



A G E N D A

OCONEE COUNTY COUNCIL MEETING

June 20, 2017

6:00 PM

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

Call to Order

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

Council Member Comments

Moment of Silence

Invocation by County Council Chaplain

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

Approval of Minutes

- Re-approval of March 14, 2017 Special Meeting
- June 6, 2017 Special Meeting
- June 6, 2017 Regular Meeting

Administrator Report & Agenda Summary

J. Powell OCCB Application

IT WAS UNANIMOUSLY APPROVED ON TUESDAY, JUNE 8, 2017 WITH RECOMMENDATION FOR COUNCIL APPROVAL OF THIS APPLICATION AND FUNDING REQUEST.

Public Hearings for the Following Ordinances

Ordinance 2017-10 "AN ORDINANCE TO AMEND CHAPTER 6, ARTICLE III OF THE CODE OF ORDINANCES OF OCONEE COUNTY PERTAINING TO THE OCONEE COUNTY BOARD OF BUILDING CODE APPEALS; AND OTHER MATTERS RELATED THERETO."

Ordinance 2017-12 "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOTHILLS AGRICULTURAL RESOURCE AND MARKETING CENTER AS LESSEE; AND OTHER MATTERS RELATED THERETO."

Ordinance 2017-13 "AN ORDINANCE GRANTING CERTAIN EASEMENT RIGHTS TO DUKE ENERGY CAROLINAS, LLC FOR THE PURPOSE OF LOCATING AND MAINTAINING ELECTRIC AND/OR COMMUNICATION FACILITIES ON COUNTY-OWNED PROPERTY; AND OTHER MATTERS RELATED THERETO."

Ordinance 2017-01 AN ORDINANCE TO ESTABLISH THE BUDGET FOR OCONEE COUNTY AND TO PROVIDE FOR THE LEVY OF TAXES FOR ORDINARY COUNTY PURPOSES, FOR THE TRI-COUNTY TECHNICAL COLLEGE SPECIAL REVENUE FUND, FOR THE ROAD MAINTENANCE SPECIAL REVENUE FUND, FOR THE VICTIM SERVICES SPECIAL REVENUE FUND, FOR THE BRIDGE AND CULVERT CAPITAL PROJECT FUND, AND FOR THE ECONOMIC DEVELOPMENT CAPITAL PROJECT FUND, ALL IN OCONEE COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

Ordinance 2017-02 AN ORDINANCE TO ESTABLISH THE BUDGET FOR THE SCHOOL DISTRICT OF OCONEE COUNTY (the "School District") AND TO PROVIDE FOR THE LEVY OF TAXES FOR THE OPERATIONS OF THE SCHOOL DISTRICT OF OCONEE COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

Ordinance 2017-03 AN ORDINANCE TO PROVIDE FOR THE LEVY OF TAXES FOR THE KEOWEE FIRE SPECIAL TAX DISTRICT AND TO ESTABLISH THE BUDGET FOR THE KEOWEE FIRE SPECIAL TAX DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

Third Reading of the Following Ordinances

Ordinance 2017-10 [see caption above]

Ordinance 2017-12 [see caption above]

Ordinance 2017-13 [see caption above]

Ordinance 2017-01 [see caption above]

Ordinance 2017-02 [see caption above]

Ordinance 2017-03 [see caption above]

Second Reading of the Following Ordinances

Ordinance 2017-09 AN ORDINANCE AMENDING CHAPTER 32 OF THE OCONEE COUNTY CODE OF ORDINANCES IN CERTAIN LIMITED REGARDS AND PARTICULARS PERTAINING TO SIGN CONTROL, ONLY; AND OTHER MATTERS RELATED THERETO.

Ordinance 2017-14 AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT FOR THE DESIGN, CONSTRUCTION, AND OPERATION OF THE OCONEE COUNTY WORKFORCE DEVELOPMENT CENTER, AND FURTHER, AUTHORIZING THE TRANSFER OF THE LAND UPON WHICH THE OCONEE COUNTY WORKFORCE DEVELOPMENT CENTER WILL BE LOCATED; AND OTHER MATTERS RELATED THERETO.

Ordinance 2017-16 AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A REAL PROPERTY LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FAIR-OAK YOUTH CENTER, INC. AS LESSEE; AND OTHER MATTERS RELATED THERETO.

First Reading of the Following Ordinances

First & Final Reading for the Following Resolutions

Resolution 2017-10 A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT BETWEEN OCONEE COUNTY AS TENANT AND RALPH ALEXANDER, INCORPORATED, AS LANDLORD IN RELATION TO CERTAIN PROPERTY GENERALLY LOCATED AND DESCRIBED AS 207A AND 207B EAST NORTH FIRST STREET, SENECA, SOUTH CAROLINA FOR USE AS A MAGISTRATE'S OFFICE / SUMMARY COURT.

Discussion Regarding Action Items

Board & Commission Appointments (IF ANY) [Seats listed are all co-terminus seats]
Building Codes Appeal Board.....District IV and 1 At Large Seat

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

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

Council Committee Reports

[None scheduled.]

Executive Session

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

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

[1] to receive legal advice regarding potential resolution of claim brought in the South Carolina Administrative Law Court against the Oconee County Assessor regarding an alleged overpayment of property taxes.

[2] to receive legal advice regarding a contract with RCI Services to provide plan review and inspection services on an as needed basis.

Adjourn

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

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

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

**AGENDA ITEM SUMMARY
OCONEE COUNTY, SC**

**COUNCIL MEETING DATE: June 20, 2017
COUNCIL MEETING TIME: 6:00 PM**

ITEM TITLE OR DESCRIPTION:

**Title: J. Powell OCCB Application Department: OC Conservation Bank Board
Amount: \$7,500.00**

BACKGROUND OR HISTORY:

The OCCB received a Statement of Interest Form from the Oconee Soil and Water Conservation Bank Board on behalf of Jerry M. Powell. He has a total of 94.1 acres of land located at 2166 Hwy. 59, Westminster, SC 29693. The funding is to help meet the costs associated with an easement pending with the South Carolina Conservation Bank and USDA Natural Resource Conservation Service Agricultural Conservation Easement Program. The OCCB Board voted on Tuesday, June 8, 2017 unanimously to approve this request and asked to be placed on the Oconee County Council agenda as soon as possible.

SPECIAL CONSIDERATIONS OR CONCERNS:

STAFF RECOMMENDATION:

It was unanimously approved on Tuesday, June 8, 2017 with recommendation for Council approval of this application and funding request.

FINANCIAL IMPACT:

Budget: \$621,295.00 Project Cost: \$7,500.00 Balance: \$613,795.00

ATTACHMENTS

1. Letter from Oconee Soil and Water Conservation Bank Board
2. OCCB Full Application - Powell

Submitted or Prepared By:

Shea Airey / OCCB Chairman
Department Head/Elected Official

Approved for Submittal to Council:


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.



