of Land Surveyed at the Request of The First National Bank of Boston" by Farmer & Simpson Engineers, dated June 3, 1986 and recorded in the office of the Clerk of Court of Oconee County, South Carolina in Plat Book P-51 at page 132, and being more particularly described, according to said plat as follows:

Beginning at an iron pin (P.O.B.) located on the southwester edge of the right of way for U.S. Highway 76 and 123 and at the northwestern most corner of said tract of land (said corner being a common corner with the northeastern most corner of lands now or formerly of Delta Corporation) and running thence along the southwestern edge of the right of way for U.S. Highway 76 and 123 S 63 degrees – 19' E 1,890.8 feet to an iron pin corner; thence S 22 degrees – 57' W 456.9 feet to an iron pin corner; thence S 02 degrees -07' E 261.1 feet to a nail and bottle top; thence S 38 degrees -42' W 243.9 feet to a nail and bottle top located within the right of way for Highway S-439; thence S 32 degrees - 40' W 248.5 feet to a nail and bottle top located in the center of the right of way for Highway S-439; thence S 25 degrees - 27' W 240.3 feet to an iron pin corner; thence

N 86 degrees 32' W 249.9 feet to an iron pin corner; thence S 86 degrees-19' W 593.3 feet to an iron pin corner; thence S 09 degrees - 16' W 241.6 feet to an iron pin corner; thence N 78 degrees - 56' W 673.4 feet to an iron pin corner; thence N 05 degrees - 25' W 398.7 feet to an iron pin corner; thence N 09 degrees - 32' E 798.4 feet to an iron pin corner; thence N 23 degrees – 02' W 365.0 feet to an iron pin corner; thence N 75 degrees – 09' E 132.3 feet to an iron pin corner; thence N 24 degrees – 28' E 796.4 feet to the POINT OF BEGINNING. Said tract of land is bounded on the North by the right of way for U.S. Highway 76 and 123, on the East by lands of various owners, on the South by lands now or formerly of Clemson University and U.S. Government Hartwell Reservoir and on the West by lands now or formerly of U.S. Government Hartwell Reservoir and Delta Corporation.

LESS AND EXCEPT all that certain piece, parcel or tract of land conveyed from Greenfield Industries, Inc., predecessor in interest of Grantor herein, by deed dated December 22, 2003, and recorded on December 31, 2003, in the Office of the Register of Deeds of Oconee County, South Carolina in Book 1302, page 345.

LESS AND EXCEPT all that certain piece, parcel or tract of land conveyed from Greenfield Industries, Inc., predecessor in interest of Grantor herein, by deed dated March 4, 1996 and recorded on April 10, 1996 in the Office of the Register of Deeds of Oconee County, South Carolina in Book 857, page 305.

BEING commonly referred to as 2501 Davis Creek Road, Seneca, Oconee County, South Carolina and as Tax Map/Parcel Numbers 226-00-04-006 and 226-00-04-020.

(Tract 4 added in by the Third Amended Park Agreement dated August 16, 2010)

TRACT 4

U.S. Engine Valve Corporation

All that certain piece, parcel or tract of land situate, lying and being in Richland School District, Seneca, Oconee County, South Carolina. Containing One Hundred Twenty-Eight and 96/100 (128.96) acres, more or less, and being more fully described by plat prepared by Wayne R. Garland, RLS, dated December 3, 1987, recorded in Plat Book A16, page 1, records of the Clerk of Court for Oconee County, South Carolina. For a more complete description, please see recorded Plat.

(Tract 5 added in by the Fourth Amended Park Agreement executed by Oconee County on December 7, 2010 and Pickens County on January 18, 2011)

TRACT 5

Schneider Electric USA, Inc.
1990 Sandifer Boulevard
Seneca, South Carolina 29678

PARCEL #1

All that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Oconee, on the north side of U.S. Highway 123, containing Fifty Four and Eighty Two One-Hundredths (54.82) acres, more or less, as shown and more fully described on a plat thereof entitled "Boundary Survey for Pattillo Construction Company" by Chester M. Smith, Jr., Surveyor, of Metro Engineering and Surveying Company, recorded in Plat Book P-45 at page 115, records of the Clerk of Court of Oconee County, South Carolina.

PARCEL #2

All that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Oconee, on the north side of U.S. Highway 123, containing One and Four Hundred Ninety Nine One-Thousandths (1.499) acres, more or less, as shown and more fully described on a plat thereof entitled "Boundary Survey for Pattillo Construction Company" by Chester M. Smith, Jr., Surveyor, of Metro Engineering and Surveying Company recorded in Plat Book P-45 at page 115, records of the Clerk of Court of Oconee County, South Carolina.

PARCEL #3

All that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Oconee, on the north side of U.S. Highway 123, containing Ten and Fifty One One-Hundredths (10.51) acres, more or less, as shown and more fully described on a plat thereof entitled "Boundary Survey for Pattillo Construction Company" by Chester M. Smith, Jr., Surveyor, of Metro Engineering and Surveying Company, recorded in Plat Book P-45 at page 115, records of the clerk of Court of Oconee County, South Carolina.

PARCEL #4

All that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Oconee on the north side of U.S. Highway 123, containing Eleven and Five Hundred Sixty Five One-Hundredths (11.565) acres, more or less, as

shown and more fully described on a plat thereof entitled "Boundary Survey for Pattillo Construction Company" by Chester M. Smith, Jr., Surveyor, of Metro Engineering and Surveying Company, recorded in Plat Book P-45 at page 115, records of the Clerk of Court of Oconee County, South Carolina.

The above-referenced parcels is the identical property conveyed to Square D Company, a successor company to Schneider Electric USA Inc., by deed of Pattlillo Construction Company, Inc. recorded on October 24, 1985 in Deed Book 433 at page 228, records of Clerk of Court in and for Oconee County, South Carolina.

(Tract 6 added in by the Fifth Amendment to Park Agreement executed by Oconee County on April 5, 2011 and Pickens County on June 6, 2011)

TRACT 6

Altera Polymers LLC
320 Shiloh Road
Seneca, SC 29678

Town of Seneca, Oconee County South Carolina

All that certain tract or parcel of land lying and being near the Eastern Corporate Limits of the Town of Seneca, South Carolina and being more particularly described as follows:

Beginning at a point in the centerline of a railroad spur of Blue Ridge Railroad said point being located North 86 degrees 24 minutes 56 seconds East 1927.07 feet to a found nail in the centerline intersection of Shiloh Road and Goodard Avenue and runs thence from the point of beginning with the centerline of said railroad spur the following 7 courses and distances South 17 degrees 44 minutes 06 seconds West 64.97 feet to a point; thence South 07 degrees 28 minutes 04 seconds West 34.61 feet to a set mag nail; thence South 05 degrees 28 minutes 14 seconds West 66.40 feet to a set mag nail; thence South 10 degrees 06 minutes 58 seconds West 97.82 feet to a point; thence South 24 degrees 19 minutes 31 seconds West 100.54 feet to a point; thence South 38 degrees 29 minutes 30 seconds West 100.46 feet to a point; thence South 46 degrees 10 minutes 41 seconds West 46.48 feet to a set mag nail; thence South 34 degrees 24 minutes 02 seconds East 768.38 feet to a set iron rod; thence South 55 degrees 36 minutes 33 seconds West 866.57 feet to a set iron rod; thence North 34 degrees 23 minutes 27 seconds West 91.00 feet to a found concrete monument; thence North 36 degrees 39 minutes 54 seconds West 541.31 feet to a found iron pipe; thence North 37 degrees 17 minutes 54 seconds West 197.28 feet to a found concrete monument; thence South 63 degrees 37 minutes 55 seconds West 111.39 feet to a found iron rod; thence North 26 degrees 18 minutes 50 seconds West 330.00 feet to a found iron rod; thence South 63 degrees 41 minutes 10 seconds West 200.00 feet to a found concrete monument; thence North 26 degrees 19 minutes 52

seconds West 50.90 feet to a found iron rod; thence North 59 degrees 53 minutes 49 seconds East 228.69 feet to a found concrete monument; thence North 39 degrees 02 minutes 25 seconds West 509.89 feet to a found iron rod; thence North 39 degrees 34 minutes 28 seconds 90.92 to a found mag nail; thence South 77 degrees 58 minutes 25 seconds West 301.80 feet to a found nail; thence North 26 degrees 42 minutes West 85.70 feet to a found nail in the centerline intersection of Shiloh Road and Goodard Avenue; thence with the center of Shiloh Road North 68 degrees 34 minutes 53 seconds East 287.91 feet to a found nail; thence North 68 degrees 50 minutes 53 seconds 50.17 feet to a found nail in the centerline intersection of Shiloh Road and Providence Ridge Road; thence North 68 degrees 17 minutes 49 seconds East 194.00 feet to a nail; thence North 70 degrees 00 minutes 20 seconds East 81.28 feet to a found nail; thence North 79 degrees 53 minutes 29 seconds East 315.00 feet to a found mag nail; thence North 89 degrees 22 minutes 55 seconds East 486.22 feet; thence North 87 degrees 12 minutes 07 seconds East 85.60 feet to a found mag nail; thence South 12 degrees 01 minutes 05 seconds East 61.28 feet to a found mag nail; thence South 12 degrees 01 minutes 35 seconds East 200.00 feet to a found iron pipe; thence North 77 degrees 58 minutes 25 seconds East 424.94 feet to the point of the beginning, containing 41.97 acres more or less.

Bearings based on Plat recorded in office of the Clerk of Court, Oconee County, SC in Plat Book P-29, page 75.

(Tract 7 added in by the Seventh Amendment to Park Agreement executed by Oconee County on February 7, 2012 and Pickens County on February 6, 2012)

**TRACT 7
BASF Corporation
554 Engelhard Drive
Seneca, South Carolina**

This being the same property acquired by Engelhard Corporation (now known as BASF Corporation) by deed recorded in Deed Book 422 at page 217 and shown on the sketch attached hereto.

All that certain piece, parcel or tract of land situate, lying and being in Reedy Fork School District, Oconee County, South Carolina containing 93.00 acres as shown on plat of Michael L. Henderson, RLS dated May 27, 1985, and recorded in Plat Book P-51 at page 80.

(Tract 8 added in by the Eighth Amendment to Park Agreement executed by Oconee County on May 7, 2013 and Pickens County on June 10, 2013

**TRACT 8
AID Company, LLC
(see plat attached)**

(Tract 9 added in by the Ninth Amendment to Park Agreement executed by Oconee County on October 1, 2013 and Pickens County on November 18, 2013

**TRACT 9
Ulbrich Precision Flat Wire, LLC, Ulbrich Solar Wire, LLC and Plant Road, LLC
692 Plant Road and 695 Plant Road
Westminster, SC**

Parcel 1

All that certain piece, parcel or tract of land containing 17.65 acres, more or less, lying being and situate at the northeast corner of the intersection of SC Highway 183 and SC Road 37-109, in Oconee County, South Carolina having according to plat entitled "Prepared for American Industrial Partners", by Jimmy H. Turner, RLS, dated May 25, 1998, the following metes and bounds, to-wit:

BEGINNING at a nail and cap at the intersection of SC Highway 183 and SC Road 37-109, and running along the center line of SC Highway 183 N 13-32-23 E 995.93 feet to an iron pin, joint corner of property now or formerly of Z.T. Abbott, Jr.; thence along said property the following courses and distances: S 52-30-33 E 108.01 feet to an iron pin; thence S 45-13-00 E 194.75 feet to an iron pin; thence S 40-44-16 E 186.69 feet to an iron pin; thence S 32-07-26 E 167.94 feet to an iron pin; thence S 41-48-46 E 90.65 feet to an iron pin; joint corner of property now or formerly of Marett Oleta, as Trustee; thence along said property the following courses and distances: S 45-03-00 E 115.68 feet to an iron pin; thence S 27-17-04 E 685.27 feet to an iron pin; thence S 14-21-49 W 192.88 feet to a nail and cap in the center of SC Road 37-109; thence along the center of said road the following courses and distances: N 65-49-47 W 804.94 feet to a nail and cap; thence N 68-38-22 W 367.71 feet to a nail and cap; the POINT OF BEGINNING.

Parcel 2

All that certain piece, parcel or lot of land, lying and being situate in the State of South Carolina, County of Oconee, in the Tugaloo Township, at the southeastern intersection of South Carolina Highway 183 and S37-109, containing five and twenty-seven one hundredths (5.27) acres, more or less, as shown and more fully described on a plat hereof by Wayne R. Garland, RLS, d/b/a Landmark Surveys, dated March 21, 1979 and recorded in Plat Book P-44, page 221 records of Oconee County, South Carolina.

**EXHIBIT B
LAND DESCRIPTION
PICKENS COUNTY**

(Tract 1 and Tract 2 added in by the Sixth Amendment to Park Agreement executed by Oconee County on November 1, 2011 and Pickens County on November 7, 2011)

**Tract 1
VCI-SC, Inc.
2932 Farris Bridge Road
Easley, South Carolina 29640**

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Pickens being shown as 22.91 Acres, Tracts 8, 10 & 11, according to plat prepared by Freeland & Associates Surveyor, recorded November 7, 1985 in Plat Book 27, at page 950 in the RMC Office for Pickens County, South Carolina, references to said plat being hereby made for a more complete metes and bounds description thereof.

LESS AND EXCEPT: All that certain piece, parcel or lot of land in the State of South Carolina, County of Pickens, located 7 miles East of Pickens, containing 4.80 acres, more or less, as shown on survey of Van T. Cribb, dated July 1, 1991, reference to which is hereby made for a more complete and accurate description and being thereon more fully described as follows:

Beginning at a point on edge of 50' right of way for county road at the northern corner of the herein described property; thence along right of way S11-18-28E 33.79 feet; thence S16-55-30E 55.58 feet; S30-56-31E 167.22 feet; S45-50-16E 65.64 feet; thence leaving right of way S45-35-05E 56.39 feet to line of land n/f of John C. and J.P. Carey; thence along said property line S59-24-26W 630 feet to an iron pin; thence along line of land n/f of Oakknoll Properties N 22-25-34W 285.67 feet; thence N 19-54-33 W 75.47 feet; thence along line of land n/f of Sitton N 57-34-27 E 555.30 feet to the point of Beginning.

AND ALSO, LESS AND EXCEPT, a right of way for ingress, egress and roadway purposes over the existing fifty foot (50') strip leading from S.C. Highway 183 in a southeasterly direction as shown on the survey of Van T. Cribb dated July 1, 1991 and the terms and conditions of said right of way as set forth in deed recorded in Deed Book 149 at Page 204.

This being a portion of the property conveyed to Ronald J. McCracken by deed from Ervin Hendricks, dated 07-8-88 and recorded in Deed Book 40 at page 217, in the Register of Deeds Office for Pickens County, South Carolina.

Tract 2
KP Components Inc.
117 Sheriff Mill Road
Easley, South Carolina 29642

Parcel 1

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Pickens, located on the northwestern side of Sheriff Mill Road, shown to contain 3.631 acres according to plat of boundary survey prepared for "Wachovia Bank, N.A., Trustee", by Landrith Surveying, Inc., dated 1-11-01 and according to said plat, being more particularly described as having the following measurements and boundaries, to-wit:

Beginning at the southernmost point of the herein described tract, on the northwestern side of Sheriff Mill Road, common corner of the herein described tract and other property of the Grantor; thence running along the common line of the herein described tract and other property of the Grantor herein N30-55-00W 984.91 feet to a point; thence continue N76-44-08W 565.67 feet to a point; thence running N25-31-27E 102.33 feet to a point; thence running N89-57-00E 84.45 feet to a point; continuing S73-23-00E 105.00 feet to a point; thence continuing S61-03-00E 119.88 feet to a point; thence continuing S82-18-00E 199.81 feet to a point; thence continuing S76-33-00E 84.91 feet to a point; thence running along the common line of the herein described tract and property now or formerly Gladys L. Addington S30-55-00E 1019.88 feet to a point on the northwestern side of Sheriff Mill Road; thence running along the northwestern side of Sheriff Mill Road S 54-55-00W 100.27 feet to the point of Beginning.