OCONEE SOIL AND WATER CONSERVATION DISTRICT

Commissioners

Alexander P. Ramsay, Chairman
Lee Keese, Vice-Chairman
Bob Winchester, Secretary-Treasurer
L.J. Jones Carol Hendrix

Oconee Conservation Bank Board

We are applying for funding to help meet the costs associated with an easement we have pending with the South Carolina Conservation Bank and USDA Natural Resource Conservation Service Agricultural Conservation Easement Program. The original agreement included two land owners. One of the landowners after much tribulation could not come through the final vetting process. This left us to approach both above entities asking to continue the process for the remaining landowner, Mr. Jerry Powell. The delays from awaiting the final decision on the other land owner have caused us to be pushed beyond our original date of closing. Mr. Powell was originally told he would not have to have a new survey to complete this process. After the delays and the decision to allow him to proceed NRCS now says they need a new survey. Mr. Powell has been patient and extremely gracious in this process. We are asking for funding of seven thousand five hundred dollars to appropriate a survey for Mr. Powell so that we may complete this agreement by August. I have personally talked with Glen Hart who has surveyed easement properties with us before and he is willing to complete this as soon as I give him the word. The payment may not be quite that much but the NRCS requires certain expectations which include shape files, signage on the property and other requirements not associated with a regular survey. I would like to ask that you approve this funding amount above and allow me to come back to you with the final amount when the survey is done with the exact amount charged, which I am hopeful will be under the above figure. We need to close this easement soon as the South Carolina Conservation Bank has also been gracious in allowing us to continue to hold our funding until we got the situation settled and also allowed us to fund the Jerry Powell easement on a stand alone basis after the other landowner could not complete his due diligence. Your help with this matter is greatly appreciated.

Sincerely,

Eddie Martin
District Manager OSWCD

CC: Heather Ramsay, Oconee Service Center District Conservationist
Glen Sandifer, ACEP Program Manager



Oconee County Conservation Bank
PROPERTY OWNER
STATEMENT OF INTEREST FORM
Oconee County, South Carolina

Property Owner Name Jerry M. Powell

Property Owner Address 2166 Hwy. 59 Westminster SC 29693

Eligible OCCB Recipient Name and Address Oconee Soil & Water Conservation District
301 W S Broad Street
Walhalla SC 29691

Property Owner Telephone Numbers
Home: 864-972-9400
Cell: 864-903-2929
Work: 864-972-3988

Description & Size of Your Property in Acres:
Prime Soils/Farmland 94.1 acres

General Location of Your Property:
2166 Hwy 59 Westminster SC 29693

Oconee County Tax Map Number[s] [required] 301-00-04-010/310-00-02-001

Your Property's Unique Characteristics:
Open Farm Land Prime & Statewide Soil

THIS STATEMENT OF INTEREST, AS PRESENTED, REPRESENTS A BINDING PROPOSAL. ANY APPROVAL, CONDITIONAL OR FINAL, IS CONTINGENT UPON THE LANDOWNER'S FULFILLMENT OF ANY AND ALL PLEDGES AND PROPOSALS AS PRESENTED IN THE APPLICATION. IN ADDITION, I HAVE RECEIVED AND READ BOTH THE "KNOW WHAT TO EXPECT" AND "PROCESS" FORMS ATTACHED TO THIS DOCUMENT.

5-2-2017

Date



Signature of Landowner

Your signature acknowledges receipt of and a full understanding of the "Know What to Expect" [pg. 3] and the "Process" [pgs. 4-5] Forms.

Completed Form to be forwarded to:

Oconee County Conservation Bank Board
c/o Clerk to Council

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

or

via email to: ksmith@oconeesc.com



Oconee County Conservation Bank PROPERTY OWNER STATEMENT OF INTEREST

Know What to Expect

What you need to know before you begin the process of having your property considered by the Oconee County Conservation Bank Board [OCCB]:

The Application will require the following to be provided by the property owner at their expense:

- An appraisal of the property
- May require surveys and additional professional work which the landowner is solely responsible to secure.
- The landowner will be required to sign that you understand that you are solely responsible for the costs of securing any work required to complete the application and that the OCCB is not responsible for such costs. [While each applicant may apply for a grant to cover, in whole or in part, the costs of such required work, the OCCB is under no obligation to approve any application.]

If the OCCB requires additional information it may include but is not limited to the following items:

- Detailed information about their property including deed and tax map references.
- Detailed information about their properties value which will require a detailed appraisal.
- May require and updated survey.
- Coordination with a non-profit managed to conserve land and similar resources or other eligible entity as described in the Oconee County ordinance creating the OCCB.
- Maps, photos and other documentation to support the conservation values of the land.

ANY APPLICATION WILL REPRESENT A BINDING PROPOSAL. ANY APPROVAL, CONDITIONAL OR FINAL, IS CONTINGENT UPON THE LANDOWNER'S FULFILLMENT OF ANY AND ALL PLEDGES AND PROPOSALS AS PRESENTED IN THE APPLICATION.



Oconee County Conservation Bank PROPERTY OWNER STATEMENT OF INTEREST PROCESS FORM

1. Landowner and their OCCB eligible "partner" (e.g., a non-profit managed to hold conservation lands, government body or other eligible entity) present a signed "Statement of Interest" form to the OCCB. Landowner will be notified if their property is eligible and to submit a full application to the OCCB. [NOTE: Any such determination of eligibility to apply does not represent approval of the project.]

2. Landowner and their OCCB eligible "partner" submit full application with substantiation to the OCCB for review.

OCCB contacts landowner to

- (i) request additional information,
- (ii) decline the application, or
- (iii) schedule a site visit. [NOTE: the scheduling of a site visit does not represent approval of any project.]

3. Landowner provides additional requested information, if necessary.

OCCB contacts landowner to

- (i) decline the application, or
- (ii) schedule a site visit. [NOTE: the scheduling of a site visit does not represent approval of any project.]

4. OCCB representatives or agents make scheduled site visits to each property in the application cycle deemed appropriate for a site visit. [NOTE: the scheduling of a site visit does not represent approval of any project.]

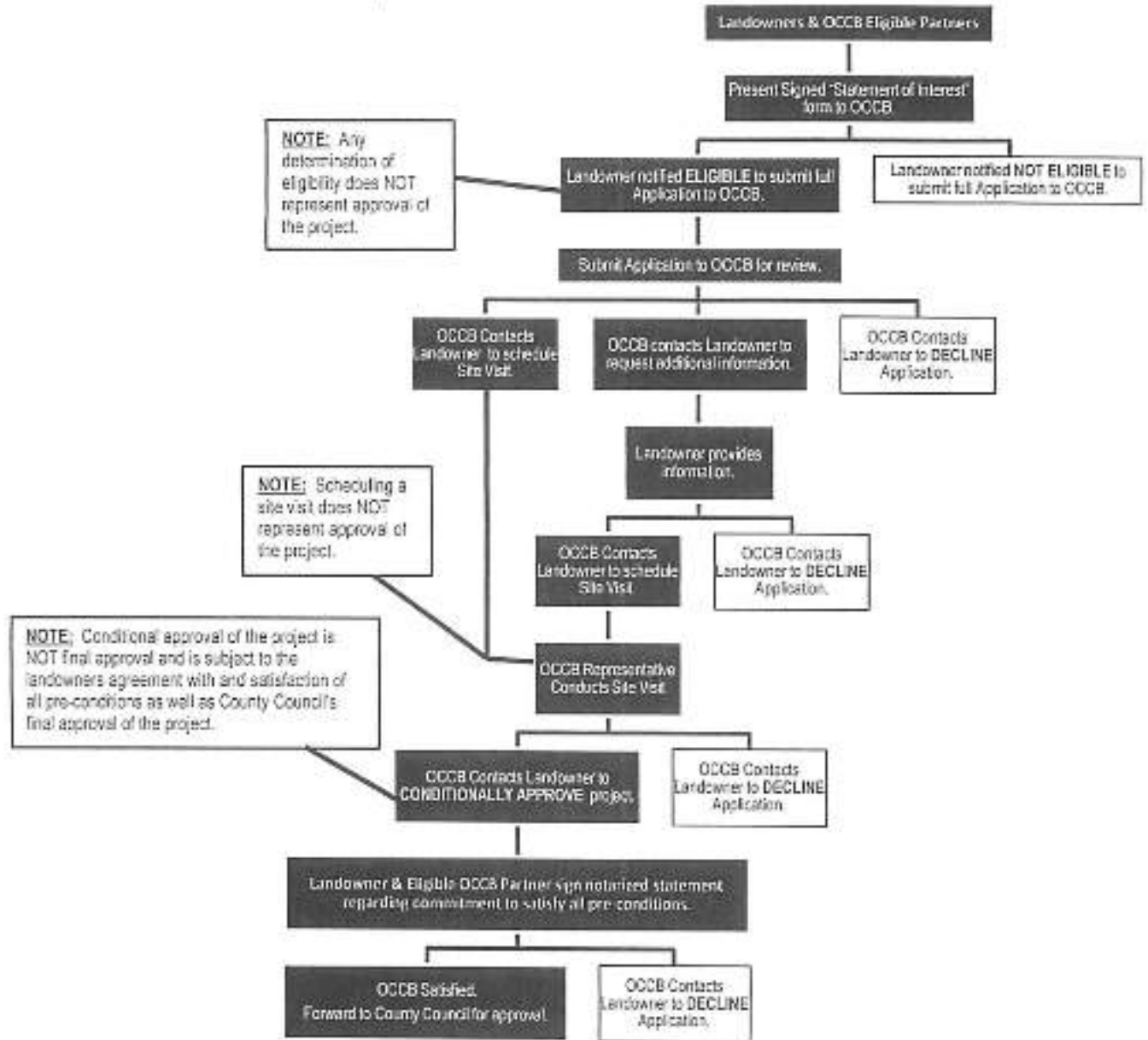
After the site visits are completed, OCCB contacts the landowner to

- (i) decline the application, or
- (ii) conditionally approve the project. [NOTE: Conditional approval is not final approval and is subject to the landowner's agreement with and satisfaction of all pre-conditions as well as County Council's final approval of the project.]

5. For each conditionally approved project, the landowner and their eligible OCCB must sign a notarized statement stating their commitment to satisfy all pre-conditions and must prove to the OCCB's satisfaction that all pre-conditions have been met.

Upon receiving such commitment and satisfaction, the OCCB will prepare any such properties for presentation to the Oconee County Council.

NOTE: Only Oconee County Council can finally approve any project and no project shall be considered approved or final until such final approval is granted. The landowner and eligible OCCB partner remain fully responsible for all expenses and costs associated with application to and interaction with the OCCB throughout the application process. The landowner and eligible OCCB partner will only be reimbursed for those expenses and costs associated with application to and interaction with the OCCB if such reimbursement is sought in the grant application and finally approved by the OCCB and Oconee County Council.





Oconee County Conservation Bank Application for Funding

Oconee County, South Carolina

Completed Application to be forwarded to:

Oconee County Conservation Bank Board
c/o Clerk to Council
Oconee County Administrative Offices
415 South Pine Street
Walhalla, SC 29691

or

via email to: ksmith@oconeesc.com

SECTION I

I. General Information:

Acquisition type: Fee Simple Conservation Easement

Landowner's Name

Jerry M Powell

Mailing Address:

2166 Hwy 59 Westminster SC

Daytime Telephones

(864) 972 3988 864 903 2929

Eligible OCCB Recipient Seeking Funding
(See Oconee County Ordinance 2011-16, Section II, G)

Name of Organization

Oconee Soil & Water Conservation District

Authorized Agent Name:

Eddie Martin

Mailing Address:

301 W S Broad Street

Walkalla SC 29691

Daytime Telephones

(864) 557 6168 864 638 2213

II. Property Information

Legal Description

County: Oconee

Tax Map # 301-00-04-010 / 310-00-02-001

Assessor's Plat & Lot Numbers:

A 305 pg 2

A 853 pg 4

Deed Reference [Book & Page]

132 pg 300

770 pg 314

Current Zoning Classification

Control Free

Location on County Map (attach copy as **EXHIBIT A**)

Brief description of property including:

- a. Total Acres
- b. Total Forested
- c. Total Cleared / Open
- d. Total Wetlands
- e. Creeks and/or Rivers

94.1

3 acres

94.1

None

one, 2000 feet

Please include any surveys, USGS maps, directions, county locator map, or any other pertinent information.

See attachments A + B

III. Miscellaneous Information:

Who is the Party responsible for managing the land?

Name Jerry M Powell

Address: 2166 Hwy 59 Westminster SC 29693

Telephone Number 864 972 3988

Who is responsible for enforcing any conservation easements or other restrictions on this property?

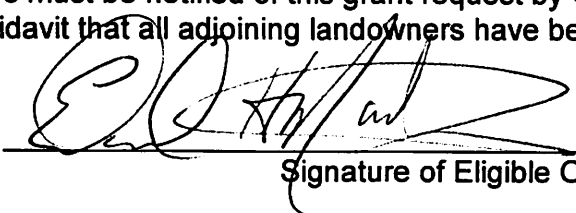
Name Oconee Soil + Water Conservation District

Address: 301 NS Broad Street
Walhalla SC 29691

Telephone Number 864 638 2213

IV. Adjoining landowners.

Adjoining landowners must be notified of this grant request by Oconee County ordinance. Please attach an affidavit that all adjoining landowners have been notified.


Signature of Eligible OCCB Recipient (Applicant)

5 4 17
Date

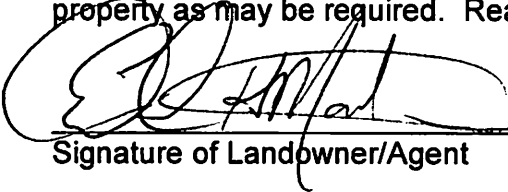
Section II
To be filled out by the landowner

- 1. Has the Eligible OCCB Recipient seeking funding notified you in writing:
(See Oconee County Ordinance 2011-16, Section VII)
 - a. That interests in land purchased with trust funds result in a permanent conveyance of such interests from the landowner to the eligible trust fund.
 yes no
 - b. That it may be in the landowner's best interests to retain independent legal counsel, appraisals, and other professional advice.
 yes no

- 2. Are there any existing liens, mortgages, or encumbrances that currently exist on this property?
 yes no If yes, please explain below:

Oconee County Conservation Bank—Landowner Inspection Consent Agreement.

I, EDWARD H Martin, as the landowner or landowner's agent agree to allow inspection, or appraisal if necessary, of the property being presented to the OCCB Board for consideration. I agree to allow authorized or designated agent or staff to inspect this property as may be required. Reasonable notice of inspection will be given.


Signature of Landowner/Agent

5 4 17
Date

Section III

To be filled out by the Eligible OCCB Recipient seeking funding (Applicant)

Organization Name Oconee Soil + Water Conservation District

Address 301 W S Broad Street
Walhalla SC 29691

Daytime Telephones 1864 1557 6168 864638 2213

Contact Person Eddie Martin

Organization EIN Number: 57-0369135

NOTE: You are required to attach certification that this is a charitable not-for-profit corporation or trust authorized to do business in this state; whose principal activity is the acquisition and management of land for conservation or historic purposes and which has tax-exempt status as a public charity under the Internal Revenue Code of 1986 or Certification that the applicant is an otherwise qualified entity under Oconee County Ordinance 2011-16, Section II and Section VII.