Parcel 2

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Pickens, located on the northeast side of S.C. Highway #8 (Pelzer Highway) shown to contain 5.818 acres (including any and all rights of ways), as shown on a plat of boundary survey for "Wachovia Bank, N.A., Trustee" prepared by Landrith Surveying, Inc. dated 1-11-01, and according to said plat, being more particularly described as having the following measurements and boundaries, to-wit:

Beginning at the southernmost point of the herein described tract, which point is in the approximate center line of S.C. Highway #8 (Pelzer Highway), common corner of the herein described tract and other property of the Grantee herein; thence running along the approximate center line of S.C. Highway #8 (Pelzer Highway) N37-52-05W 516.64 feet to a point; thence leaving said Highway and running along the common line of the herein described property and other property of the Grantor herein N53-23-13E 888.10 feet to a point; thence running S76-44-08E 47.96 feet to a point; thence running along the common line of the herein described tract and other property of the Grantee herein S25-31-27W 1026.72 feet to the point of Beginning.

STATE OF SOUTH CAROLINA
OCONEE COUNTY
ORDINANCE 2013-28

AN ORDINANCE TO DEVELOP A JOINTLY OWNED AND OPERATED INDUSTRIAL/BUSINESS PARK IN CONJUNCTION WITH PICKENS COUNTY, SUCH INDUSTRIAL/ BUSINESS PARK TO BE GEOGRAPHICALLY LOCATED IN OCONEE COUNTY AND ESTABLISHED PURSUANT TO SOUTH CAROLINA CODE OF LAWS OF 1976 §4-1-170, ET SEQUITUR, AS AMENDED; TO PROVIDE FOR A WRITTEN AGREEMENT WITH PICKENS COUNTY PROVIDING FOR THE EXPENSES OF THE PARK, THE PERCENTAGE OF REVENUE APPLICATION, AND THE DISTRIBUTION OF FEES IN LIEU OF AD VALOREM TAXES TO THE COUNTIES AND RELEVANT TAXING ENTITIES; TO PROVIDE THAT JOB TAX CREDITS ALLOWED BY LAW BE PROVIDED FOR BUSINESSES LOCATING IN SAID PARK; TO PERMIT A USER FEE IN LIEU OF *AD VALOREM* TAXATION WITHIN SAID PARK; AND TO AUTHORIZE THE EXECUTION AND DELIVERY OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF SENECA RELATED TO THE CREATION OF THE PARK WITHIN THE CITY LIMITS OF THE CITY OF SENECA AND THE DISTRIBUTION OF CERTAIN FEES IN LIEU OF AD VALOREM TAXES DUE TO OCONEE COUNTY FROM THE PARK, AND THE PAYMENT BY OCONEE COUNTY TO THE CITY OF SENECA AND OTHER TAX PAYING ENTITIES IN OCONEE COUNTY OF FEE IN LIEU OF TAXATION DERIVED WITHIN THE PARK ; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Pickens County and Oconee County, South Carolina (jointly the “Counties”) are authorized under Article VIII, Section 13 of the South Carolina Constitution to jointly develop an industrial and business park within the geographical boundaries of one or more of the member counties; and

WHEREAS, in order to promote the economic welfare of the citizens of the Counties by providing employment and other benefits to the citizens of the Counties and promoting economic development in, and enhancing the tax base of Oconee County (the “County”), and the City of Seneca (the “City”), the County proposes to enter into an agreement with Pickens County, with the consent of the City, to develop jointly an industrial and business park wholly within Oconee County and the City as provided by Article VIII, Section 13 of the South Carolina Constitution and in accordance with Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended, (the “Act”).

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

Section 1. Oconee County is hereby authorized to execute and deliver a written agreement to jointly develop an industrial and business park (the “Park”) with Pickens County, with the approval of any municipality within which the Park property shall lie. The Park is to be located within the boundaries of Oconee County. The form, terms, and provisions of the joint county industrial and business park agreement (the “Agreement”) presented to this meeting and filed with the Clerk of the Oconee County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Agreement were set out in this Ordinance in its entirety. The Chairman of County Council and the County Administrator be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Agreement in the name and on behalf of the County. The Agreement is to be in substantially the form now before this meeting and hereby approved, or with such 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, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Agreement now before this meeting. Because all or a portion of the Park property is or shall be located within the municipal limits of the City of Seneca, the City of Seneca must consent, and chooses to consent, to creation of this Park. An Intergovernmental Agreement has been created through which, among other things, as discussed further herein, the City of Seneca consents to creation of the Park within its municipal limits, in return for the County's agreement to distribute to the City of Seneca the City's proportionate share (based on the City's proportionate share of the millage from which Park fees in lieu of taxes are calculated in the year of taxation) of the Oconee County portion of the fee in lieu of tax revenues from the Park, after payment of the 1% partner county fee to Pickens County from the overall Oconee County revenues from the Park, and after payment of any special source revenue credit or bond authorized from such revenues. County is hereby authorized to execute and deliver the Intergovernmental Agreement with the City of Seneca. The Park is to be located within the boundaries of Oconee County and the City. The form, terms, and provisions of the Intergovernmental Agreement (the "Intergovernmental Agreement") presented to this meeting and filed with the Clerk of the Oconee County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Intergovernmental Agreement were set out in this Ordinance in its entirety. The Chairman of County Council and the County Administrator be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Intergovernmental Agreement in the name and on behalf of the County. The Intergovernmental Agreement is to be in substantially the form now before this meeting and hereby approved, or with such 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, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Intergovernmental Agreement now before this meeting.

Section 2. The maximum tax credits allowable by South Carolina Code of Laws of 1976, Section 12-6-3360, as amended, will apply to any business enterprise locating in the Park.

Section 3. Any business or industrial enterprise locating in the Park shall pay a fee-in-lieu of *ad valorem* taxes as provided for in the Agreement, Article VIII Section 13 of the South Carolina Constitution and the Act. The user fee paid in lieu of *ad valorem* taxes shall be paid to the Oconee County Treasurer. That portion of the fees from the Park premises located in Oconee County and allocated pursuant to the Agreement to Pickens County shall be paid by the Oconee County Treasurer to the Pickens County Treasurer within five business days following the end of the calendar quarter of receipt for distribution, in accordance with the Agreement. Payments of user fees shall be made by a business or industrial enterprise on or before the due date for taxes for a particular year. Penalties for late payment will be at the same rate and at the same times as for late tax payment. Any late payment beyond said date will accrue interest at the rate of statutory judgment interest. The Counties, acting by and through the county tax collector for Oconee County, shall maintain all liens and rights to foreclose upon liens provided for counties in the collection of *ad valorem* taxes.

Section 4. The administration, development, promotion, and operation of the Park shall be the responsibility of Oconee County. Provided, that to the extent any Park premises is owned by a private developer or entity, the developer or entity shall be responsible for development expenses as contained in the Agreement.

Section 5. In order to avoid any conflict of laws or ordinances between the Counties, Oconee County ordinances and the ordinances of the City of Seneca will be the reference for such regulations or laws in connection with the Park. Nothing herein shall be taken to supersede any state or federal law or regulation.

Section 6. Law enforcement agencies for Oconee County and the City of Seneca, as the jurisdiction of each warrant, will have initial jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park. Water, sewer and fire services will be provided by the entities which

provide such services for the geographic location of the Park in Oconee County or the City of Seneca. EMS service will be provided by Oconee County or the City of Seneca, or both.

Section 7. The Intergovernmental Agreement shall also address any infrastructure tax credit granted to a project within the Park (the "ITC"), to pay for a portion of the infrastructure necessary to induce a company or companies to locate and build in the City, the County and the Park, and to support the construction and operation of the Park and any such company, and to support the continued economic development of the City and County. Oconee County Council hereby finds and declares that economic development of the City and County is a public purpose, that any ITC granted pursuant to the Intergovernmental Agreement will be used for economic development of the City and County, that any ITC will be used for a public purpose and, to the extent used for public infrastructure, for public use, and that any ITC is likely to cause a Project to locate in the City and County, thus adding to the tax base of both, and creating additional employment in both, all of which are public purposes of economic development. County Council hereby approves any ITC, as set forth in greater detail in the Intergovernmental Agreement.

Section 8. Should any section of this Ordinance be, for any reason, held void or invalid, it shall not affect the validity of any other section hereof which is not itself void or invalid.

Section 9. The Agreement may not be terminated except by concurrent ordinances of Pickens County Council and Oconee County Council, in accordance with the terms of the Agreement.

Section 10. Oconee County hereby designates that the distribution of the fee-in-lieu of *ad valorem* taxes pursuant to the Agreement and the Intergovernmental Agreement with the City of Seneca, received and retained by Oconee County for Park premises shall be as directed by Oconee County Council, including, without limitation, by and through its annual budget ordinance and the Agreement and the Intergovernmental Agreement with the City of Seneca, provided that the County may, from time to time, by ordinance, amend the distribution of the fee-in-lieu of tax payments to all taxing entities, except as otherwise regulated by law or agreement. All taxing entities levying *ad valorem* taxes or property located within the Park shall receive some distribution of *ad valorem* taxes, after distribution of the payment of the partner county fee and payment for any special source revenue bonds or credits, as provided herein and in the Intergovernmental Agreement. Zero percent (0%) of the fee-in-lieu-of-tax payments from the Park shall be paid to any taxing entity, other than those designated by Oconee County Council, herein, or in the Agreement or in the Intergovernmental Agreement, or otherwise. A portion of the fee-in-lieu of *ad valorem* taxes which Oconee County and/or the City of Seneca receives and retains pursuant to the Agreement for Park premises may be, from time to time and by ordinance of Oconee County Council, or Seneca City Council, or their successors, respectively, designated for the payment of special source revenue bonds or applied as a credit against qualifying infrastructure as provided for in Title 4, Chapters 1, 12 or 29, and Title 12, Chapter 44 of the South Carolina Code of Laws, 1976, as amended. Nothing contained herein, however, shall alter the distribution pursuant to the Intergovernmental Agreement, except as and unless mutually agreed upon in writing by Oconee County and the City of Seneca.

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Enacted this 15th day of October, 2013.

OCONEE COUNTY, SOUTH CAROLINA

BY: _____
Joel Thrift, Council Chairman,
Oconee County, South Carolina

ATTEST:

BY: _____
Elizabeth Hulse, Clerk to Council
Oconee County, South Carolina

First Reading: September 3, 2013
Second Reading: September 17, 2013
Third Reading: October 15, 2013
Public Hearing: October 15, 2013

STATE OF SOUTH CAROLINA)	
	)	AGREEMENT FOR DEVELOPMENT
COUNTY OF OCONEE	)	OF JOINT COUNTY INDUSTRIAL AND
	)	BUSINESS PARK WITHIN OCONEE
COUNTY OF PICKENS	)	COUNTY, SOUTH CAROLINA
)	

THIS AGREEMENT for the development of a joint county industrial and business park to be located in Oconee County, dated as of November 18, 2013, is made and entered into by and between the County of Oconee and the County of Pickens, both political subdivisions of the State of South Carolina.

RECITALS

WHEREAS, Oconee County, South Carolina ("Oconee County"), and Pickens County, South Carolina ("Pickens County") (collectively the "Counties"), have determined that, in order to promote economic development and thus provide additional employment opportunities within both of said counties, and to promote economic development in, and increase the tax base of Oconee County, there should be established in Oconee County and in the City of Seneca (the "City") a Joint County Industrial and Business Park (the "Park") , which Park shall be in addition to all previous Joint County Industrial and Business Parks previously established between the Counties; and

WHEREAS, as a consequence of the establishment of the Park, property therein shall be exempt from ad valorem taxation, during the term of this Agreement, but the owners or lessees of such property shall pay annual fees during that term in an amount equal to that amount of ad valorem taxes for which such owner or lessee would be liable except for such exemption; and

NOW, THEREFORE, in consideration of the mutual agreement, representations and benefits contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Binding Agreement.** This Agreement serves as a written instrument setting forth the entire agreement between the parties and shall be binding on the Counties, their successors and assigns.

2. **Authorization.** Article VIII, Section 13(d), of the Constitution of South Carolina provides that counties may jointly develop an industrial and business park with other counties within the geographical boundaries of one or more of the member counties, provided that certain conditions specified therein are met and further provided that the General Assembly of the State of South Carolina provides by law a means by which the value of property in such park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability for school districts. Section 4-1-170, Code of Laws of South Carolina, 1976, as amended ("Section 4-1-170"), satisfies the conditions imposed by Article VIII, Section 13(d), of the Constitution and provides the statutory vehicle whereby a joint county industrial and business park may be created.

3. **Location of the Park.**

(A) The Park consists of property located in Oconee County and in the City, as is hereinafter more specifically described in Exhibit "A". It is specifically recognized that the Park may from time to time consist of non-contiguous properties. The boundaries of the Park may be enlarged from time to time to include additional parcels, and the boundaries of the Park may be diminished from time to time, all as authorized by ordinances of both of the Counties.

(B) In the event of any enlargement or diminution of the boundaries of the Park, this Agreement shall be deemed amended and there shall be attached hereto a revised Exhibit "A" which shall contain a legal description of the boundaries of the Park, as enlarged or diminished, together with a copy of the ordinances of Oconee County Council and Pickens County Council pursuant to which such enlargement or diminution was authorized.

(C) Prior to the adoption by Oconee County Council and by Pickens County Council of ordinances authorizing the diminution of the boundaries of the Park, a public hearing shall first be held by the Oconee County Council. Notice of such public hearing shall be published in a newspaper of general circulation in Oconee County at least once and not less than fifteen (15) days prior to such hearing. Notice of such public hearing shall also be served in the manner of service of process at least fifteen (15) days prior to such public hearing upon the owner and, if applicable, the lessee of any real property which would be excluded from the Park by virtue of the diminution, and upon the City of Seneca, South Carolina.

(D) Notwithstanding the foregoing, for a period of twenty (20) years commencing with the later of the effective date of this Agreement or the effective date of the expansion of the boundaries of the Park to include such parcel, the boundaries of the Park shall not be diminished so as to exclude therefrom any parcel of real estate without the consent of the owner and the Counties and, if applicable, lessee of such parcel, and the City of Seneca; and this sentence of this Agreement may not be modified or deleted herefrom for a period of twenty (20) years commencing with the effective date hereof, except as provided in Section 12 below.

4. **Fee in Lieu of Taxes.** Property located in the Park shall be exempt from ad valorem taxation, only during the term of this Agreement. The owners or lessees of any property situated in the Park which is not otherwise exempt from the payment of taxes in accordance with South Carolina law, shall pay in accordance with and during the term of this Agreement an amount equivalent to the ad valorem property taxes or other in-lieu-of-payments that would have been due and payable but for the location of such property within the Park. Where, in this Agreement, reference is made to payment of *ad valorem* property taxes or other in-lieu-of-payments, such reference shall be construed, in accordance with this Paragraph 5, to mean the *ad valorem* property taxes or other in-lieu-of-payments that would otherwise have been due to be paid to Oconee County, after deduction of all applicable allowances, credits, deductions, and exemptions authorized or required by state law.

5. **Allocation of Park Expenses.** The Counties shall bear expenses, including, but not limited to, development, operation, maintenance and promotion of the Park in the following proportions:

- A. Pickens County 0%
- B. Oconee County 100%

Provided, however, in no event shall Pickens County be responsible for sharing (i) any portion of the costs incurred by Oconee County and City of Seneca or the development expenses committed to by Oconee County either on behalf of any tenant of the Park or in conjunction with any State agency or political subdivision prior to the effective date of this Agreement, or (ii) such costs and expenses as are incurred or committed to by Oconee County after the effective date of this Agreement unless, prior to the incurrence or commitment of the costs and expenses referred to in this clause (ii), Oconee County shall have consulted with Pickens County as to the reasonableness of the same and received Pickens County's written concurrence of the reasonableness thereof.

6. **Allocation of Park Revenues.** The Counties shall receive an allocation of all revenue generated by the Park through payment of fees in lieu of ad valorem property taxes or from any other source in the following proportions:

- A. Pickens County 1%
- B. Oconee County 99%

Any payment by Oconee County to Pickens County of its allocable share of the fees in lieu of taxes from the Park shall be made not later than five (5) days from the end of the calendar quarter in which Oconee County receives such payment from the occupants of the Park. In the event that the payment made by any occupant of the Park is made under protest or is otherwise in dispute, Oconee County shall not be obligated to pay to Pickens County more than Oconee County's share of the undisputed portion thereof until thirty (30) days after the final resolution of such protest or dispute.