How will you be able to complete the project and acquire the interests in the proposed lands?

Funding is already approved through South Carolina Conservation Bank and USDA Natural Resource Conservation Service

How many total acres of lands or projects have you preserved in this State? In this County?

2332 acres in Oconee County

Briefly describe the lands your organization has preserved in this State, and then County, including their size, location and method of preservation. Note: this section need not be complied with for specific preserved lands if the privacy or proprietary interests of the owners of such preserved lands would be violated.)

All have been protected with Conservation Easements
Most has been prime farmland, two are forested
Tracts

Has the Eligible OCCB Recipient notified the owner of the land that is the subject of the potential OCCB grant of the following in writing? (See Oconee County Ordinance 2011-16, Section VII)

a. That interests in land purchased with trust funds result in a permanent conveyance of such interests in land from the landowner to the eligible trust fund recipient or it assignees.

Yes

b. That it may be in the landowner's interest to retain independent legal counsel, appraisals and other professional advice.

yes

Note: Applications not having affirmation that the notice requirement of this section has been met will not be considered for funding requests.

Does the Eligible OCCB Recipient or the landowner have a general summarized land management plan for this proposal? If so, please attach.

___ yes

no

Explain how the Eligible OCCB Recipient intends to enforce the easement restrictions on this proposal, if a conservation easement is proposed. Attach additional sheet if necessary.

Our program includes at least yearly property inspections
if violations are noticed we encourage the landowner
to correct them, if no action is taken we can take the
matter to court

Does the Eligible OCCB Recipient agree that OCCB funds may only be used for the acquisition of interests in land including closing costs and not for management, planning, staffing, or any costs not associated with the purchase of interests in lands?

yes no

Does the Eligible OCCB Recipient have reasonable documentation to support this request?
Please attach.

The proposal will not be considered without adequate substantiation of estimated Fair Market Value and a qualified and competent appraisal establishing fair market value and/or the value of the proposed easement will subsequently be required prior to closing.

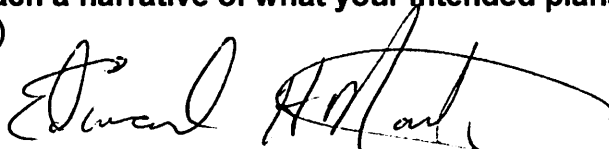
(See Oconee County Ordinance 2011-16, Section VII, B, f)

yes no See attachment C

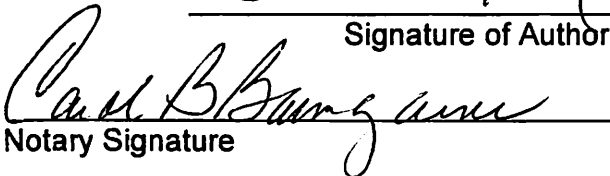
What is the amount of support sought for this proposal?

\$7500.00

Explain how this proposal will satisfy the Criteria listed in Sections Four and Five of the ensuing pages. (Please attach a narrative of what your intended plans are and how you plan to accomplish them.)



Signature of Authorized Agent for Eligible OCCB Recipient (Applicant)


Notary Signature

My commission expires: 3-27-23

Section IV
Conservation Criteria
Oconee County Ordinance 2011-16, Section VI
Information to be considered in filling out the application

1. Does the property contain or adjoin wetlands? Yes _____ No

If yes, please attach certification by USACOE or NRCS.

2. Does the property contain or adjoin a USGS Blue Line Stream or Lake?

If yes, please provide USGS topographic map showing such stream or lake in relation to property.

3. Does the property contain or adjoin Water Classified as either (i) Outstanding Natural Resource Water (ii) Outstanding Resource Water or (iii) Trout Water, by South Carolina DHEC.

If yes, please provide evidence of such classification by SC DHEC.

4. Does the property currently contain threatened or endangered species or habitat suitable for threatened or endangered species?

If yes, please provide a certification by SC DNR, NRCS, USFS or other qualified professional providing evidence of such species existence on the property or of such habitat suitability.

5. Does the property currently contain native wildlife species or habitat suitable for native wildlife species?

If yes, please provide substantial evidence (e.g. Statement from a qualified agency or professional, etc.) of such species existence on the property of such habitat suitability.

6. Does the property currently contain special or concentrated biodiversity?

If yes, please provide substantial evidence (e.g. Statement from a qualified agency or professional, etc.) of such biodiversity on the property.

7. Does the property currently contain a unique geological feature, such as a mountain, rock outcropping, waterfall or other similar feature?

If yes, please provide substantial evidence (e.g. Statement from a qualified agency or professional, etc.) of such geological feature on the property.

8. Does the property share a boundary with other Protected Land? For purposes of this question, "Protected Land" includes any land or byway substantially protected from development or designated as scenic or protected through any federal, state, or local act.

(a) If yes, what percentage of a boundary is shared with such Protected Land? *no*

1%-25%

26%-50%

Greater than 50%

(b) If yes, please describe the Protected Land and present a legible map showing such Protected Land in relation to the property. *no*

9. Does the property contain any of the following pre-historic or historic features or designations?

(a) Listing on the National Historic Register? If yes, please provide a letter or other evidence from the Department of the Interior demonstrating such listing.

(b) Eligible for listing on the National Historic Register? If yes, please provide a letter or other evidence from the SC State Historic Preservation Office demonstrating such eligibility.

(c) Contains historic or pre-historic structures? If yes, please provide evidence in the form of photographs and statement of a qualified agency or professional describing the structure(s) on the property.

(d) Contains a site of historic or pre-historic significance? If yes, please provide evidence in the form of photographs and statement of a qualified agency or professional describing the site(s) on the property.

10. Does the property contain fifty percent (50%) or greater surface area of soils classified as Prime or Important by the State of South Carolina? *yes*

(a) If yes, what percentage of the property contains soils classified as Prime or Important by the State of South Carolina?

50%-60%

61%-75%

Greater than 75 %

(b) If yes, please provide a legible soil overlay map showing such Prime or Important soil types upon the property.

See Attachment B

11. Has the property been Actively Farmed as defined under one of the following qualifications? *yes*

- (a) The landowner has filed IRS Form Schedule F in the previous two tax years? If yes, please provide evidence of such tax filings and a notarized statement affirming that such farming activities pertained to the property referred to in this application;
- (b) The landowner has filed IRS Form Schedule F in seven of the last ten years? If yes, please provide evidence of such tax filings and a notarized statement affirming that such farming activities pertained to the property referred to in this application; or
- (c) The landowner can produce documentation demonstrating that the landowner has produced significant agricultural products in Oconee County in the last two years? If yes, please provide such documentation and a notarized statement affirming that such farming activities pertained to the property referred to in this application.

12. Does the property allow public viewing: *yes it is adjacent to Hwy 59*

- (a) ...from a Federal, State or County maintained road? If yes, please provide documentation describing precise location of point along a Federal, State or County Road where property is visible. Include a photograph taken from this point.
- (b) ...from any other public access land or waterway? If yes, please provide documentation describing precise location of point along such public access land or waterway where property is visible. Include a photograph taken from this point.

yes
13. Does the property provide a Scenic View to the public or help maintain the Scenic Nature of an area in the County? For purposes of this question, a Scenic View includes mountain, river, lake, forest, pasture, agricultural and other pastoral views which are viewable by the public from a public roadway or other publically accessible area.

If yes, please provide photograph evidence to support the Scenic View, a description of the Scenic View and a description of the specific locations with map references from which the public may observe the Scenic View.

14. Does the proposal for the conservation project on the Property allow... *NO This is a working Farm*

- (a) ...Limited Access by the public to the property? For purposes of this question, Limited Access means any access which is less than access on a year round and continual basis, but allows access by the public for some limited time or seasonal period(s).

If yes, please provide documentation supporting such Limited Access, including any formal agreements with agencies or groups authorized to use the property, a description of the use(s) permitted and the times or seasons when the property will be accessible by the public.

(b) ...Unlimited Access by the public to the property? For purposes of this question, Unlimited Access means any access which provides the public access to the property on a year round and continual basis and, additionally, requires that such access is (or will be) communicated to the public. JO

If yes, please provide documentation supporting such Unlimited Access, including any formal agreements with agencies or groups authorized to use the property, a description of the use(s) permitted and the times or seasons when the property will be accessible by the public. In addition, please provide evidence that the Unlimited Access is (or will be) reasonably communicated to Oconee County citizens.

15. Is the property located in any one or more of the following locations? If yes, for each such location please provide an aerial map and supporting documentation which demonstrates such location in relation to the relevant municipality or other land.

- (a) Is the property located within or adjacent to land of the United States Forest Service, a South Carolina State Forest, a State Park, a County Park or a Park of Municipality located in Oconee County, South Carolina?
- (b) Is the property located within 1 mile of a municipality?
- (c) Is the property located from 2-5 miles of a municipality?
- (d) Is the property located greater than 5 miles from a municipality? *yes*

16. What is the approximate size (in acres) of the property? Please provide documentation to support the stated acreage, including survey(s), tax information, deeds or other similar documentation.

94.1 acres plats attached

Section V - Financial Criteria
Oconee County Ordinance 2011-16 Section VI
Information to be considered in filling out the application

1. (a) What is the Total Market Value of the proposed conservation project? \$200,000.00
(Total Market Value for a fee simple project is the total fair market value of the property as supported by a current appraisal. Total Market Value for a conservation easement project is the value of the conservation easement as determined under the methods prescribed in IRS Treasury Regulations 1.170A-14(h) as supported by a current appraisal.) See Attachment C

- (b) What is the amount of the grant requested from the OCCB? \$7500.00

Based on the figures above, what is the total percentage of funding requested for the project from the OCCB. *(Divide Sum (b) by Sum (a) to Find Percentage)?* 0.0375

2. Please list and describe any other grants, contributions or gifts from any non-governmental agencies, groups, entities or individuals which will support the proposed conservation project?
-
-

For any listed grant, contribution or gift, please provide evidence or a written pledge of such support from the relevant non-governmental party.

3. How does the proposal present a unique value opportunity in that it protects land at a reasonable cost? Parcel:

 is available at a low cost per acre
 is available from a willing seller at a reasonable price

4. How does the proposal leverage OCCB funds by including funding or in-kind assets or services from other governmental sources?

Have matching funds of any kind or services-in-kind been applied for or received? *See attachment D and cover letter*

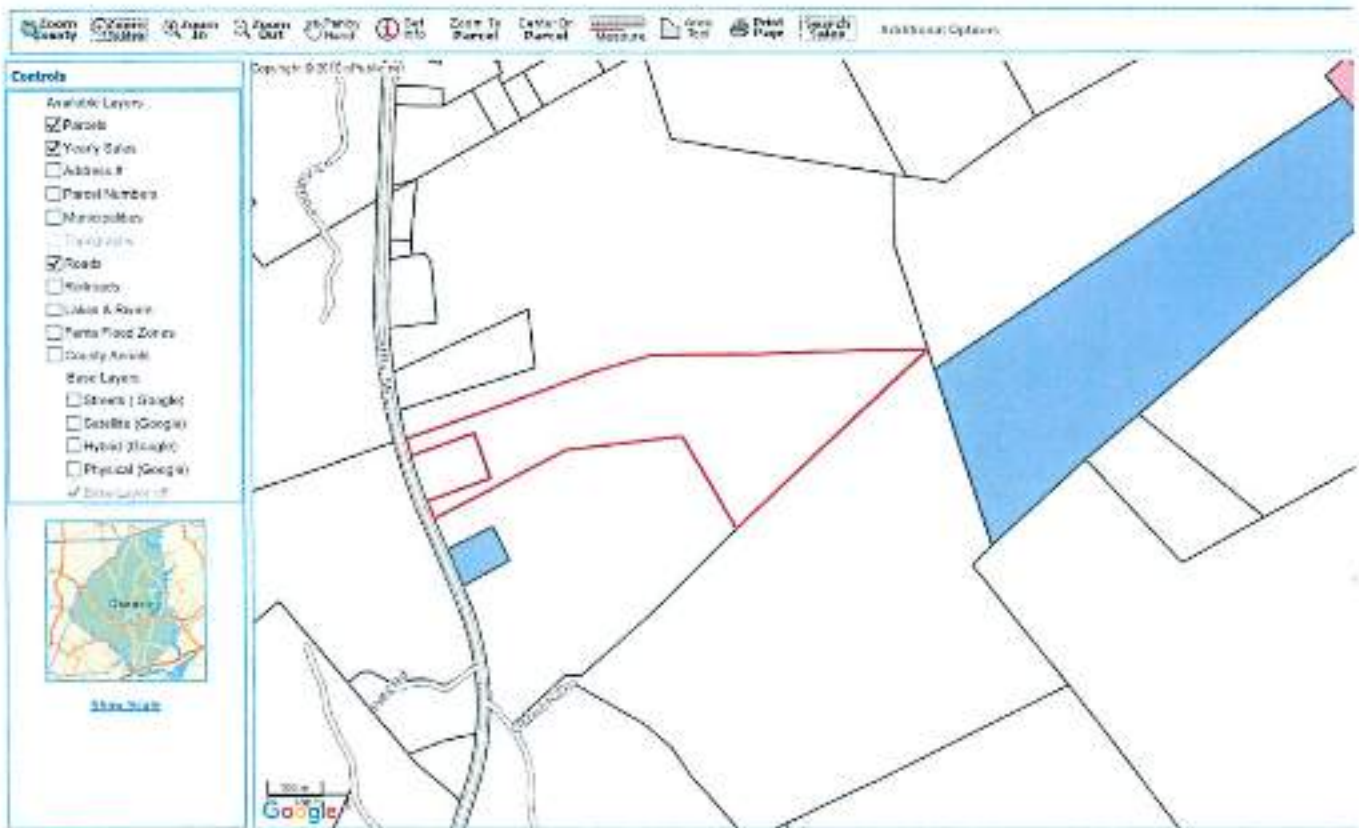
Please explain and described the in-kind services or amount of financial support applied for or r received. Please also provide written documentation to support such application or receipt of such support.

5. Please describe any other financial advantage of the proposed conservation project which helps ensure that the project represents a good use of limited OCCB funds and/or provides a good return on investment for the citizens of Oconee County?

Please explain any other such financial advantage and provide documentation to support your answer to this question.



Oconee County makes every effort to provide the most accurate information available. Its warranties, expressed or implied, are provided to the data source, its user or interpretation. The map is for informational purposes only and should not be used for legal purposes before the next certified tax roll.