7. **Revenue Allocation Within Each County.** Revenues generated by the Park through the payment of fees in lieu of ad valorem property taxes shall be distributed to the Counties according to the proportions established by Paragraph 6. Such revenue shall be distributed within Oconee County, including payment of one percent (1%) of the revenues actually received to Pickens County, in accordance with an ordinance to be adopted by Oconee County, and as provided in the Intergovernmental Agreement between Oconee County and the City of Seneca dated November 12, 2013. Revenues received by Pickens County shall be distributed by Pickens County in accordance with an ordinance adopted by Pickens County. Zero percent (0%) of the Park revenues from payment of fees in lieu of *ad valorem* property taxes shall be paid to any other taxing entity, except as stated herein.

8. **Fees in Lieu of Taxes Pursuant to Code of Laws of South Carolina.** It is hereby agreed that the entry by Oconee County or Pickens County into any one or more negotiated fee-in-lieu-of-tax agreements pursuant to Titles 4 or 12, South Carolina Code, 1976, as amended, or any successor or comparable statutes, with respect to property

located within the Park and the terms of such agreements shall be at the sole discretion of the two counties, respectively.

9. **Assessed Valuation.** For the purpose of calculating the bonded indebtedness limitation of the Oconee County Participating Taxing Entities and the Pickens County Participating Taxing Entities and for the purpose of computing the index of taxpaying ability of the School District of each County pursuant to Section 59-20-20(3), Code of Laws of South Carolina, 1976, as amended, allocation of the assessed value of property within the Park to Oconee County and Pickens County shall be identical to the percentage established for the allocation of revenue to each of the counties pursuant to Paragraphs 6 and 7 respectively.

10. **Jobs Tax Credit Valuation.** For purposes of the jobs tax credit authorized by subsections of Section 12-6-3360 of the South Carolina Code, Oconee County is the county in which the permanent business enterprise is deemed to be located. Section 12-6-3360, Code of Laws of South Carolina, 1976, has been amended so as to provide an additional annual corporate income tax credit (currently, as of the date of this Agreement, One Thousand Dollars (\$1,000.00)) beyond the current jobs tax credit amount applicable for new jobs in Oconee County for each new, qualifying full-time job created in the Park.

11. **Non-qualifying Use.** In the event that a tract or site of land located in the Park is purchased and developed by a business enterprise which does not qualify for Oconee County redevelopment incentives, or which locates employees within the Park and all of which employees, because of the nature of their employment, do not qualify for the corporate income tax credit provided in South Carolina Code of Laws, 1976, as amended, Section 12-6-3360 (the "Non-qualifying Site"), Oconee County may remove, by resolution, the Non-qualifying Site from the Park, but only if there are no infrastructure credits, bonds, or other financings or obligations which would be affected by such removal.

12. **Records.** The Counties, parties to this Agreement, covenant and agree that, upon the request of either, the other will provide to the requesting party copies of the records of the annual tax levy and copies of the actual tax bills, for parcels of property encompassed by this Agreement, and will further provide copies of the County Treasurer's collection records for the taxes so imposed, all as such records became available in the normal course of County procedures. It is further agreed that none of the parties shall request such records from any other party more frequently than once annually, absent compelling justification to the contrary.

13. **Severability.** In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Agreement.

14. **Termination.** Notwithstanding any provision of this Agreement to the contrary, Oconee County and Pickens County agree that this Agreement may not be terminated by either party for a period of twenty (20) years commencing with the effective date hereof.

WITNESS our hands and seals this 15th day of October 2013.

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Joel Thrift, Council Chairman
Oconee County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth Hulse, Clerk to County Council,
Oconee County, South Carolina

WITNESS our hands and seals this 18th day of November, 2013.

PICKENS COUNTY, SOUTH CAROLINA

By:

G. Neil Smith, Council Chairman,
Pickens County Council
Pickens County, South Carolina

ATTEST:

By:

Donna Owen, Clerk to Council
Pickens County, South Carolina

EXHIBIT "A"

**To the Agreement for Development of
Joint County Industrial and Business Park in Oconee County, South Carolina
Oconee County and Pickens County
Dated as of November 18, 2013**

Location of the Park

- A. Serene Hospitality, LLC
1011 E. North Street
Seneca, SC**

All that certain piece, parcel or lot of land lying and being situate in the State of South Carolina, County of Oconee, City of Seneca and being shown and designated as Revised Parcel C-1 containing 1.465 acres, more or less, Revised Parcel C-2, containing 0.412 of an acre, Revised Parcel C-3, containing 0.345 of an acre, more or less, and revised Parcel E containing 0.021 of an acre, more or less on a plat prepared by Stephen R. Edwards PLS #19881, and recorded in Plat Book B418 at page 5; records of Oconee County, SC reference to which is invited for a more complete and accurate description.

This being the property conveyed to Serene Hospitality LLC by RTC Associates, LLC dated September 27, 2012 and recorded in Deed Book 1922 at page 39 on October , 2012 in the Register of Deeds Office Oconee County, SC.

- B. Technology Solutions of SC Inc.
301 US Bypass 123
Seneca, SC**

All that certain piece, parcel or lot of land situate, lying and being in the State of South Carolina, County of Oconee, Seneca Township, containing 1.10 acres, more or less as shown and more fully described on a plat thereof prepared by Michael L. Henderson PS #6946 of Cornerstone of Seneca, Inc. dated September 3, 2001 and recorded September 10, 2001 in Plat Book A836 at page 9, records of Oconee County, South Carolina.

TMS No. 520-13-02-003

This property was conveyed to RDSC, LLC by Falcon 2003-1 Seneca 818020 LLC by deed dated May 15, 2012 and recorded in Deed Book 1898 at page 204 on May 18, 2012 in the Register of Deeds Office Oconee County, SC.

See new plat prepared by Gregory Blake Sosebee, dated April 10, 2012 and recorded in Plat Book B405, page 6.

STATE OF SOUTH CAROLINA	)	INTERGOVERNMENTAL
	)	AGREEMENT
COUNTY OF OCONEE)	
)	
CITY OF SENECA	)	AN INTERGOVERNMENTAL
	)	AGREEMENT BETWEEN
	)	OCONEE COUNTY, SOUTH CAROLINA
	)	AND THE CITY OF SENECA,
	)	SOUTH CAROLINA, PERTAINING
	)	TO THE CREATION OF A JOINT
	)	COUNTY INDUSTRIAL AND
	)	BUSINESS PARK WITHIN OCONEE
	)	COUNTY AND THE CITY OF
	)	SENECA

WHEREAS, Oconee County, South Carolina (the “County”), acting by and through its County Council (the “County Council”) is empowered under and pursuant to the provisions of the Code of Laws of South Carolina, 1976, as amended (the “Code”), and specifically, Title 4, Chapter 1 (the “Multi-County Park Act”) to enter into agreements with other counties within the State of South Carolina for the purpose of creating multi-county industrial and business parks (“MCIP”), pursuant to which certain state tax credits are made available to investors locating, improving, or expanding projects within such parks, through which the economic development of the county and the state will be promoted and trade developed by inducing manufacturing and certain other business enterprises to locate in and remain in the State of South Carolina, and thus utilize and employ the manpower and resources of the State of South Carolina; and

WHEREAS, the City of Seneca, South Carolina (the “City”) and the County have worked together to induce the location, construction, and operation of an upscale hotel project to be located within the City and County which will result in the investment of an expected Ten Million Dollars (\$10,000,000) or more and the creation of construction jobs and new, full-time jobs in the City and the County (hereinafter “Serene Hospitality LLC”) also known by the County as Project Star; and

WHEREAS, the City of Seneca, South Carolina (the “City”) and the County have worked together to induce the location, construction, and operation of a facility that provides information technology services, a project to be located within the City and County which will result in the investment of an expected One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) or more and the creation an expected seven (7) new, full-time jobs in the City and the County (hereinafter “Technology Solutions of SC Inc.”); and

WHEREAS, Serene Hospitality, LLC and Technology Solutions of SC Inc. are jointly hereinafter referred to as the “Companies”; and

WHEREAS, the Multi-County Park Act requires the consent and approval of the City before an MCIP can be created by the County within the corporate limits of the City; and

WHEREAS, the Companies are in the City limits and the City and County desire for their properties to also be in a MCIP, in order to enhance the economic development potential of the sites through the availability of enhanced job creation tax credits in MCIPs and through the availability of the use of certain tax credits in MCIPs; and

WHEREAS, the City and the County both desire for the MCIP for the Companies to result in distribution, by the County, of non-negotiated fee in lieu of tax ("MCIP FILOT") revenues from inside the MCIP to go to each of the taxing entities levying millage within the boundaries of the MCIP in the same proportion and ratio, and for the same purposes, as the millage levy of each bears to the overall millage levy at that site in the tax year in which such levies are made, after deduction of the partner county fee to the MCIP partner county, and after deduction of any infrastructure tax credit ("ITC") authorized by the City and/or County, respectively, to any businesses or industry locating in the MCIP; and

WHEREAS, the City and County both desire to establish a mechanism by and through which either may authorize its own, respective, MCIP FILOT revenues to be used for a ITC, in their entirety, and may jointly agree, by resolution or ordinance of each, for ITCs to be issued from all or a part of the entire MCIP FILOT revenues; and

WHEREAS, the City desires to consent to the County placing the Companies' sites, within the corporate limits of the City, into an MCIP, with the understanding and agreement that the County, in distributing the fee in lieu of tax revenue from the MCIP, will protect and distribute to the City the City's proportionate (based upon the City's proportionate percentage of the overall millage levied, upon which the fee in lieu of tax revenues are based, in any given year in which such levy is made) percentage of the fee in lieu of tax revenues collected and distributed by the County, after payment of the partner county fee for the MCIP to Pickens County, South Carolina and distribution of the ITC authorized by the City and the County; and

WHEREAS, the County agrees with the City's position regarding distribution of fee in lieu of tax revenues from the MCIP and desires to create the MCIP in accordance with that understanding; and

WHEREAS, the City and the County do hereby agree, subject to the requirements of Section 4-1-170 and Section 4-1-175 of the Act, and the Home Rule Act, to place in the MCIP the Serene Hospitality LLC site and to provide an ITC to Serene Hospitality, LLC in the amount of \$50,000 per year for twenty (20) years commencing with the fee-in-lieu of tax due and payable on January 15, 2015 but solely from the fee-in-lieu of tax paid by Serene Hospitality, LLC, for its Project in the MCIP. The remainder of the fees paid in the MCIP, not including the one (1%) percent paid to Pickens County shall be distributed to each Oconee County taxing entity which levies tax on the property of the Project in the Park in an amount prorated to the millage rate each Oconee taxing entity levies in the Park. Provided, however, such ITC shall never exceed, at any point in time, the actual cost of Project Infrastructure for the Serene Hospitality, LLC Project to that point or the amount of the fee-in-lieu of tax paid by Serene Hospitality, LLC on qualifying infrastructure for its Project in the MCIP; and

WHEREAS, commencing with the payment of the MCIP FILOT revenues for Technology Solutions of SC Inc. in the MCIP finally due from the Company on January 15, 2015, and continuing for a period of four (4) years thereafter (for a total of five (5) payment periods), the City and the County agree to provide to Technology Solutions of SC Inc. a credit equal to 30% of the MCIP Filot revenues from the Technology Solutions of SC Inc. Project in the MCIP. The ITC shall be taken as an offset against the MCIP FILOT revenues due from Technology Solutions of SC Inc. for its Project in the MCIP in each of the years due. Technology Solutions of SC Inc. is therefore entitled to make a payment to the County, and the County will accept, on behalf of all taxing entities such payment for a period of five (5) years, equal to 70% of MCIP FILOT revenues for the Technology Solutions of SC Inc. Project in the MCIP which would be due in the absence of this Agreement; and

WHEREAS, the County and the City have reduced their mutual understandings regarding the City's consent to the County's creation of the MCIP, to include the property and sites of the Companies, and the mutual understanding regarding distribution of fee in lieu of tax revenue from the MCIP and their mutual understanding regarding the terms and conditions regarding the ITC's given to the Companies, to an Intergovernmental Agreement, and now desire to authorize the execution and delivery of that Intergovernmental Agreement (the "Intergovernmental Agreement"):

NOW, THEREFORE, it is hereby agreed between Oconee County and the City of Seneca that:

1. The City of Seneca hereby consents to the creation by Oconee County, in conjunction with a partner county (Pickens County), of an MCIP within or to be within the City of Seneca, containing, among other possible properties, Serene Hospitality, LLC property and Technology Solutions of SC Inc., all dependent upon the County agreeing to the following terms.

2. Oconee County and the City of Seneca hereby agree that the County's distribution of MCIP FILOT revenues which is the subject of this Agreement shall protect and include distribution to the City of Seneca of the City's proportionate (based upon the City's proportionate percentage of millage levied within the MCIP, compared to the overall millage levied within the MCIP, in the year of taxation) fee in lieu of tax revenues from the MCIP, in the year of taxation, following distribution to the MCIP partner county (Pickens County) of the partner county's MCIP fee payment (1%), and distribution of any ITCs authorized by the City or County, or both, as specified herein.

3. The City and the County may each, without approval of or consultation with the other, authorize the use of ITCs, or both, based on use of their own MCIP FILOT revenue (based on their own, respective, millage levies). For the issuance or authorization of ITCs using any other MCIP FILOT revenue, the approval of both the City and County, by resolution, respectively, of each (which approval is subject to normal legislative approval process) is required.

4. The County and the City agree that the County shall issue to Serene Hospitality, LLC an ITC in the total amount of up to One Million Dollars (\$1,000,000), on the following terms and conditions:

The County and City do hereby agree, subject to the requirements of Section 4-1-170 and Section 4-1-175 of the Act and the Home Rule Act, to place the Serene Hospitality, LLC site in the MCIP, and to provide an ITC to Serene Hospitality, LLC in the amount of \$50,000 per year for twenty (20) consecutive years commencing with the fee-in-lieu of tax from the Serene Hospitality, LLC Project in the MCIP due and payable on January 15, 2015 but solely from the fee-in-lieu of tax paid by Serene Hospitality, LLC for its Project in the MCIP. The remainder of the fees paid in the MCIP, not including the one (1%) percent paid to Pickens County shall be distributed to each Oconee County taxing entity which levies tax on the property of the Project in the MCIP in an amount prorated to the millage rate each Oconee taxing entity levies in the MCIP. Provided, however, such ITC for Serene Hospitality, LLC shall never exceed, at any point in time, the actual cost of Serene Hospitality, LLC qualifying infrastructure for its Project in the MCIP to that point or the amount of the fee-in-lieu of tax paid by Serene Hospitality, LLC on its Project in the MCIP.

Should Serene Hospitality, LLC not be completed and opened for commercial, hotel use within eighteen (18) months after the execution of this Agreement, the County's obligation to pay the ITC to Serene Hospitality, LLC will automatically be cancelled and voided without further action by City or County required, absent extraordinary, intervening circumstances, such as an Act of God, and absent further agreement between City and County

5. The County and the City agree that the County shall issue to Technology Solutions of SC Inc an ITC, on the following terms and conditions:

Commencing with the payment of the fee in lieu of tax payments for the Technology Solutions of SC Inc Project in the MCIP finally due from Technology Solutions of SC Inc to Oconee County on January 15, 2015, and continuing for a period of four (4) years thereafter (for a total of five (5) payment periods), the County hereby promises to and does hereby provide to Technology Solutions of SC Inc a credit equal to 30% of the payments by Technology Solutions of SC Inc for its Project in the MCIP. The Infrastructure Credit shall be taken as an offset against the payments by Technology Solutions of SC Inc for its Project in the MCIP in each of the years due. The Technology Solutions of SC Inc. is therefore entitled to make a payment to the County, and the County will accept such payment for a period of five) 5 years, equal to 70% of the payments by Technology Solutions of SC Inc for its Project in the MCIP which would otherwise be due in the absence of this Agreement.

6. Should any part, term, or provision of this Intergovernmental Agreement be finally declared to be invalid or otherwise enforceable by any court of competent jurisdiction, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder, all of which are hereby declared to be separable.

Agreed upon and entered into as of the ____ day of November, 2013.

Witness:

OCONEE COUNTY, SOUTH CAROLINA

By:

**Joel Thrift, Council Chairman
Oconee County Council
Oconee County, South Carolina**

Witness:

CITY OF SENECA, SOUTH CAROLINA

By:

Its:

Mayor

STATE OF SOUTH CAROLINA
OCONEE COUNTY
ORDINANCE 2013-31

AN ORDINANCE AUTHORIZING THE GRANT OF CERTAIN EASEMENT RIGHTS AND EXECUTION AND DELIVERY OF AN ELECTRIC LINE RIGHT-OF-WAY EASEMENT AGREEMENT AFFECTING CERTAIN REAL PROPERTY OWNED BY OCONEE COUNTY; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Oconee County, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), is the owner of that certain piece, parcel or tract of land situate in Oconee County ("County Property"), consisting of approximately 18 acres, and being more generally situated in the County on Rock Crusher Road approximately three (3) miles South of Walhalla, South Carolina, and having County TMS# 190-00-01-028 (the "County Property"); and

WHEREAS, Blue Ridge Electric Cooperative, Inc. ("Blue Ridge Electric") wishes to acquire from the County, and the County wishes to grant to Blue Ridge Electric, certain perpetual easement rights for, generally and without limitation, the construction, maintenance, alteration and replacement of one or more electric lines, for overhead or underground electric transmission, distribution and communication lines over, across, under and through certain portions of the County Property (collectively, the "Easement"); and

WHEREAS, the form, terms and provisions of the Electric Line Right-of-Way Easement (the "Easement Agreement") now before the Oconee County Council ("County Council"), a copy of which is attached hereto as Exhibit A, are acceptable to the County Council for the purpose of giving effect to the Easement; and

WHEREAS, Section 4-9-30(2) of the Code of Laws of South Carolina, 1976, as amended, (the "Code") authorizes the County to transfer or otherwise dispose of interests in real property:

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

1. Council hereby approves the Easement, subject to and in conformity with the provisions of the Easement Agreement.
2. The Administrator of the County ("Administrator") shall be, and hereby is, authorized to execute and deliver the Easement Agreement on behalf of the County in substantially the form attached as Exhibit A hereto, or with such changes as are not materially adverse to the County and as the Administrator shall approve, upon the advice of legal counsel, such Administrator's approval to be deemed given by his execution of the Easement Agreements.
3. The Administrator shall be, and hereby is, authorized to execute and deliver any and all other documents or instruments on behalf of the County related to the Easements in a form and substance acceptable to the Administrator, on advice of legal counsel to the County.

4. Should any portion of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such determination shall not affect the remaining terms and provisions of this ordinance, all of which are hereby deemed separable.

5. All orders, resolutions, and enactments of the County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded.

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

ORDAINED in meeting, duly assembled, this 15th day of October, 2013.

ATTEST:

Elizabeth Hulse,
Clerk to Oconee County Council

Joel Thrift,
Chairman, Oconee County Council

First Reading: September 17, 2013
Second Reading: October 1, 2013
Third Reading: October 15, 2013
Public Hearing: October 15, 2013

Exhibit A
Easement Agreement
[see attached]



Tax Map # 190-00-01-028

305

22A
B

22
A

338' ABC

341' ABC

39785
23

226' A
DUG POINT RD

Legend

-  Property Line
-  Proposed 3-Phase
-  Proposed Right of Way





Economic Development – County Council Agenda Item Summary
10.15.13

Code Name – Project Flat

Project Flat is dealing with an existing company based in Oconee County.

The Economic Development Commission and the State of South Carolina have worked with this Project to provide an incentive illustration to demonstrate the business case on why this company needs to choose Oconee for their competitive expansion opportunity.

After months of discussion, Project Flat, a “C” corporation, has chosen to expand its manufacturing facility in Oconee County, South Carolina.

- **Project Flat will invest *not less than* \$12 million in the project**, all of which will be in tangible personal property (machinery and equipment).
- **Project Flat will create 22 new jobs** in Oconee County that will be at or above the county average wage of \$15.98.

In return for this capital investment and job creation, Oconee County has offered to put into place a fee-in-lieu-of-taxes (FILOT) arrangement, for the new taxable property of the project, indexed at an assessment ratio of six percent (6%) for 20 years, and a locked millage rate based on the millage rate required by the FILOT statute. The County has also agreed to place the project in a multi-county industrial park (MCIP), with Pickens County as the partner county. The County has also agreed to put into place an agreement for Infrastructure Tax Credits (or often referred to as a Special Source Revenue Credit {SSRC}) of twenty percent (20%) of the Company’s fee in lieu of property tax liability for the Project property in the Park, for a term of ten (10) consecutive years, to be used to pay for infrastructure supporting the new investment. The terms of the FILOT Agreement, MCIP Agreement, and SSRC Agreement contain the standard provisions to protect the County, and have been reviewed by the County Attorney.

The State Department of Commerce has offered the company five years of Job Tax Credits (JTCs), a one-time Investment Credit and *ReadySC* training assistance for choosing Oconee County.

The above has been prepared by:

Richard K. Blackwell, SCCEC
Executive Director
Oconee County Economic Development Commission

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2013-29**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND PROJECT FLAT; THE GRANTING OF INFRASTRUCTURE TAX CREDITS; AND OTHER MATTERS RELATING THERETO INCLUDING, WITHOUT LIMITATION, PAYMENT OF A FEE IN LIEU OF TAXES RELATED TO THE PROJECT

WHEREAS, Oconee County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina, 1976, as amended (the "Code"), to acquire, construct, or cause to be acquired or constructed by lease or otherwise, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry or business providing for the construction, operation, maintenance and improvement of such projects; to enter into or allow financing agreements with respect to such projects; to provide for payment of a fee in lieu of taxes pursuant to the Act; and, to accept any grants for such projects through which powers the industrial development of the State of South Carolina (the "State") and will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, the County is authorized by the Act to execute a fee in lieu of tax agreement, as defined in the Act, (the "Fee Agreement"), with respect to any such project; and

WHEREAS, Project Flat, a corporation duly incorporated under the laws of the State of Delaware (the "Company"), has requested the County to participate in entering into a Fee Agreement pursuant to the Act for the purpose of authorizing and of acquiring and expanding, by construction and purchase, certain land, a building or buildings, and machinery, apparatus, and equipment, for the purpose of the development of a facility which manufactures cutting tools in which the minimum level of taxable investment is not less than Twelve Million Dollars (\$12,000,000) in qualifying fee in lieu of tax investment by the end of the fifth (5th) year following the year of execution of the Fee Agreement, all as more fully set forth in the Fee Agreement attached hereto; and

WHEREAS, the Company has requested that the County provide Infrastructure Tax Credits of twenty percent (20%) of the Company's fee in lieu of tax liability for the Project in the Park (as defined herein) for a term of ten (10) consecutive years (the "ITC") commencing only if and when the Company's investment in new, taxable property in the Project equals or exceeds \$12,000,000 within the initial five (5) years (following the end of the year of the execution and delivery of the Fee Agreement) of investment; and

WHEREAS, the County has determined that the Project would benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally; and, that the Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either; and, that the purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes; and, that the inducement of the location or expansion of the Project within the County and State is of paramount importance; and, that the benefits of the Project will be greater than the costs; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Company that the Project would be a "project" solely as that term is defined in the Act and that the Project would subserve the purposes of the Act; and

WHEREAS, the County Council has previously determined to enter into and execute the aforesaid Fee Agreement and to that end will by this County Council Ordinance, authorize a fee in lieu of tax agreement (the "Fee Agreement"); and

WHEREAS, the Company has caused to be prepared and presented to this meeting the form of the Fee Agreement by and between the County and the Company which includes the agreement for payment of a payment in lieu of tax; and

WHEREAS, it appears that the instrument above referred to, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended; and

WHEREAS, subject to the Agreement of Pickens County, the Project is located in an existing joint county industrial and business park (the "Park") with Pickens County created by a joint county industrial and business park agreement with Pickens County (the "Park Agreement"), and subsequently amended (the "Fourth Amendment") to include the Project ; and

WHEREAS, pursuant to the terms of the Third Amendment to the Park Agreement dated April 4, 2000 the Park would expire on December 31, 2020 and would not continue through the term of the ITC; and

WHEREAS, the County will amend the Fourth Amendment to the Park Agreement so as to extend term of the Park to December 31, 2023 but only for the Valenite property (which includes the Project); and

NOW, THEREFORE, BE IT ORDAINED by Oconee County, South Carolina, in meeting duly assembled, as follows:

Section 1. In order to promote industry, develop trade and utilize and employ the manpower, agricultural products and natural resources of the State by assisting the Company to expand a manufacturing facility in the State, and acquire by acquisition or construction a building or buildings and various machinery, apparatus, and equipment, all as a part of the Project to be utilized for the purpose of a facility which manufactures cutting tools , the execution and delivery of a Fee Agreement with the Company and a contiguous county, respectively, for the Project is hereby authorized, ratified and approved. Further, the Fee Agreement shall provide for an ITC of twenty

percent (20%) of the Company's fee in lieu of tax liability for the Project in the Park for ten (10) consecutive years, upon the terms and upon achieving the conditions required herein and in the Fee Agreement. Additionally, the term of the Park Agreement covering that portion of the Park constituting or containing the Project shall be extended until December 31, 2023.

Section 2. It is hereby found, determined and declared by the County Council, as follows:

(a) Based solely upon representations of the Company, the Project will constitute a "project" as said term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County;

(c) The terms and provisions of the Inducement Agreement and Millage Rate Agreement are hereby incorporated herein and made a part hereof;

(d) The Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;

(e) The Project and the Fee Agreement give rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either;

(f) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes;

(g) The inducement of the location or expansion of the Project within the County and State is of paramount importance; and,

(h) The benefits of the Project will be greater than the costs.

Section 3. The form, terms and provisions of the Fee Agreement and the Fifth Amendment to the Park Agreement presented to this meeting and filed with the Clerk of the County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement and the Fifth Amendment to the Park Agreement were set out in this Ordinance in their entirety. The Chairman of County Council and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement and the Fifth Amendment to the Park Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company and the Fifth Amendment to the Park Agreement to be delivered to the partner county for the Park. The Fee Agreement and the Fifth Amendment to the Park Agreement are 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 Fee Agreement and the Fifth Amendment to the Park Agreement now before this meeting.

Section 4. The Chairman of the County Council and the Clerk of the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the Fifth Amendment to the Park Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement and the Fifth Amendment to the Park Agreement and this Ordinance.

Section 5. 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.

Section 6. 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.

Section 7. 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 making such filings in accordance with the Act.

Passed and approved this ___ day of November 2013.

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Joel Thrift, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth Hulse, Clerk to County Council
Oconee County, South Carolina

First Reading: September 17, 2013
Second Reading: October 15 2013
Public Hearing: November 5, 2013
Third Reading: November 5, 2013

FEE AGREEMENT

between

OCONEE COUNTY, SOUTH CAROLINA

and

**PROJECT FLAT,
A Delaware Corporation**

Dated as of ____ 1, 2013

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

FEE AGREEMENT

THIS FEE AGREEMENT (this "Fee Agreement") is made and entered into as of November 1, 2013, 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 Project Flat (the "Company"), incorporated and existing under the laws of the State of Delaware.

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 September 17, 2013 (referred to herein as the "Inducement Resolution"), the Company committed to acquire and equip by construction, lease-purchase, lease or otherwise, a facility for the manufacture of cutting tools (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 Project in the Park (as hereinafter defined) in the County involves an investment of at least \$12,000,000 in new, taxable (fee in lieu of tax) investment the County within five (5) years of the end of the Company tax year in which this Agreement is executed, all being maintained, without regard to depreciation, in accordance with the Act and this Agreement. 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 Ordinance adopted on November 5, 2013 (the "Fee Ordinance"), as an inducement to the Company to develop the Project and at the Company's request, the County Council, among other things, authorized the County to enter into a Fee Agreement with the Company which 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 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.

"Authorized Company Representative" shall mean the President of the Company or any person designated from time to time to act on behalf of the Company by its President or one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary, any assistant secretary, or senior personnel so designated by an officer of the corporation 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 Company by its President, one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary, any assistant secretary or senior personnel so designated by an officer of the corporation. Such certificates may designate an alternate or alternates, and may designate different Authorized Company Representatives to act for the Company with respect to different sections of this 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 Project Flat, a company incorporated under the laws of the State of Delaware 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 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 Fee Agreement, (ii) a casualty to the Phase of the Project, or any part thereof, described in Section 4.8 of this Fee Agreement or (iii) a condemnation to the Phase of the Project, or any part thereof, described in Section 4.9 of this 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 Fee Agreement.

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

"Facility" shall mean any such facility that the Company 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 Company for the Project.

"Fee Agreement" shall mean this Fee Agreement.

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

"FILOT Revenues" shall mean the payments in lieu of taxes which the Company is 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 Fee Agreement.

"Inducement Resolution" shall mean the resolution of the County Council adopted on September 17, 2013, 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, 2013, and ending on the last day of the fifth (5th) property tax year following the property tax year in which this Agreement is executed.

"Minimum Investment" shall mean that the Company shall invest under and pursuant to the Fee Agreement not less than Twelve Million Dollars (\$12,000,000) in qualifying, new taxable investment in the Project by the end of the fifth (5th) year after the year of execution of the Fee Agreement, and that \$12,000,000 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.

"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 (the "Pickens Park"), as amended from time to time. The term of Park has been or is being extended and

will expire, as to the Project site, 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 twenty years after each such Phase of the Project becomes subject to the terms of this Fee Agreement. Anything contained herein to the contrary notwithstanding, the last Phase Termination Date shall be no later than the later of: (a) December 31, 2038 or December 31, 2043, if an additional extension of time in which to complete the Project is hereinafter granted by the County pursuant to Section 12-44-30(13) of the Act, and utilized by the Company by making the required investments, or (b) December 31 of the year of the expiration of the maximum period of years that the annual fee payment is available to the Company under Section 12-44-30(21) of the Act, as amended, but only if the County subsequently agrees to such a maximum number of years exceeding twenty and such agreement is approved by the County Council and reduced to writing.

"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 any Real Property which qualifies as Economic Development Property under the Act and becomes part of the Project pursuant to the provisions of this Agreement. 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 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 Company shall be entitled to remove from the Project with the result that the same shall no longer be subject to the terms of the Fee Agreement:

(a) components or Phases of the Project or portions thereof which the Company, in its sole discretion, determines 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 Company in its sole discretion, elects to remove pursuant to Section 4.8(c) or Section 4.9(b)(iii) of this 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 Company 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.

"State" shall mean the State of South Carolina.

Any reference to any agreement or document in this Article I or otherwise in this 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 Fee Agreement and to carry out its obligations hereunder. The County has duly authorized the execution and delivery of this Fee Agreement and any and all other agreements described herein or therein.

(b) The Project, as represented by the Company 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 Company hereby represents and warrants to the County as follows:

(a) The Company is duly incorporated and in good standing under the laws of the State of Delaware, is qualified to do business in the State, has power to enter into this Fee Agreement, and by proper company action has duly authorized the execution and delivery of this Fee Agreement.

(b) The Company's execution and delivery of this Fee Agreement and its 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 is now a party or by which it is bound.

(c) The Company intends 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 cutting tools 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 Company to locate the Facility and Project in the State.

(e) The Company anticipates that the cost of the project will be at least \$12,000,000 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 this Agreement is executed. The Company will invest not less than Twelve Million Dollars (\$12,000,000) 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 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 \$12,000,000 Minimum Investment, without regard to depreciation, not be maintained, all as required by this Agreement and the Act, at any point in time, after having once been achieved, the Company will lose the benefit of the 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 Company has 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 Company 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 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 Fee Agreement if it does not complete the Project.