Oconee County makes every effort to produce the most accurate information possible. No warranties, expressed or implied, are provided for the data herein, its use or interpretation. The maps on this site are not surveyed unless the text verified the info.

USDA Farm and Ranch Land Protection Program (FRPP) Conservation Easement Appraisal

of

104.79 +/- acres of farmland and improvements north of Fair Play
Oconee County, South Carolina

Property of Jerry M. and Janie P. Powell

Prepared at the Request of
The Oconee Soil and Water Conservation District

Prepared for the Use of:
Oconee Soil and Water Conservation District, the USDA NRCS, and Jerry and Janie Powell

Effective Date of Appraisal: February 10, 2016
Date of Appraisal Report: February 15, 2016

	HOLSTEIN APPRAISALS 521 W Railroad Ave Batesburg, SC 29006 803.532.3955 803.532.1931 fax www.holsteinappraisals.com		
	Richard H. Holstein IV, PC Certified General Appraiser SC 6509 NC 47477 GA 345673	Richard H. Holstein III, ARA Certified General Appraiser SC 42 NC A1073 GA 602049	Melanie S. Holstein Certified General Appraiser SC 6383



HOLSTEIN APPRAISALS
521 Railroad Avenue
Batesburg, SC 29006
803.532.3955
803.532.1931 fax
www.holsteinappraisals.com

February 15, 2016

Jerry Powell
Oconee Soil and Water Conservation District
USDA National Resource Conservation Service

Re: Letter of Transmittal—OSWCD/FRPP Conservation Easement Appraisal, 104.79 +/- acres of farmland and improvements north of Fair Play, Property of Jerry M. and Janie P. Powell, Oconee County, SC.

At your request, I have prepared an appraisal report on land upon which a OSWCD/USDA NRCS Farm and Ranchland Protection Program conservation easement is to be placed. The subject property includes 104.7 +/- acres, 94.9 of which will be subject to the easement. The effective date of the appraisal is February 10, 2016, the date of the property inspection. The objective of this appraisal was to estimate the value of the subject land before and after the easement. The easement value is the difference between these two values.

I estimate the values to be:

Value before the Easement:	\$620,000
- <u>Value After the Easement:</u>	\$420,000
= Value of Easement:	\$200,000

The appraisal is based on the area delineated by the plats, aerial photographs, deeds, tax maps, and timber maps supplied by the client, which are included as part of the report. This appraisal has been conducted in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions (UASFLA—Yellow Book). The appraisal procedures and scope of the appraisal are explained in detail in the body of the report.

I appreciate your business. If there are questions, please do not hesitate to call.

Sincerely,
HOLSTEIN APPRAISALS

Richard H. Holstein IV, P.E.
Certified General Appraiser
SC 5509 | GA 345673 | NC A7477

Attachment D

SOUTH CAROLINA CONSERVATION BANK

1201 Main Street, Suite 1820

Columbia, South Carolina 29201



Marvin N. Davant
Executive Director
803-734-3986
803-734-6326 fax

September 25, 2015

Board of Directors

James W. Roquemore
Chairman

Michael G. McShane
Vice-Chairman

H. Boyd Brown
Andrea Clark
Elliott Close

C. Douglass Harper
D. Clinch Heyward
Charles G. Lane
Thomas W. Miller
Harry E. Shealy, Jr.
William L. Snow, Sr.

Ex-Officio Members

D. Glenn McFadden
Dr. Walt McPhail
Duane N. Parrish

Alexander Ramsay
Oconee Co SWCD
301 West South Broad St.
Walhalla, SC 29691

RE: Powell Tract – Oconee County
Grant Award Amount \$424,000

Dear Mr. Ramsay:

This is to inform you that the above referenced grant was approved by the SC Conservation Bank Board on November 5, 2014. In order to receive the grant amount approved by the Board the above grant must be closed prior to June 15, 2016. If the grant has not closed by June 15, 2016, the specified funds may be redirected.

If you have any questions, do not hesitate to contact this office.

Sincerely,

Marvin N. Davant

cc: J Denver Powell
2165 Highway 59
Westminster, SC 29693

PAYMENT & FEE CALCULATION FOR CONSERVATION EASEMENT

8-May-17

FRPP PAYMENT CALCULATION FOR CONSERVATION EASEMENT:

1. ENTER TOTAL VALUE OF CONSERVATION EASEMENT FROM APPRAISAL <i>(Appraisal based upon estimated acreage at time of appraisal. Estimated acreage must be within 5% of final acres.)</i>	\$200,000.00
2. ENTER TOTAL CONSERVATION EASEMENT ACRES <i>(Final acres under Conservation Easement.)</i>	94.088
3. CALCULATED VALUE PER ACRE OF CONSERVATION EASEMENT ACRES <i>(1 divided by 2)</i>	\$2,125.67
4. ENTER APPROVED PERCENTAGE OF FRPP PAYMENT <i>(Determined and accepted by applicant at time of application.)</i>	47.50%
5. ENTER TOTAL FRPP PAID ACRES <i>(Total FRPP paid acres may be less than total easement acres if some of the property was donated by the landowner in order to receive a higher ranking score.)</i>	94.088
6. CALCULATED MAXIMUM FRPP PAYMENT <i>(3 X 4 X 5)</i>	\$95,000.00
7. ENTER TOTAL FRPP FUNDS APPROVED <i>(Based upon estimated acreage at the time of application x estimated value per acre of conservation easement x 4. Estimated value per acre determined by OSWCD if an approved appraisal was not submitted by the applicant at the time of application.)</i>	\$300,000.00
8. CALCULATED ELIGIBLE FRPP PAYMENT <i>(lessor of 6 and 7)</i>	\$95,000.00

SCCB PAYMENT CALCULATION FOR CONSERVATION EASEMENT:

9. TOTAL VALUE OF CONSERVATION EASEMENT FROM APPRAISAL <i>(from 1)</i>	\$200,000.00
10. TOTAL CONSERVATION EASEMENT ACRES <i>(from 2)</i>	94.088
11. CALCULATED VALUE PER ACRE OF CONSERVATION EASEMENT ACRES <i>(from 3)</i>	\$2,125.67
12. ENTER APPROVED PERCENTAGE OF SCCB PAYMENT <i>(Determined and accepted by applicant at time of application.)</i>	47.50%
13. ENTER TOTAL SCCB PAID ACRES <i>(Total paid acres may be equal to or greater than number of acres approved for payment under FRPP.)</i>	94.088

14. CALCULATED MAXIMUM SCCB PAYMENT \$95,000.00
(11 X 12 X 13)

15. ENTER TOTAL SCCB FUNDS APPROVED \$392,142.00
(Based upon estimated acreage at the time of application x estimated value per acre of conservation easement x 12. Estimated value per acre determined by OSWCD if an approved appraisal was not submitted by the applicant at the time of application.)