Section 3.2 Diligent Completion. The Company agrees 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, 2018, or on or prior to December 31, 2023 if not less than \$12,000,000 of Economic Development Property is invested in the Project on or prior to December 31, 2018 and the County agrees to an extension of the Investment Period hereof by resolution. Anything contained in this Agreement to the contrary notwithstanding, the Company 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 Fee Agreement, and provided that the Company may lose the benefit of this 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 Company is required to make payments in lieu of ad valorem taxes to the County with respect to the Project. Inasmuch as the Company anticipates 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 Company have negotiated the amount of the payments in lieu of taxes in accordance therewith. In accordance therewith, the Company 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 Company 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, 2018 or up to December 31, 2023, if an extension of time to complete Project is subsequently granted in writing by the County in its discretion pursuant to Section 12-44-30(13) of the Act, in non-exempt Economic Development Property, 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 19 years using the original income tax basis for State income tax purposes less depreciation for each year allowable to the Company 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 the 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 an 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 nineteen years thereafter or such longer period of years that the annual fee payment is permitted to be made by the Company 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, 2013, which the parties believe to be 213.0 mills (which millage rate shall remain fixed for the term of this Fee Agreement), to determine the amount of the payments in lieu of taxes which would be due in each of the twenty 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 Company 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 nineteenth (19th) 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 Company 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 Company with the benefits to be derived herefrom, it being the intention of the County to offer the Company 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 Company 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 Company 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 Company, with respect to a year or years for which payments in lieu of ad valorem taxes have been previously remitted by the Company to the County hereunder,

shall be reduced by the actual amount of payments in lieu of ad valorem taxes already made by the Company 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 \$12,000,000 in non-exempt Economic Development Property, as required under Section 12-44-30(13) of the Act by December 31, 2018, at the Project in the Park by that date, then beginning with the payment finally due in 2019, the payment in lieu of ad valorem taxes to be paid to the County by the Company 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 Company in such a case, and the Investment Period will be terminated at that point. In addition to the foregoing, the Company 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 2018 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 Company with respect to the Project through and including 2018. 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 \$12,000,000 (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 Company from such respective point on, for the duration of this 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 Company 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 \$12,000,000.

Section 4.3 Payments in Lieu of Taxes on Replacement Property. If the Company elects 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 Company 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 Company 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 twenty (20) (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 Company 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 Company 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 twenty percent (20%) 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 Company in the Project equals or exceeds \$12,000,000 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 Company only to the extent that such Company has 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 Company 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 Company. 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 Company for the duration of the Infrastructure Tax Credits. At no time shall the aggregate of Infrastructure Tax Credits received by the Company 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 Company 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 Fee Agreement, and subject to Section 4.2 and Section 4.5, hereof, the Company 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 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 Company, in its sole discretion, determines 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 Company, in its sole discretion, elects to remove pursuant to Section 4.8(c) or Section 4.9(b)(iii) hereof. The Company 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 Company 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 Company does not elect to terminate this Agreement, the Company 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 Company, subject to the provisions of Sections 4.2 and 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 Company to the County under Section 4.1 hereof.

(c) **Election to Remove.** In the event the Company elects not to terminate this Agreement pursuant to subsection (a) and elects 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 Company, the Company shall have the option to terminate this 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 Company may elect: (i) to terminate this 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 Company; or (iii) to treat the portions of the Project so taken as Removed Components.

Section 4.10 Maintenance of Existence. The Company agrees (i) that it shall not take any action which will materially impair the maintenance of its company existence and (ii) that it will maintain its good standing under all applicable provisions of State law. Provided, however, the Company 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 Company's 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 Company shall and agrees 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 Company 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 Company shall defend them in any such action, prosecution or proceeding with counsel reasonable acceptable to the County.

Section 4.12 Confidentiality/Limitation on Access to Project. The County acknowledges and understands that the Company utilizes 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 Company's operations could result in substantial harm to the Company and could thereby have a significant detrimental impact on the Company's 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 Company, if the Company does provide such information to the County, if the Company 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 Company 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 Fee Agreement may be assigned in whole or in part and the Project may be subleased as a whole or in part by the Company 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 Fee Agreement, and the term "Events of Default" shall mean, whenever used with reference to this Fee Agreement, any one or more of the following occurrences:

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

(b) Failure by the Company to perform any of the material terms, conditions, obligations or covenants of the Company 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 Company 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 Company under this 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 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 Company agrees 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 Company shall default under any of the provisions of this 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 Company contained herein, the Company 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 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: Project Flat

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 Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company 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 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 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 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 Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee

Agreement.

Section 5.6 Amendments. The provisions of this 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 Company, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request to effectuate the purposes of this Fee Agreement.

Section 5.8 Severability. If any provision of this 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 Company with the maximum benefits to be derived herefrom, it being the intention of the County to offer the Company 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 FEE AGREEMENT SHALL BE A LIMITED OBLIGATION OF THE COUNTY, PAYABLE BY THE COUNTY SOLELY FROM THE PROCEEDS DERIVED UNDER THIS 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 Company 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 cause, similar or dissimilar, beyond Company's reasonable control.

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this 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 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: _____
Joel Thrift, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By: _____
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

**PROJECT FLAT,
a Delaware corporation**

By: _____
Its:

EXHIBIT "A"
LAND DESCRIPTION

Tract 1

All that piece, parcel or tract of land together with the buildings and improvements thereon situate, lying and being in the State of South Carolina, County of Oconee, Tugaloo Township, on the north side of U.S. Highway 123, and containing approximately 8.54 acres; a unitary tract being composed of Tract A, containing 7.53 acres and Tract B, containing 1.01 acres, as shown and more fully described on a Plat thereof by Michael L. Henderson, PS #6946 of Cornerstone of Seneca, Inc. dated August 11, 1997, and recorded August 15, 1997 in Plat Book A512, Page 10, in the records of Oconee County, South Carolina, a copy of which is attached hereto as Exhibit "A-1" and made a part hereof.

Being the same premises conveyed by LAWRENCE F. YUDA and SANDRA YUDA by deed of THRIFT BROTHERS, INC. dated December 16, 1986 and recorded December 16, 1986 in Deed Book 480 page 16, Records of Oconee County, South Carolina, and the same premises conveyed to LAWRENCE F. YUDA and SANDRA YUDA by deed of VALENITE, INC. dated June 12, 1995 and recorded June 15, 1995 in Deed Book 821 page 121 Records of Oconee County, South Carolina, a portion of the premises conveyed to the CAP FAMILY LP by deed of LAWRENCE F. YUDA and SANDRA YUDA dated December 22, 2000 and recorded December 28, 2000 in Deed Book 1128 page 005, Records of Oconee County, South Carolina.

Tract 2

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Oconee, Tugaloo Township, containing approximately 12.227 acres, as shown and more fully described on a survey entitled "Property of Valenite, Inc." prepared by James G. Hart, Reg. L.S. #6674, dated February 12, 2003, revised June 20, 2003, a copy of which is attached hereto as Exhibit "A-2" and made a part hereof.

Being a portion of the premises conveyed to the CAP FAMILY LP by deed of LAWRENCE F. YUDA and SANDRA YUDA, dated December 22, 2000 and recorded December 28, 2000 in Deed Book 1128 at page 005, Records of Oconee County, South Carolina

STATE OF SOUTH CAROLINA
OCONEE COUNTY
ORDINANCE 2013-30

AN ORDINANCE TO AMEND SECTION 1-7, ENTITLED *GENERAL PENALTY; CONTINUING VIOLATIONS* OF CHAPTER 1, ENTITLED *GENERAL PROVISIONS*, OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY; AND OTHER MATTERS RELATED THERETO.

WHEREAS, 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”), has previously 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 from time to time; and,

WHEREAS, Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, sets forth the penalties and prescribes the restitution limits that may be ordered by magistrates in the County for any violation(s) of the Code of Ordinances; and,

WHEREAS, it has come to the attention of the County Council that the State law that sets forth the Restitution Limits that may be ordered by magistrates in the County for any violation(s) of the Code of Ordinances (the “Restitution Limits”) has changed from the specific Restitution Limits set forth in Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances; and,

WHEREAS, due to the aforementioned changes in the State law that sets forth the Restitution Limits that may be ordered by magistrates in the County, the County Council finds that there is a need to enact an Ordinance that amends Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, to amend the Restitution Limits so that said Restitution Limits are in concert and accord with State law; and,

WHEREAS, the County Council further finds there is a need to provide for a means to amend Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, to make sure the Restitution Limits set forth in said Section of the Code of Ordinances are automatically updated to remain in concert and accord with any future change(s) in the State law that sets forth the Restitution Limits that may be ordered by magistrates in the County for any violation(s) of the Code of Ordinances; and,

WHEREAS, based on the above findings of fact, the County Council hereby desires to amend Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, in regard to the Restitution Limits of the Code of Ordinances:

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

1. The statements of fact and policy from the preamble of this Ordinance are hereby adopted, as findings of fact, by the County Council, in their entirety, and are hereby

adopted by reference, as part of the ordaining language of this Ordinance as fully as if set forth verbatim herein. It is the specific intent of the County Council to enact an ordinance that is fully authorized by the laws and the Constitutions of the United States and the State, and is consistent with and does not violate State or national law.

2. The entire content of the current Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, is hereby revoked, stricken, rewritten, and replaced in its entirety with the rewritten Section 1-7 set forth in **Exhibit A**, which is hereby incorporated herein as fully as if set forth verbatim herein.
3. The County Administrator, upon the advice and recommendation of the County Attorney, is hereby authorized and directed to take any and all actions required of the County, or that he may deem desirable in his sole discretion, to give effect to the acts of the County Council as contemplated herein.
4. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination should not affect the rest and remainder of this Ordinance, all of which is hereby deemed separable.
5. All ordinances, orders, resolutions, and actions of the County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded. However, nothing contained herein, or in **Exhibit A** hereto, shall cancel, void, or revoke, or shall be interpreted as cancelling, voiding, or revoking in any regard any prior County acts, actions, or decisions of the County or the County Council, in any regard, except as explicitly and specifically stated herein
6. All other terms, provisions, sections, and contents of the Code of Ordinances not specifically affected hereby remain in full force and effect.
7. This Ordinance shall take effect and be in full force and effect from and after the third reading and the public hearing and enactment by the County Council in accordance with the County Code.

Ordained in meeting, duly assembled, this ____ day of _____, 2013.

ATTEST:

Elizabeth Hulse,
Clerk to Oconee County Council

Joel Thrift,
Chairman, Oconee County Council

First Reading: October 1, 2013
Second Reading: October 15, 2013
Third Reading: _____
Public Hearing: _____

EXHIBIT A

The rewritten Section 1-7, entitled *General penalty; continuing violations*, of the Oconee County Code of Ordinances, adopted as of _____, 2013 by Ordinance 2013 - _____ shall read as follows:

“Sec. 1-7. General penalty; continuing violations.

- (a) Whenever in the Oconee County Code of Ordinances or in any ordinance of the County any act is: prohibited, declared to be unlawful an offense or misdemeanor, the doing of any act is required, the failure to do any act is declared to be unlawful an offense or misdemeanor, and if no specific penalty is provided for the violation(s), the violation(s) of any such provision of this Code of Ordinances, or any such ordinance of the County, shall be subject to a fine and/or imprisonment in an amount not to exceed the jurisdictional limits granted to a magistrate court in the County under South Carolina law. In addition, a magistrate court may order restitution in an amount not to exceed the jurisdictional limits granted to a magistrate court, at the time of such order, in the County under South Carolina law. In determining the amount of restitution to order, the magistrate shall determine and itemize the actual amount of damage or loss in the order. In addition, the magistrate may set an appropriate payment schedule. A magistrate may hold a party in contempt for failure to pay the restitution ordered if the magistrate finds the party has the ability to pay.

Each day any violation of this Code of Ordinances or any such ordinance, resolution, rule, regulation or order shall continue to exist constitutes, except where otherwise provided, a separate offense.

- (b) All ordinances of Oconee County adopted prior hereto, which, subsequent to adoption, are codified in the Oconee County Code of Ordinances, and which purport to create any criminal offense or prescribe any criminal penalty, and which are finally held by a court of competent jurisdiction to be in violation of Article VIII Section 14 of the Constitution of South Carolina, are hereby automatically amended upon and only upon such holding, and without any further act or action required of any body or entity, to create an infraction, instead, and the conduct described therein is hereby automatically deemed, upon such holding only, and without any further act or action required of any body or entity, to be a public nuisance in accordance with the opinion of the South Carolina Supreme Court in *Foothills Brewing Concern Inc. v. City of Greenville* 377 S.C. 154, 480 S.E.2d 718 (2008), and the civil penalty for violation of any such infraction shall be

imposed against the violator, up to the maximum amount which is authorized by State law, for the commission of an infraction created by a County ordinance, on the date the violation was committed; provided, however, the amount of the civil fine shall not be so great as to violate the holding of the opinion of the South Carolina Supreme Court in *Beachfront Entertainment Inc. vs. Town of Sullivans Island, S.C.*, S.E.2d (2008). To the extent allowed by law, the civil fine may be enrolled with the clerk of court as a judgment and collected in the manner provided by law for judgment liens.

- (c) Any ordinance adopted subsequent to the effective date of the ordinance from which this Section derives, which, subsequent to adoption, is codified in the Oconee County Code of Ordinances, shall create a criminal violation, punishable as set forth in subsection (a), above, to the extent allowed by Article VIII Section 14 of the Constitution of South Carolina, and otherwise, shall create an infraction, punishable as set forth in subsection (b), above.

- (d) In the event specific penalties are provided by and within Sections of the Oconee County Code of Ordinances, such specific penalties shall apply, otherwise the general penalties as set forth in subsections 1-7(a), (b) and (c), above, shall apply.”

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OCONEE COUNTY, SOUTH CAROLINA¹
ORDINANCE ~~2012~~² NUMBER 2013 - ⁴ ⁵

AN ORDINANCE TO AMEND SECTION 1-7, ENTITLED *GENERAL PENALTY; CONTINUING VIOLATIONS* OF CHAPTER 1, ENTITLED *GENERAL PROVISIONS*, OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY; AND OTHER MATTERS RELATED THERETO.⁶

WHEREAS, 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"), has previously 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 from time to time; and,⁷

WHEREAS, Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, ~~declares the violation of the Code of Ordinances as criminal conduct, and prescribes certain criminal penalties for the violation of the Code of Ordinances; and,~~⁸

~~WHEREAS, various Section(s) of the Code of Ordinances provide for specific penalties for a violation of the code Section(s), and whereas, particularly, Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances does not provide for the application of these specific penalties; and,~~¹⁰

~~WHEREAS, the County Council has determined that a question exists as to whether the enactment of criminal penalties and the declaration of criminal conduct may be authorized for counties in the State; and,~~¹¹

~~WHEREAS, Titles 4 and 6 of the South Carolina Code of Laws, 1976, as amended (the "Code"), are not clear as to whether local governments are authorized to declare conduct as criminal and to establish criminal penalties in light of Article VIII Section 14 of the State Constitution; and,~~¹² WHEREAS, the County Council finds that it would be both advantageous and appropriate¹³ sets forth the penalties and prescribes the restitution limits that may be ordered by magistrates in the County for any violation(s) of the Code of Ordinances; and,¹⁴

WHEREAS, it has come to the attention of the County Council that the State law that sets forth the Restitution Limits that may be ordered by magistrates in the County for any violation(s) of the Code of Ordinances (the "Restitution Limits") has changed from the specific Restitution Limits set forth in Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances; and,¹⁵

WHEREAS, due to the aforementioned changes in the State law that sets forth the Restitution Limits that may be ordered by magistrates in the County, the County Council finds that there is a need¹⁶ to enact an Ordinance that amends Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances,¹⁷ ~~in the event and at such time, and only in that~~

~~event and time, as a court of competent jurisdiction finally determines that the declaration of criminal conduct and the establishment of criminal penalties are not authorized or enforceable by counties in the~~¹⁸ to amend the Restitution Limits so that said Restitution Limits are in concert and accord with¹⁹ State²⁰ law²¹; and,²²

~~WHEREAS, the County Council further finds~~²³ ~~that the courts of the State are the appropriate entities to interpret the Constitution and statutes of the State by which the County must abide in proscribing conduct, and in applying penalties and enforcements, and in interpreting the rules and regulations of the County as to such conduct and penalties, provided such rules and regulations comply with the Constitution and Code of the State, and all other applicable laws pertaining to enforcing penalties; and,~~²⁴ there is a need to provide for a means to amend Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, to make sure the Restitution Limits set forth in said Section of the Code of Ordinances are automatically updated to remain in concert and accord with any future change(s) in the State law that sets forth the Restitution Limits that may be ordered by magistrates in the County for any violation(s) of the Code of Ordinances; and,²⁵

~~WHEREAS,~~²⁶ ~~the County Council finds that it would be both advantageous and appropriate to further amend Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, to provide for the application of the general penalties as set forth in Section 1-7, of the Code of Ordinances, in the absence of, and only in the absence of specific penalties provided for elsewhere in the Code of Ordinances, in the event of a violation of the Code of Ordinances; and,~~²⁷ ~~WHEREAS,~~²⁸ ~~based on the above findings~~²⁹ of fact³⁰, the County Council hereby desires to amend Section 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances, in ³¹ regards³² regard³³ to the ³⁴ violation³⁵ Restitution Limits³⁶ of the Code of Ordinances³⁷ ~~and the penalties prescribed for doing so~~^{38,39}

~~NOW, THEREFORE,~~ it is hereby ordained by the⁴⁰ Oconee⁴¹ County Council, in meeting duly assembled, that:⁴²

1. The statements of fact and policy from the preamble of this ⁴³ ordinance⁴⁴ Ordinance⁴⁵ are hereby adopted, as findings of fact, by the County Council, in their entirety, and are hereby adopted by reference, as part of the ordaining language of this Ordinance^{46,47}; as fully as if set forth verbatim herein⁴⁸ ~~and therein~~⁴⁹. It is the specific intent of the County Council to enact an ordinance that is fully authorized by the laws and the Constitutions of the United States and the State, and is consistent with and does not violate State or national law^{50,51}.
2. The ⁵² provisions⁵³ entire content⁵⁴ of ⁵⁵ §⁵⁶ the current Section⁵⁷ 1-7, entitled *General penalty; continuing violations*, of the Code of Ordinances,⁵⁸ ~~are hereby revised and amended to read:~~⁵⁹ is hereby revoked, stricken, rewritten, and replaced in its entirety with the rewritten Section 1-7 set forth in Exhibit A, which is hereby incorporated herein as fully as if set forth verbatim herein.⁶⁰

~~“(a) Whenever in the Oconee County Code of Ordinances or in any Ordinance of the County any act is prohibited or is declared to be unlawful or~~

~~an offense or misdemeanor, or the doing of any act is required, or the failure to do any act is declared to be unlawful or an offense or a misdemeanor, and no specific penalty is provided for the violation, the violation of any such provision of this Code of Ordinances, or any such Ordinance, shall be subject to a fine not exceeding \$500.00 or imprisonment not exceeding 30 days, or both such fine and imprisonment. In addition, a magistrate may order restitution in an amount not to exceed \$5,000.00. In determining the amount of restitution, the judge shall determine and itemize the actual amount of damage or loss in the order. In addition, the judge may set an appropriate payment schedule. A magistrate may hold a party in contempt for failure to pay the restitution ordered if the judge finds the party has the ability to pay.~~⁶¹

~~Each day any violation of this Code of Ordinances or any such Ordinance, resolution, rule, regulation or order shall continue to exist constitutes, except where otherwise provided, a separate offense.~~⁶²

~~(b) All Ordinances of Oconee County adopted prior hereto, which, subsequent to adoption, are codified in the Oconee County Code of Ordinances, and which purport to create any criminal offense or prescribe any criminal penalty, and which are finally held by a court of competent jurisdiction to be in violation of Article VIII Section 14 of the Constitution of South Carolina, are hereby automatically amended upon and only upon such holding, and without any further act or action required of any body or entity, to create an infraction, instead, and the conduct described therein is hereby automatically deemed, upon such holding only, and without any further act or action required of any body or entity, to be a public nuisance in accordance with the opinion of the South Carolina Supreme Court in *Foothills Brewing Concern Inc. v. City of Greenville* 377 S.C. 355 (2008), and the civil penalty for violation of any such infraction shall be imposed against the violator, up to the maximum amount which is authorized by State law, for the commission of an infraction created by a county ordinance, on the date the violation was committed; provided, however, the amount of the civil fine shall not be so great as to violate the holding of the opinion of the South Carolina Supreme Court in *Beachfront Entertainment Inc. vs. Town of Sullivan's Island* 379 S.C. 602 (2008). To the extent allowed by law, the civil fine may be enrolled with the Clerk of Court as a judgment and collected in the manner provided by law for judgment liens.~~⁶³

~~(c) Any Ordinance adopted subsequent to the effective date of this Ordinance, which, subsequent to adoption, is codified in the Oconee County Code of Ordinances, shall create a criminal violation, punishable as set forth in subsection (a), above, to the extent allowed by Article VIII Section 14 of the Constitution of South Carolina, and otherwise, shall create an infraction, punishable as set forth in subsection (b), above.~~⁶⁴

~~(d) In the event specific penalties are provided by and within Sections of the Oconee County Code of Ordinances, such specific penalties shall apply; otherwise the general penalties as set forth in Section 1-7 subsection (a) and (b) and (c), above, shall apply.~~⁶⁵

3. ~~3.~~⁶⁶ The County Administrator, upon the advice and recommendation of the County Attorney, is hereby authorized and directed to take any and all actions required of the County, or that he may deem desirable in his sole discretion, to give effect to the acts of the County Council as contemplated herein.⁶⁷
4. ~~3.~~⁶⁸ Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination should not affect the rest and remainder of this Ordinance, all of which is hereby deemed separable.⁶⁹
5. ~~4.~~⁷⁰ All ~~71~~⁷¹ ~~Ordinances, Orders, Resolutions~~⁷² ordinances, orders, resolutions⁷³, and actions of the County ~~74~~⁷⁴ Council⁷⁵ inconsistent herewith are ~~76~~⁷⁶ ~~hereby~~⁷⁷, to the extent of such inconsistency only, ~~78~~⁷⁸ ~~revoked~~⁷⁹ ~~hereby~~⁸⁰ repealed⁸¹ revoked⁸² and ~~83~~⁸³ ~~superseded~~⁸⁴ rescinded. However, nothing contained herein, or in Exhibit A hereto, shall cancel, void, or revoke, or shall be interpreted as cancelling, voiding, or revoking in any regard any prior County acts, actions, or decisions of the County or the County Council, in any regard, except as explicitly and specifically stated herein⁸⁵
6. ~~5.~~⁸⁶ All other terms, provisions, sections, and contents of the Code of Ordinances not specifically affected hereby remain in full force and effect.⁸⁷
7. ~~6.~~⁸⁸ This Ordinance shall take effect ~~89~~⁸⁹ and be in full force and effect⁹⁰ from and after the ~~91~~⁹¹ third reading and the⁹² public hearing and⁹³ ~~the third reading~~⁹⁴ enactment by the County Council⁹⁵ in accordance with the ~~96~~⁹⁶ County⁹⁷ Code⁹⁸ ~~of Ordinances~~⁹⁹ ¹⁰⁰.

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¹⁰¹Ordained in meeting, duly assembled, this _____ day of _____, ¹⁰²~~2012~~
¹⁰³2013,¹⁰⁴

ATTEST:¹⁰⁵

¹⁰⁶

Elizabeth Hulse,
Clerk to Oconee County Council

Joel Thrift,¹⁰⁷
Chairman, Oconee County Council¹⁰⁸

First Reading: _____¹⁰⁹
Second Reading: _____
Third Reading: _____
Public Hearing: _____

110

111

112

EXHIBIT A

The rewritten Section 1-7, entitled *General penalty; continuing violations*, of the Oconee County Code of Ordinances, adopted as of _____, ~~2012~~¹2013² by Ordinance ~~2012~~³2013⁴ - _____ shall read as follows:

“Sec. 1-7. General penalty; continuing violations.

- (a) Whenever in the Oconee County Code of Ordinances or in any ~~Ordinance~~⁵ordinance⁶ of the County any act is⁷ prohibited~~or is~~^{8,9} declared to be unlawful ~~or~~¹⁰ an offense or misdemeanor,~~or~~¹¹ the doing of any act is required, ~~or~~¹² the failure to do any act is declared to be unlawful ~~or~~¹³ an offense or a¹⁴ misdemeanor, and ~~if~~¹⁵ no specific penalty is provided for the violation(s)¹⁶, the violation(s)¹⁷ of any such provision of this Code of Ordinances, or any such ~~Ordinance~~¹⁸ordinance of the County¹⁹, shall be subject to a fine ~~not exceeding \$500.00 or imprisonment not exceeding 30 days, or both such fine~~²⁰ and/or²¹ imprisonment in an amount not to exceed the jurisdictional limits granted to a magistrate court in the County under South Carolina law²². In addition, a magistrate court²³ may order restitution in an amount not to exceed ~~\$5,000.00.~~²⁴ the jurisdictional limits granted to a magistrate court, at the time of such order, in the County under South Carolina law.²⁵ In determining the amount of restitution to order²⁶, the ~~judge~~²⁷magistrate²⁸ shall determine and itemize the actual amount of damage or loss in the order. In addition, the ~~judge~~²⁹magistrate³⁰ may set an appropriate payment schedule. A magistrate may hold a party in contempt for failure to pay the restitution ordered if the ~~judge~~³¹magistrate³² finds the party has the ability to pay.

Each day any violation of this Code of Ordinances or any such ~~Ordinance~~³³ordinance³⁴, resolution, rule, regulation or order shall continue to exist constitutes, except where otherwise provided, a separate offense.

- (b) All ~~Ordinances~~³⁵ordinances³⁶ of Oconee County adopted prior hereto, which, subsequent to adoption, are codified in the Oconee County Code of Ordinances, and which purport to create any criminal offense or prescribe any criminal penalty, and which are finally held by a court of competent jurisdiction to be in violation of Article VIII Section 14 of the Constitution of South Carolina, are hereby automatically amended upon and only upon such holding, and without any further act or action required of any body or entity, to create an infraction, instead, and the conduct described therein is hereby automatically deemed, upon such holding only, and without any further act or action required of any body or entity, to be a public nuisance in accordance with the opinion of the South

Carolina Supreme Court in *Foothills Brewing Concern Inc. v. City of Greenville* 377 S.C. 355 (2008), and the civil penalty for violation of any such infraction shall be imposed against the violator, up to the maximum amount which is authorized by State law, for the commission of an infraction created by a ~~county~~³⁷ County³⁸ ordinance, on the date the violation was committed; provided, however, the amount of the civil fine shall not be so great as to violate the holding of the opinion of the South Carolina Supreme Court in *Beachfront Entertainment Inc. vs. Town of Sullivan's Island* 379 S.C. 602 (2008). To the extent allowed by law, the civil fine may be enrolled with the ~~Clerk~~³⁹ clerk⁴⁰ of ~~Court~~⁴¹ court⁴² as a judgment and collected in the manner provided by law for judgment liens.

- (c) Any ~~Ordinance~~⁴³ ordinance⁴⁴ adopted subsequent to the effective date of the ordinance from which⁴⁵ this ~~Ordinance~~⁴⁶ Section derives⁴⁷, which, subsequent to adoption, is codified in the Oconee County Code of Ordinances, shall create a criminal violation, punishable as set forth in subsection (a), above, to the extent allowed by Article VIII Section 14 of the Constitution of South Carolina, and otherwise, shall create an infraction, punishable as set forth in subsection (b), above.
- (d) In the event specific penalties are provided by and within Sections of the Oconee County Code of Ordinances, such specific penalties shall apply, otherwise the general penalties as set forth in ~~Section~~⁴⁸ subsections⁴⁹ 1-7 ~~subsection~~⁵⁰ (a) ~~and~~^{51, 52} (b) and (c), above, shall apply.”

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AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: October 15, 2013
COUNCIL MEETING TIME: 6:00 PM

ITEM TITLE [Brief Statement]:

Ordinance 2013-33 [in title only] "AN ORDINANCE AUTHORIZING ACCEPTANCE OF TRANSFER OF AUTHORITY FOR MUNICIPAL ELECTIONS FOR THE CITY OF SENECA AND AUTHORIZING AN INTERGOVERNMENT AGREEMENT OR EMBODYING DOCUMENT INCLUDING THE TERMS OF ANY AGREEMENT, WITH EACH; AND OTHER MATTERS RELATED THERETO"

BACKGROUND DESCRIPTION:

Present, with the City of Seneca, their ordinances "Request Transfer of Authority" of their Municipal Elections to the Oconee County Election Commission
The process of transferring their elections must be approved by their ordinance, then presented to County Council for their acceptance, via ordinance.
Reference Section 5-15-145

SPECIAL CONSIDERATIONS OR CONCERNS [only if applicable]:

Copy of City of Seneca Ordinance 2013-15, along with signed copy of Intergovernmental Agreement, is attached.

FINANCIAL IMPACT [Brief Statement]:

No additional cost to the county.

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

Ordinance 2013-33

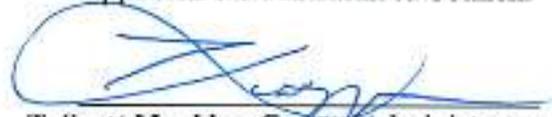
STAFF RECOMMENDATION [Brief Statement]:

It is the staff's recommendation that Council approve Ordinance 2013-33 on first reading.

Submitted or Prepared By:

Department Head/Elected Official

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.

**CITY OF SENECA, SOUTH CAROLINA
ORDINANCE NUMBER 2013-15**

AN ORDINANCE AUTHORIZING THE TRANSFER OF AUTHORITY FOR MUNICIPAL ELECTIONS FOR THE CITY OF SENECA TO OCONEE COUNTY AND AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT OR EMBODYING DOCUMENT INCLUDING THE TERMS OF ANY AGREEMENT; AND OTHER MATTERS RELATED THERETO.

WHEREAS, the City of Seneca, South Carolina (the "City"), a municipal corporation and body politic and political subdivision duly organized and existing under the laws of the State of South Carolina (the "State"), acting by and through its governing body, the Seneca City Council (the "City Council"), has previously adopted certain ordinances for the effective, efficient governance of the City; and,

WHEREAS, pursuant to the authority established in Article VIII, Section 13 of the State Constitution, and particularly the authority established in Section 6-1-20 of the Code of Laws of South Carolina, 1976, as amended (the "Code"), local governments, including counties, municipalities, and special service districts, may enter into intergovernmental agreements (the "Agreement") with each other to provide joint public facilities and services when considered mutually desirable; and,

WHEREAS, Section 5-15-145 of the Code provides for the transfer of all authority, powers, duties, and responsibilities for conducting municipal elections from a City's Municipal Election Commission (the "City Commission") to a County's Voter Registration and Election Commission (the "County Commission") upon the adoption of an appropriate ordinance by the governing body of the municipality transferring all authority, powers, duties and responsibilities, and the adoption of an appropriate ordinance by the county governing body accepting the transfer of all authority, powers, duties, and responsibilities for conducting municipal elections with both ordinances embodying terms of the Agreement related to such transfer; and,

WHEREAS, pursuant to the foregoing authorities the City desires to transfer all authority, powers, duties, and responsibilities for conducting municipal elections within the City to Oconee County (the "County"), and to that end the City has proposed this Ordinance to City Council to authorize the execution and implementation of an Agreement to transfer all authority, powers, duties, and responsibilities for conducting municipal elections in the City from the City's Commission to the County's Commission. A copy of the Agreement is attached hereto as Exhibit "A", and is hereby incorporated by reference as fully as if set forth verbatim herein; and,

WHEREAS, pursuant to the foregoing authorities the County Council has found or will find the County's Commission is willing to assume the transfer of all authority powers, duties and responsibilities for conducting municipal elections in the City upon the terms and conditions outlined in the attached Agreement, and have commenced proceedings for the adoption of Ordinance Number 2013-_____ that accepts the transfer of all authority, powers,

duties, and responsibilities for conducting municipal elections from the City's Commission to the County's Commission; and,

WHEREAS, pursuant to the foregoing authorities, the City and the County, through authorization from their respective governing bodies, as required by the Code, desire to authorize the execution and delivery of an Agreement that: provides for the transfer of all authority for conducting municipal elections in the City from the City's Commissions to the County's Commission; defines the authority, powers, duties, and responsibilities assumed by the County's Commission for the conduct of municipal elections in the City; and, provides for reimbursement of all costs and expenses incurred by the County's Commission in the conduct of such municipal elections:

NOW, THEREFORE, it is hereby ordained by the Seneca City Council, in meeting duly assembled that:

1. The statements of fact and policy from the preamble of this Ordinance are hereby adopted, as findings of fact, by the City Council, in their entirety, and are hereby adopted by reference, as part of the ordaining language of this Ordinance as fully as if set forth verbatim herein.