16. CALCULATED ELIGIBLE SCCB PAYMENT \$95,000.00
(lessor of 14 and 15)

TOTAL PAYMENT CALCULATION FOR CONSERVATION EASEMENT:

17. CALCULATED TOTAL PAYMENTS FOR FRPP AND SCCB \$190,000.00
(sum of 8 and 16)

OSWCD ADMINISTRATIVE FEE CALCULATION:

18. CALCULATED ADMINISTRATIVE FEE REQUIRED AT CLOSING \$ 5,000
(1% of Conservation Easement Value, but not less than \$5,000)

Remaining FRPP Funds \$205,000.00
Remaining SCCB Funds \$297,142.00

Price per acre for easement minus fee \$ 1,966

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE**

ORDINANCE 2017-10

**AN ORDINANCE TO AMEND CHAPTER 6, ARTICLE III OF THE
CODE OF ORDINANCES OF OCONEE COUNTY PERTAINING TO
THE OCONEE COUNTY BOARD OF BUILDING CODE APPEALS; 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”) is mandated by the provisions of Title 6, Chapter 9 of the Code of Laws of South Carolina to enforce certain national building and safety codes in furtherance of the implementation of the public policy of the State; and,

WHEREAS, the State has specified that the building, residential, gas, plumbing, mechanical, fire, and energy codes as promulgated, published, or made available by the International Code Council, Inc., with South Carolina modifications, and the National Electrical Code as published by the National Fire Protection Association (all collectively the “Code”), are the sole national building and safety codes to be enforced; and,

WHEREAS, Oconee County has duly adopted and implemented enforcement of the Code in conformity with state law; and,

WHEREAS, adoption of the Code establishes an appeal board (the “Board”) to hear appeals from parties aggrieved by determinations and actions taken by building code personnel; and,

WHEREAS, the Board is charged with the consideration of, and rendering decisions related to, interpretations of a highly technical and complex nature involving issues that potentially impact life and property; and,

WHEREAS, members of the Board should possess a great understanding of construction-related issues in order to minimize the risk of potential negative impacts on life and property stemming from Board decisions.

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

1. Section 6-85 of Chapter 6 of the Code of Ordinances of Oconee County, entitled “Appeals,” is hereby revised, rewritten, and amended to read as set forth in “Attachment A” which is attached hereto and incorporated herein by reference.

2. Notwithstanding anything contained herein to the contrary, to further an orderly transition to the provisions of this Ordinance, members of the existing County Board of Building Code Appeals shall continue to serve, through the end of their present term, on the Board as constituted by this Ordinance, regardless of their professional experience and/or credentials. The total membership of the Board shall, nonetheless, not exceed seven (7) persons.

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

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

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

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

ORDAINED in meeting, duly assembled, this ____ day of _____, 2017.

ATTEST:

Katie Smith
Clerk to Oconee County Council

Edda Cammick, Chair
Chair, Oconee County Council

First Reading: May 2, 2017
 Second Reading: May 16, 2017
 Third Reading: June 20, 2017
 Public Hearing: June 20, 2017

ATTACHMENT A
To Ordinance 2017-10

Sec. 6-85. Appeals.

1. Appeals Generally:

- a. Any person who is aggrieved by any determination or action made or taken by the building official or his designated representative may appeal the determination to the County Board of Building Code Appeals (the "Board").
- b. The appeal shall be in writing, shall clearly set forth the reasons therefor, and shall otherwise be in conformance with applicable portions of the regulatory codes referenced in Section 6-40 of the Oconee County Code of Ordinances. The Board may establish forms for such appeals.

2. County Board of Building Code Appeals (the "Board"):

- a. The Board shall consist of seven members appointed by Oconee County Council ("Council"), with membership contingent upon documentation of professional experience and/or credentials, as appropriate.
- b. The membership of the Board shall be constituted as follows:
 - One (1) architect
 - One (1) engineer
 - Four (4) persons who are either licensed contractors or residential builders
 - One (1) member of the construction materials industryThe Oconee County Building Official shall serve as a non-voting, ex-officio member for matters arising under the South Carolina Residential Code.

An active professional license shall not be required for membership by individuals having retired in good standing from one of the specified professions.

- c. Members of the Board shall be selected at-large from individuals whose primary residence is located within Oconee County; however, no more than three (3) members may reside within any single County Council District.
- d. Interested candidates for the Board shall complete the "Questionnaire for Board/Commission" and submit it to the Clerk to Council for distribution to Council. Council is not required to select a member from the submitted questionnaires; members of Council may directly solicit a candidate for appointment to the Board. However, all potential candidates, whether

those submitting questionnaires on their own or those solicited for appointment by members of Council, must complete the "Questionnaire for Board/Commission" and submit it to the Clerk to Council for distribution to Council before being appointed.

- e. All appointments to the Board will be made upon recommendation by a Council member and an affirmative vote by Council.
- f. The length of the regular term served by each member shall be four (4) years, beginning on January 1st of the year of appointment. For the purposes of implementing the standards of this section and thereby establishing a reappointment/replacement schedule of the membership of the Board to staggered terms, the length of terms served by the initial appointees approved under the standards of this section shall be as follows:

Two (2) persons from the membership category of licensed contractors or residential builders and (1) engineer shall each serve an initial term of two (2) years; all other members shall serve an initial term of four (4) years.

- g. Members may serve no more than two (2) consecutive terms.
- h. In the event the regular term of a member in good standing expires prior to reappointment or replacement by Council, said member shall continue to serve until his or her replacement is appointed and qualified. The date of reappointment or replacement, however, in no way alters the scheduled length of the term.
- i. A member who is absent from three (3) consecutive meetings within any twelve (12) calendar month period without adequate excuse, such as documented illness, shall be reported by the chairperson of the Board to Council and is subject to replacement by Council.
- j. Any member may be removed or replaced at will by majority vote of Council.
- k. Failure of a member to recuse himself due to a conflict of interest is grounds for immediate removal by Council.
- l. Should any member of the Board move or establish primary residence outside of Oconee County, such relocation shall constitute a resignation by the member, and a replacement member shall be appointed to fill the unexpired term of such resigned member.
- m. **Officers:** The Board shall organize itself, electing one (1) of its members as chairman and one (1) as vice-chairman, whose terms must each be for one (1) year. The chairman and vice-chairman shall have the right to vote. The Board may appoint a secretary, who may be a member of the Board or

an employee of the County. If the secretary is a member of the Board, he shall also have the right to vote. Vacancies in such offices by reason of death, resignation, or replacement shall be filled for the unexpired term of the officer whose position becomes vacant, in the same manner as the original election or appointment.

- n. **Meetings:** The Board shall establish a meeting schedule during its first meeting of the calendar year. The Board shall meet at least once per month.
- o. **Bylaws:** In addition, the Board shall duly adopt such bylaws as may be necessary for the orderly performance of its duties and functions. Any bylaws which may be adopted by the Board for the orderly performance of its duties shall comply with all provisions of the general law of the State of South Carolina and of this Ordinance, and of all other Ordinances of Oconee County, including but not limited to the Freedom of Information Act.
- p. The Board shall comply with the provisions of the South Carolina Freedom of Information Act ("FOIA") and the requirements set forth in the Code of Ordinances and subsequent ordinances concerning freedom of information and the conduct of public meetings.

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE**

ORDINANCE 2017-12

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

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

WHEREAS, the County currently desires to execute and enter into a Ground Lease Agreement (the “Lease”) with the Foothills Agricultural Resource and Marketing Center, a South Carolina nonprofit entity, (“Lessee”) in relation to certain property located on Sandifer Blvd., consisting of approximately fifty-eight (58) acres, and bearing TMS# 252-00-02-003 (the “Premises”); and

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

WHEREAS, Lessee endeavors to develop the Premises as a multimodal agricultural resource and marketing center, to include the operation of a fair and a farmers market, along with facilities and operations focused on agricultural economic development, education, and entertainment, among other related activities, all for the general public good and welfare; and

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

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

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

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

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

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

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

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

ORDAINED in meeting, duly assembled, this _____ day of _____, 2017.