2. The attached form of the Agreement, attached hereto as Exhibit "A", is hereby incorporated herein as fully as if set forth verbatim herein, in the form attached to this Ordinance and presented to the City Council meeting at which this Ordinance is to be approved, and is hereby adopted and approved, for execution by the City.

3. The Mayor, upon the advice and recommendation of the City Attorney, and the City, acting by and through the City Council, are hereby authorized to execute and deliver the attached Agreement, and to implement the Agreement, in the form approved hereby, or with such changes as do not materially adversely affect the City, upon the advice and recommendation of the City Attorney, all subject to the terms and provisions hereof.

4. The City Council, as the governing body of the City hereby transfers all authority powers, duties, and responsibilities to conduct municipal elections in the City, and through the execution and implementation of the attached Agreement all such authority powers, duties and responsibilities shall be transferred from the City's Commission to the County's Commission, all subject to the terms of the attached Agreement.

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

6. All ordinances, orders, resolutions, and actions of the City Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked and rescinded. However, nothing contained herein, or in the Agreement attached hereto, shall cancel, void, or revoke or shall be interpreted as cancelling, voiding or revoking in any

regard any prior City acts, actions or decisions of the City or the City Council, in any regard, except as explicitly and specifically stated herein.

7. All other terms, provisions and parts of the City Code not amended hereby, directly or by implication, shall remain in full force and effect.

8. This Ordinance shall take effect and be in full force and effect from and after the second reading and the public hearing and enactment by the City Council in accordance with the City Code.

PROPOSED ORDINANCE APPROVED AS TO FORM this _____ day of _____, 2013.


MICHAEL J. SMITH, City Attorney

APPROVED AND RATIFIED on First Reading this 13th day of August, 2013
by a vote of

8 YES

0 NO ABSTAIN


Joel Seavey, Clerk

APPROVED, RATIFIED AND ADOPTED on Second and Final Reading this 10th day
of September, 2013 by a vote of:

8 YES

0 NO ABSTAIN

Attest:  Mayor
 Joel Seavey, Clerk

Commission for the conduct of municipal elections in the City; and, provides for reimbursement of all costs and expenses incurred by the County's Commission in the conduct of such municipal elections.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the City of Seneca and Oconee County (collectively the "Parties" or singularly the "Party") agree as follows:

1. The City hereby and by the City Ordinance authorizing the execution and delivery of this Agreement transfers all authority, powers, duties and responsibilities for conducting municipal elections within the City from the City's Commission to the County's Commission.

2. The County hereby and by County Ordinance Number 2013-_____ authorizing the execution and delivery of this Agreement, accepts the transfer of all authority, powers, duties, and responsibilities for conducting municipal elections in the City and all such authority, powers, duties and responsibilities shall be transferred from the City's Commission to the County's Commission.

3. The County's Commission shall advertise municipal elections, prepare and distribute ballots and election materials, appoint managers of elections for each polling place and otherwise supervise and conduct all municipal elections within the City.

4. The County's Commission shall begin to count and continuously count the votes cast and make a statement of the whole number of the votes cast in such elections together with the number of votes cast for each candidate for mayor and councilperson., canvass the vote and publicly display the unofficial results immediately upon the closing of the polls at any municipal election in the City.

5. The County's Commission shall certify the results of the elections and transmit the certified results to the City council or an appointed authority representing the City government as soon as practicable following the certification.

6. The County's Commission shall accept candidate filings and filing fees, including, but not limited to notices of candidacy, candidacy pledges, hear and decide protests and certify results of municipal elections.

7. The County's Commission shall utilize an Automated Election System and computer counting with the count publicly conducted.

8. The County's Commission shall take such other action as may be necessary or appropriate to conduct municipal elections and certify the results.

9. The County's Commission shall provide invoices and/or other documentation to the City of all costs and expenses incurred in the conduct of City Municipal elections, protests,

certification of results, litigation or other related or similar costs which may be incurred, not specifically mentioned in this Agreement.

10. The City shall reimburse the County's Commission for all costs incurred in providing ballots, advertising elections, printing costs, postage, transportation costs, temporary help, programming charges, poll managers' compensation and all other related expenses incurred in its conduct of municipal elections in the City.

11. In the event a protest is filed or litigation is commenced in connection with the conduct of municipal elections, the City shall pay all court costs, attorney fees, court reporter fees and costs, and other costs and expenses incurred in such protest or litigation.

12. Each party shall defend and pay all claims for damages to person and/or property, including court costs and attorney's fees, against it arising out of or in any way connected with the performance of this Agreement by the County, its agents and employees. Both Parties agree to immediately notify the other Party of any civil action arising out of the operation of this Agreement.

13. The City shall give its full and complete cooperation to the county, and provide any reasonable assistance which may be requested by the County related to the administration and enforcement of the terms and provisions of this Agreement.

14. If any provision of this Agreement shall be held to be invalid or unenforceable by any court of competent jurisdiction, the remaining provisions shall remain in full force and effect and such determination shall not affect the rest and remainder of this Agreement, all of which is hereby deemed separable. In the event such invalid or unenforceable provision is considered an essential element of this Agreement, the Parties shall promptly renegotiate an enforceable replacement provision.

15. This Agreement shall become effective upon the date of execution by the last Party to sign and receipt of pre-clearance and positive response to the transition of authority, powers, duties and responsibilities for conducting municipal elections from the United States Justice Department, and shall be for an indefinite time unless terminated in accordance with the provisions of Paragraph Sixteen (16) of this Agreement.

16. This Agreement may be terminated at any time by either of the Parties upon at least sixty (60) days written notice to the other of its intent to terminate or to withdraw authorization for the Agreement. Such written notice may be given by either Party, and shall be deemed to have been duly give, if either Party personally delivers or mails (as of the postmark date) its intent to terminate and withdraw its authorization for the Agreement to the respective addresses stated below:

To the County at: County of Oconee
 Attn: County Administrator
 415 S. Pine Street
 Walhalla, SC 29691

To the City at: City of Seneca
Attn: Mayor
P.O. Box 4773
Seneca, SC 29679

Either of the Parties may, at any time, change the address for notices to such Party by delivering or mailing a notice at least five (5) days prior to such address change, and setting forth the changed address.

17. This Agreement shall only be modified or amended with the mutual consent and approval of the Parties in writing.

18. This Agreement contains all matters considered by the Parties and shall constitute the complete and entire agreement between the Parties and no statement or representation not contained herein shall be valid.

19. All other Agreements, orders, resolutions, ordinances or parts of continuances inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked and rescinded. However, nothing contained herein, shall cancel, void, or revoke, or shall be interpreted as cancelling, voiding, or revoking in any regard any prior City or County acts, actions or decisions of the City or County or the City or County Council, in any regard, except as explicitly and specifically stated herein.

20. This Agreement shall be construed and enforced under the laws of the State of South Carolina.

WITNESS our hands and seals this 10th day of September, 2013.

WITNESSES:

Gal Seavey
Tom Riley

CITY OF SENECA, SOUTH CAROLINA

By: Daniel W. Alexander
Daniel W. Alexander, Mayor City of Seneca
Seneca, South Carolina

WITNESSES:

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Joel Thrift, Chairman, Oconee County Council
Oconee County, South Carolina

PROCUREMENT - AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: October 15, 2013

ITEM TITLE:

Title: 911 Emergency Recording Equipment

Department: Communications

Amount: \$63,189.88

FINANCIAL IMPACT:

Procurement was approved by Council in Fiscal Year 2013-2014 budget process.

Finance Approval: Mark H. Pullen

BACKGROUND DESCRIPTION:

This proposed system is a Verint Audiologger Recording System to be used to record and monitor 911 calls. This system is the only recording system on the market with native direct VOIP integration with our Intrado VIPER call handling system.

SPECIAL CONSIDERATIONS OR CONCERNS :

This system is manufactured by Verint and Replay Systems, Inc., is the authorized Verint distributor for the southeastern United States with service technicians based in South Carolina. Replay Systems is also the current provider of our existing 911 recording system and is therefore offering the County a discount as well as a trade-in allowance on the new hardware and software.

ATTACHMENT(S):

1. Sole Source Letter from Verint
2. Sole Source Letter from the Director of Emergency Communications
3. Quote from Replay Systems, Inc.

STAFF RECOMMENDATION :

It is the staff's recommendation that Council approve this purchase of a Verint 911 Recording System from Replay Systems, Inc., of Ft. Lauderdale, FL, in the amount of \$63,189.88.

Submitted or Prepared By: Robyn Courtight
Robyn Courtight, Procurement Director

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

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OCONEE COUNTY SHERIFF'S OFFICE

EMERGENCY COMMUNICATIONS / E-911

415 SOUTH PINE STREET
WALHALLA, SC 29691

Mike Crenshaw, Sheriff

Travis C. Tilson, Director

Office: (864) 718.1010

Dispatch: (864) 638.4111

Fax: (864) 638.4434

September 18, 2013

Robyn Courtright, Director
Oconee County Procurement
300 S Church Street
Walhalla, SC 29691

Ms. Courtright:

Please find attached a requisition for the replacement of the 911 emergency recording system. The proposed system is a Verint Audiologger recording system, which at this time is the only recording system on the market with native direct VOIP integration with our Intrado VIPER call handling system.

There are two quotes. The first is from Replay Systems, and reflects their standard pricing plus a discount for trade-in of our old equipment and a discount to our agency due to them being our current recording system provider.

The second quote is from Verint Corporation directly. They have provided us with GSA contract pricing (contract # GS-35F-0661T), which I would ask be accepted as a vetted competitive government contract price. I have attached the full Verint GSA contract for your review.

Replay has priced their system below the GSA standard pricing provided. The major difference in the pricing is that Replay includes the first year of maintenance for free, whereas Verint GSA would charge us \$5,408.06. Additionally, Replay is providing installation services for approximately one half the cost of the GSA contract.

For these cost-saving reasons, I would like to recommend that the Replay solution be accepted over the standard GSA pricing.

Please let me know if I may answer any questions you may have. As always, thank you for your assistance to our department in continuing to provide outstanding emergency services to our citizens.

Regards,

A handwritten signature in black ink, appearing to read "Travis C. Tilson".

Travis C. Tilson
Director



January 15, 2013

To whom it may concern,

This letter is to serve as notification that Replay Systems is a Verint Distributor based in the SouthEastern US with multiple Service Technicians based within the State of South Carolina for purposes of Installation and Support of Verint Audiolog Voice Recording Solutions. At this date, Replay Systems is the only Verint Distributor of Audiolog Voice Recording Solutions which has its Primary offices in the Southeasten United States.

Regards,

Bryan DeBarry

Bryan DeBarry
Regional Channel Sales Manager, SE
Verint Systems
Enterprise Intelligence Solutions



Price Proposal AUDIOLOG



Presentation Date: 08/02/2013
Valid Until Date: 10/31/2013

Quote #: 000552
Rev: 09/25/2013 10:23 AM

Prepared For:

Company: Oconee County Law Enforcement Ctr.
Contact: Travis Tilson
Install Address: 300 S. Church St.
Walhalla, SC 29691
Phone: (864) 718-1010
Email:

Prepared By:

Company: Replay Systems
Contact: Matt Cheever
Address: 6555 NW 9th Ave, Ste 105
Fort Lauderdale, FL 33309
Toll-Free: (800) 722-3472
Phone: (404) 484-8447
Email: matt.cheever@replaysystems.com

QUOTATION SUMMARY

# of Channels:	72	\$59,569.88	Quote Subtotal	(including hw & sw)
# of Instant Recall Licenses:	16	\$7,120.00	Additional Fees	(including installation)
# of Positions:	16	\$3,500.00	Discounts	(including tradein)
		<u>\$63,189.88</u>	GRAND TOTAL	(excluding prepaid maint)

NOTES: Single server 72 channel Audilog with 56 Analog and 16 VoIP for Intrado plus 16 QA with screen recording.

Software

Quantity	Part Number	Description	List Price	Total Price
1	RPL-RAS	License of Remote Access Software for Service. ** (No Charge)	\$0.00	\$0.00
56	VRNT-C89-170-3315	Competitive trade in pricing for Operational Recording (per Audilog Seat)	\$451.00	\$25,256.00
16	VRNT-C89-170-3316	Competitive trade in pricing for Operational QM (per Audilog Seat)	\$663.00	\$10,608.00
1	VRNT-C89-170-3324	Audilog Server license for Version 5	\$2,650.00	\$2,650.00
			Subtotal:	\$38,514.00

Hardware

Quantity	Part Number	Description	List Price	Total Price
3	VRNT-C89-170-3253	LD2409 board, 24 analog ports	\$4,024.00	\$12,072.00
1	VRNT-C89-170-3256	Intel-PRO/1000GT Dual Port Server Adapter	\$480.00	\$480.00
1	VRNT-C89-170-3332	Audilog 5000-Series MAX-PRO/Quad-Core VoIP	\$4,964.00	\$4,964.00
3	RPL-Cable25	25FT 25-Pair Cable	\$56.00	\$168.00
			Subtotal:	\$17,684.00

Services

Quantity	Part Number	Description	List Price	Total Price
1	SALES TAX	SALES TAX	\$0.00	\$3,371.88
			Subtotal:	\$3,371.88

1st Year Warranty Included with Purchase (Warranty begins 30 days after delivery)



Price Proposal
AUDIOLOG



Presentation Date: 08/02/2013
Valid Until Date: 10/31/2013

Quote #: 000552
Rev: 09/25/2013 10:23 AM

Subtotal (including additional services):	\$59,569.88
Installation Fee:	\$7,120.00
Discount:	\$1,000.00
Tradein:	\$2,500.00
Grand Total:	\$63,189.88

Replay's Prepaid Performance Plans: Please check the plan you would like to purchase (optional).

- \$20,231 Prepaid Year 2-3 Assured Performance Plan (includes warranty plus 2 years of maintenance)
- \$30,347 Prepaid Year 2-4 Assured Performance Plan (includes warranty plus 3 years of maintenance)
- \$40,463 Prepaid Year 2-5 Assured Performance Plan (includes warranty plus 4 years of maintenance)

GOLD SERVICE LEVEL: 24/7 phone support, parts, onsite M-F 8am-5pm service. Amount quoted for budgetary purposes. May be added to total at customer's discretion.

- I would not like to purchase an extended maintenance plan.

Customer Signature: _____

Date: _____

PO Number: _____

Payment Terms: Net 30 upon delivery

Please read and initial the attached "Installation Assumptions". These conditions apply to any purchase. Assured Performance Plan includes one year of warranty plus two, three, or four additional years of support respectively.



Price Proposal AUDIOLOG



Presentation Date: 08/02/2013

Valid Until Date: 10/31/2013

Quote #: 000552

Rev: 09/25/2013 10:23 AM

Installation Assumptions

Replay Systems

The following assumptions were made in generating your installation & configuration pricing:

1. Customer is responsible for all data network infrastructure not purchased from Replay including switches, hubs, bridges, routers, external caching devices and cabling.
2. Customer is to provide prior to installation:
 - a. An accurate and complete document containing channel and/or position mappings for channel name, extension number, agent login, channel type (phone or radio), workstation IP address, computer name, and operating system. For VOIP systems: IP addresses and MAC addresses of all devices to be recorded. Setup of the SPAN port is also responsibility of the customer.
 - b. LAN/WAN that supports TCP/IP protocol with static IP addresses for each recording appliance and server.
 - c. Sufficient space for the units and/or cabinets as well as sufficient entryway clearance for all system components. Temperatures are not to exceed 75 degrees in equipment room.
 - d. Sufficient power to the purchased recording system (including cabling and outlets) and UPS unless ordered with the system.
 - e. A demarcation point, to include all required PBX, Radio and Network signals and associated hardware, to an easily accessible point within 15 feet of system. The Customer will clearly identify all cables with information indicating signal source and/or network connection and confirm they are fully operational.
 - f. A person to act as Project Manager to assist with the implementation and acceptance of the system above. Also must have an administrator login to load applications on desktops and to add recorder to domain, if required.
 - g. Customer agrees to allow remote system access via our Teamviewer installation for remote system diagnostics.
 - h. Any and all servers and workstations required but not ordered above.
 - i. Sufficient facilities to conduct all required training.
3. Replay is NOT responsible for any aspect of Union or other labor negotiations, procurement, contracting, use or payment.
4. Hours for implementation (and training) will be 8:00AM - 5:00PM Local Time Monday through Friday, excluding Replay and Customer holidays.
5. Unless otherwise noted above, standard installation covers the loading of workstation software on up to 4 customer supplied PCs. Additional PC installs will be completed under Time and Materials charges, minimum \$150 per PC.
6. Additional system's components if required, such as Beep tone generators, D to A converters, etc. will be invoiced separately.
7. With regard to Digital phone systems, it is assumed that all phones are two wire unless otherwise specified. Four wire phones will require double channel count for recording and purchase of additional hardware and licenses.
8. Caller ID is only captured if available from the customer's phone system, as connected.
9. Replay resolves to work toward giving your Equipment availability approaching 100%. To do this, Replay will require remote access to the recorder, but always with prior knowledge, approval, and cooperation of Purchaser. If remote access is not permitted additional charges will apply.
10. Unless otherwise agreed between both parties, warranty begins upon determination that all system channels are successfully recording.

Initial: _____

Date: _____

**AGENDA ITEM SUMMARY
OCONEE COUNTY, SC**

**COUNCIL MEETING DATE: 10-15-13
COUNCIL MEETING TIME: 6:00 PM**

ITEM TITLE OR DESCRIPTION:

PRT request for Local ATAX expenditure of up to \$3,200.00 to Pendleton District Commission to partner in re-ordering 100,000 "Waterfalls of Upstate South Carolina" brochures.

BACKGROUND OR HISTORY:

The original brochure was developed by the Pendleton District Tourism Commission. Oconee County has partnered with re-orders in the past due to the popularity of this brochure to Tourists. To date, we have used more than 400,000 of these brochures as they are available all across the states of GA and SC. This brochure lists the 22 most prominent waterfalls in Oconee County, as well as 2 waterfalls in Pickens County and 7 waterfalls in Greenville County. The 100,000 brochures are paid for by the Pendleton District Commission, Discover Upcountry and Oconee County PRT.

SPECIAL CONSIDERATIONS OR CONCERNS:

Oconee PRT contracts to have these brochures distributed in over 100 brochure racks in Upstate SC and Northeast Georgia!

COMPLETE THIS PORTION FOR ALL PROCUREMENT REQUESTS:

Does this request follow Procurement Ordinance #2001-15 guidelines? Yes / No [review #2001-15 on Procurement's website]
If no, explain briefly: No, ATAX grant

STAFF RECOMMENDATION:

Staff recommends approval of an expenditure of up to \$3,200.00 for 100,000 of "Waterfalls of Upstate South Carolina" brochures. Total cost for re-ordering 100,000 brochures is being split between three agencies, Oconee County PRT, Pendleton District Commission and Discover Upcountry.

FINANCIAL IMPACT:

This project will not exceed \$3,200.00 with funds coming from the Local Accommodations Tax Fund, with no matching requirement and no impact to the general fund budget.

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available: No
If yes, who is matching and how much:

ATTACHMENTS

Reviewed By/ Initials:

_____ County Attorney _____ Finance _____ Grants _____ Procurement

Submitted or Prepared By:

Approved for Submittal to Council:

**Phil Shirley – PRT Director
Department Head/Elected Official**


Scott Moulder, County Administrator

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

NOTICE OF PUBLIC HEARING

There will be a public hearing on Ordinance No. 2013-24 with respect to the approval by Oconee County, South Carolina of a fee-in-lieu-of-tax agreement ("FILOT"). The FILOT will be entered into by Oconee County with Ulbrich Precision Flat Wire, LLC, Ulbrich Solar Wire, LLC and Plant Road, LLC. The facility is located at 692 Plant Road and 695 Plant Road, Westminster, South Carolina. Said public hearing is to occur at a meeting of the Oconee County Council in the Administration Building, 415 South Pine Street, Walhalla, South Carolina on Tuesday, October 15, 2013 at 6:00 p.m.

OCONEE COUNTY, SOUTH CAROLINA

Joel Thrift
Chairman of County Council

NOTICE OF PUBLIC HEARING

There will be a public hearing on Ordinance No. 2013-26 with respect to the approval by Oconee County, South Carolina of the Ninth Amendment of the Joint County Industrial and Business Park Agreement between Oconee County, South Carolina and Pickens County, South Carolina. The property to be included in the Industrial Business Park is Ulbrich Precision Flat Wire, LLC, Ulbrich Solar Wire, LLC and Plant Road, LLC which is located at 692 Plant Road and 695 Plant Road, Westminster, SC. Said public hearing is to occur at a meeting of the Oconee County Council in the Administration Building, 415 South Pine Street, Walhalla, South Carolina on Tuesday, October 15, 2013 at 6:00 p.m.

OCONEE COUNTY, SOUTH CAROLINA

Joel Thrift
Chairman of County Council

NOTICE OF PUBLIC HEARING

There will be a public hearing on Ordinance No. 2013-28 with respect to the approval by Oconee County, South Carolina of the creation of a Joint County Industrial and Business Park between Oconee County, South Carolina and Pickens County, South Carolina. The property to be included in the Industrial Business Park includes Serene Hospitality, LLC located in the City of Seneca at 1011 E. North Street, Seneca, South Carolina and Technology Solutions of SC, Inc. located in the City of Seneca at 528-F Bypass 123, Seneca, South Carolina. Said public hearing is to occur at a meeting of the Oconee County Council in the Administration Building, 415 South Pine Street, Walhalla, South Carolina on Tuesday, October 15, 2013 at 6:00 p.m.

OCONEE COUNTY, SOUTH CAROLINA

Joel Thrift
Chairman of County Council

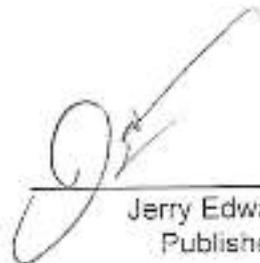
PUBLISHER'S AFFIDAVIT

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

OCONEE COUNTY COUNCIL

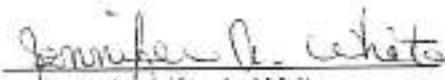
IN RE: Public Hearing - Ordinance 2013-31

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Jerry Edwards, who being first duly sworn according to law, says that he is the Publisher 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 10/04/2013 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.



Jerry Edwards
Publisher

Subscribed and sworn to before me this
10/04/2013



Jennifer A. White
Notary Public for South Carolina
My commission Expires: 05/18/2014

LEGAL NOTICES

LEGALS

subsequent Sales Day (at the risk of the said highest bidder). Deficiency judgment being demanded, the bidding will not be closed on the day of sale but will remain open for a period of thirty (30) days as provided by law. Plaintiff is demanding a deficiency, the Plaintiff may waive any of its rights, including its right to a deficiency judgment, prior to sale. Purchaser to pay for documentary stamps on the Deed. The successful bidder will be required to pay interest on the amount of the bid from date of sale to date of compliance with the bid at the rate of 9.04% 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 Clerk of Court for Oconee County, Brock & Scott PLLC, 3800 Fernandina Road, Suite 110, Columbia, SC, 29210 Attorneys for Plaintiff 1059500 9/20, 9/27, 10/04/2013

NOTICE OF SALE CIVIL ACTION NO. 2012-CP-37-00594 BY VIRTUE of the decree heretofore granted in the case of: Nationstar Mortgage, LLC vs. Eric D. James, et al., the undersigned Clerk of Court for Oconee County, South Carolina, will sell on October 7, 2013 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 tract of land, together with any and all improvements located thereon, lying and being situate in the State of South Carolina, County of Oconee, Kacowee Township, containing 4.206 acres, more or less, as shown and more fully described on a plat prepared by Jerry E. Byrc, RLS #9097, recorded April 3, 1992 in Plat book P-59, at page 487, records of the Register of Deeds office for Oconee County, Walhalla, South Carolina, having the metes and bounds, courses and distances as appear upon said plat, being incorporated herewith and made a part hereof by reference thereto. This conveyance is subject to those easements and/or right-of-ways as may appear on the premises and/or of record and all zoning and setback requirements. This being the identical lot of land conveyed to Eric D. James by Deed of Nancy H. Lee, dated June 29, 2007, and recorded July 3, 2007 in the Register of Deeds Office for Oconee County, South Carolina in book 1597, at page 36. Current Address of Property: 470 Crestwood Drive, Salem, SC 29678 TMS: 075-C0-01-008 **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

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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 bid from date of sale to date of compliance with the bid at the rate of 6.75% 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. The Honorable Beverly Whitfield Clerk of Court for Oconee County, Brock & Scott PLLC, 3800 Fernandina Road, Suite 110, Columbia, SC, 29210 Attorneys for Plaintiff 1059500 9/20, 9/27, 10/04/2013

NOTICE OF SALE CIVIL ACTION NO. 2013-CP-37-00325 BY VIRTUE of the decree heretofore granted in the case of: Wells Fargo Bank, N.A. vs. Jones J. Beaugard; Lisa Beaugard; Fort Santorini Association, Inc., et al., the undersigned Clerk of Court for Oconee County, South Carolina, will sell on October 7, 2013 at 11:00AM, at the Oconee County Courthouse, City of Walhalla, State of South Carolina, to the highest bidder: All those certain pieces, parcels or lots of land together with all improvements thereon lying and being situate in the State of South Carolina, County of Oconee, being known and designated as lot number seventy-one (71) and a portion of lot number seventy (70) of Fort Santorini Subdivision, containing 0.494 acre, more or less, as shown and more fully described on a plat thereof by Gregory Blake Sosabow, PL-S014818, dated July 8, 1998 and recorded in plat book A819, page 8, records of Oconee County, South Carolina. This being the identical property conveyed to Jones J. Beaugard and Lisa Beaugard by deed of Philip L. Burden and Laura L. Burden dated September 29, 2010 and recorded October 1, 2010 in deed book 1797 at page 181, in the Office of the Register of Deeds for Oconee County, State of South Carolina. Current Address of Property: 500 Delphi Drive, Seneca, SC 29672-6726 TMS: 208-01-04-042 **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

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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 bid from date of sale to date of compliance with the bid at the rate of 4.25% 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. Beverly Whitfield Clerk of Court for Oconee County, Brock & Scott PLLC, 3800 Fernandina Road, Suite 110, Columbia, SC, 29210 Attorneys for Plaintiff 1059500 9/20, 9/27, 10/04/2013

The Oconee County Council will hold a Public Hearings for Ordinance 2013-31 "An Ordinance Authorizing the GRANT OF certain EASEMENT rights AND EXECUTION AND DELIVERY OF AN electric line right-of-way EASEMENT AGREEMENT AFFECTING CERTAIN REAL PROPERTY OWNED BY OCONEE COUNTY; and Other Matters Related Thereto" on Tuesday, October 15, 2013 at 8:00 a.m. in Council Chambers, Oconee County Administrative Offices, 415 S. Pine Street, Walhalla, SC.

To All persons claiming an interest in: 1994 - 17' Hyster-Hobbe-Cat-Chassis/Hutchings will apply to SCDNR for title on a watercraft/outboard motor. If you have any claim to the watercraft/outboard motor, contact SCDNR at (803) 734-3958. Upon thirty days after the date of the last advertisement if no claim of interest is made and the watercraft/outboard motor has not been reported stolen, SCDNR shall issue clear title. CASE NO. 20130822650702

NOTICE OF SALE CIVIL ACTION NO. 2013-CP-37-00568 BY VIRTUE of the decree heretofore granted in the case of: Wells Fargo Bank, N.A. vs. Christopher J. Kaloropoulos; Jewel L. Kaloropoulos; Marshal M. Rice, et al., the undersigned Clerk of Court for Oconee County, South Carolina, will sell on October 7, 2013 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, in or near Newry, and being known and designated as



Oconee County
Council Office

T. Scott Moulder
Administrator

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

Phone: 864 718 1023
Fax: 864 718 1024

E-mail:
nhulse@oconee.org

Paul Corbell
Vice Chairman
District I

Wayne McCall
District II

Archie Barron
District III

Joel Thrift
District IV
Chairman

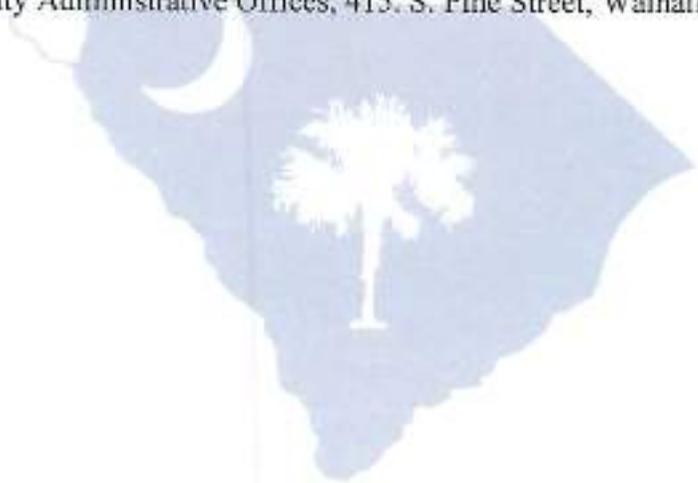
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The **Oconee County Council** will hold a Public Hearings for **Ordinance 2013-31** "AN ORDINANCE AUTHORIZING THE GRANT OF CERTAIN EASEMENT RIGHTS AND EXECUTION AND DELIVERY OF AN ELECTRIC LINE RIGHT-OF-WAY EASEMENT AGREEMENT AFFECTING CERTAIN REAL PROPERTY OWNED BY OCONEE COUNTY; AND OTHER MATTERS RELATED THERETO" on Tuesday, October 15, 2013 at 6:00 p.m. in Council Chambers, Oconee County Administrative Offices, 415. S. Pine Street, Walhalla, SC.



Beth Hulse

From: Beth Hulse
Sent: Thursday, October 03, 2013 8:58 AM
To: Beth Hulse; classadmgr@upstatetoday.com
Subject: Public Hearing - 2013-31 - 10-15-13
Attachments: 100213 - PH 2013-31 10-15-13.doc

Please run at your earliest convenience.
Thanks.

Elizabeth G. Hulse

Clerk to County Council

Oconee County Administrative Offices

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Walhalla, SC 29691

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Beth Hulse

From: Beth Hulse
Sent: Thursday, October 03, 2013 8:59 AM
To: Beth Hulse; Carlos Galarza; Chad Dorsett; Greenville News (localnews@greenvillenews.com); Kevin; Norman Cannada (ncannada@upstatetoday.com); Ray Chandler; Westminster News / Keowee Courier (westnews@bellsouth.net); WGOG (dickmangrum@wgog.com); WSPA TV - Channel 7 (assignmentdesk@wspa.com)
Subject: Public Hearing: 2013-31

The **Oconee County Council** will hold a Public Hearing for **Ordinance 2013-31 'AN ORDINANCE AUTHORIZING THE GRANT OF CERTAIN EASEMENT RIGHTS AND EXECUTION AND DELIVERY OF AN ELECTRIC LINE RIGHT-OF-WAY EASEMENT AGREEMENT AFFECTING CERTAIN REAL PROPERTY OWNED BY OCONEE COUNTY; AND OTHER MATTERS RELATED THERETO'** on Tuesday, October 15, 2013 at 6:00 p.m. in Council Chambers, Oconee County Administrative Offices, 415. S. Pine Street, Walhalla, SC.

Elizabeth G. Hulse

Clerk to County Council

Oconee County Administrative Offices

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