ATTEST:

Clerk to Oconee County Council
Katie Smith

Edda Cammick
Chair, Oconee County Council

First Reading: May 2, 2017
Second Reading: May 16, 2017
Third Reading: June 20, 2017
Public Hearing: June 20, 2017

EXHIBIT A

To be produced following negotiations and/or execution

GROUND LEASE

between

THE COUNTY OF OCONEE, SOUTH CAROLINA

as Lessor

and

**THE FOOTHILLS AGRICULTURAL RESOURCES AND MARKETING
CENTER**

as Lessee

GROUND LEASE

THIS GROUND LEASE (“Lease”) is made and entered into by **THE COUNTY OF OCONEE, SOUTH CAROLINA**, as lessor (“Lessor”) and **THE FOOTHILLS AGRICULTURAL RESOURCES AND MARKETING CENTER**, as lessee (“Lessee”), dated as of _____, 2017 (the “Lease Commencement Date”).

RECITALS:

WHEREAS, the Lessor is the owner of certain real property consisting of approximately 58.71+/- acres (the “Ground Lease Premises”), more fully described on **Exhibit A**, attached hereto and incorporated herein by this reference; and,

WHEREAS, Lessee desires to enter into a ground lease with Lessor for the Ground Lease Premises for the construction, by Lessee, of buildings and infrastructure which will serve as an agricultural-based educational and business support facility (collectively, the “Facility”) and which will provide a home for the South Carolina Foothills Heritage Fair, and its successors and assigns (collectively, the “Fair”) and the Foothills Heritage Market, and its successors and assigns (collectively, the “Farmers’ Market”) as well as other educational, economic and/or entertainment events for all of Oconee County, South Carolina; and,

WHEREAS, the Lessor desires to lease the Ground Lease Premises to Lessee, and Lessee desires to lease the Ground Lease Premises from Lessor.

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

ARTICLE 1 - DEMISE OF GROUND LEASE PREMISES

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

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

Section 1.3. **Utility Easements**. Lessee shall have the right to enter into agreements with utility companies creating easements in favor of such companies for “Utility Facilities,” as defined below, as are required in order to service the Ground Lease Premises; provided, however, that any such easements (i) may only be located within those areas of the Ground Lease Premises which will

not materially interfere with any improvements/infrastructure located upon the Ground Lease Premises; (ii) must be approved by Lessor as to location and the form of the easement agreement, which consent will not be unreasonably withheld or delayed; and (iii) may only be granted as non-exclusive easements. Lessor agrees to join in the grant of any such utility easements and to execute any and all documents, agreements and instruments in order to effectuate the same, all at Lessee's cost and expense. Lessor shall retain the right to enter into agreements with utility companies creating easements in favor of such companies for "Utility Facilities," as defined below, as are required; provided, however, that any such easements may only be located within those areas of the Ground Lease Premises which will not materially interfere with any improvements/infrastructure located upon the Ground Lease Premises. To the extent that such easements do not materially interfere with Lessee's use and enjoyment of the Ground Lease Premises, Lessee agrees, where requested by Lessor, to join in the grant of such easements and to execute any and all documents, agreements, and instruments and to take all other actions in order to effectuate the same in the event Lessee's joinder is required in connection with any easements affecting any portion of the Ground Lease Premises. The parties agree to use reasonable efforts to cause any encumbrances on the Ground Lease Premises to be subordinate to such easements, as may be required by any utility companies. For purposes of this Lease, "Utility Facilities" shall mean such underground conduits, wires, lines, pipes and mains and other underground electrical, gas, sanitary sewer, water and telephone and telecommunications structures and improvements necessary for the transmission and/or provision of electricity and electrical services, natural gas and natural gas services, sanitary sewer services, water and water services and telephone and telecommunications services, mains, swales, lift stations and retention ponds and other improvements/infrastructure necessary for the provision of storm water drainage services. With regard to the utility easements referred to herein, Lessee shall (i) have the right to cause the construction of the utility improvements by Lessee's general contractor and/or the utility company, as the case may be; and (ii) maintain the utility easement areas subject to Lessor retaining the right to relocate such easements from time to time so long as such relocation does not materially interfere with the easements granted herein or cause a violation of the requirements of any zoning, platting or other conditions or approvals of any controlling governmental authorities applicable to the improvements/infrastructure located from time to time on the Ground Lease Premises.

Section 1.4. Inspection Period. Lessee shall have until ninety (90) days after the date of Lease Commencement Date (the "Inspection Period") to perform inspections, utility studies, soil tests, surveys, appraisals, environmental studies, title searches, and such other tests, evaluations and examinations of the Ground Lease Premises as Lessee may desire. Within ten (10) days after the Lease Commencement Date, Lessor shall provide to Lessee copies of any and all written contracts, agreements, permits, surveys, plans, environmental studies, title insurance policies, easement agreements, restrictive covenants, other title documents, and any other documents concerning the Ground Lease Premises. In the event the results of Lessee's tests, evaluations and analyses are not satisfactory to Lessee in its sole discretion, Lessee may on or before the last day of the Inspection Period terminate this Lease by written notice to Lessor. In such event, this Lease shall be deemed terminated, and Lessee shall have no obligation to lease the premises. In the event Lessee does not terminate this Lease within said time period, this Lease shall remain in full force and effect. Lessor grants to Lessee and persons designated by Lessee the right and permission at any time after Commencement Date, to enter upon the Ground Lease Premises to inspect and survey the Ground Lease Premises and to make and carry away the samples of borings, soil bearing tests and other tests such as for hazardous conditions to determine the suitability of the Ground Lease Premises for Lessee's purposes; provided, however, that tests and other entries upon the Ground Lease Premises shall be so conducted as not to damage the Ground Lease Premises unduly and shall be at Lessee's

sole expense.

ARTICLE 2 - LEASE TERM

Section 2.1. **Lease Term.** The term of this Lease (the "Term") shall commence on the Lease Commencement Date and shall continue through the day immediately preceding the fiftieth (50th) anniversary of the Lease Commencement Date, unless earlier terminated as provided herein. Notwithstanding the foregoing, and provided that Lessee is not in material default of the Lease on the ten (10) year anniversary of the Lease Commencement Date, the Term shall automatically be extended for ten (10) additional years so that the Term will thereafter expire on the day immediately preceding the sixtieth (60th) anniversary of the Lease Commencement Date.

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

ARTICLE 3 - RENT, TAXES AND UTILITIES

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

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

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

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

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

such cooperation.

Section 3.6. Costs. It is the intent of the parties, except as otherwise provided in this Lease, that Lessee pay all costs, charges, insurance premiums, taxes, utilities, expenses, and assessments arising during the Term of every kind and nature incurred for, against, or in connection with the Ground Lease Premises.

ARTICLE 4 - USE OF PREMISES

Section 4.1. Permitted Uses. Lessor shall allow Lessee, its agents, employees, successors, assigns, and sublessees to use the Ground Lease Premises for the construction, maintenance, management and operation of an agricultural-based educational and business support facility which will provide a home for the Fair and the Farmers' Market as well as other agricultural, educational, economic and/or entertainment events, and for such other purposes that are related and ancillary thereto, all of which shall be for the public good and welfare (the "Permitted Purposes"). Lessee and its sublessees, successors and assigns shall only use the Ground Lease Premises for the Permitted Purposes unless written consent for any other purpose is given by the Lessor, which consent shall not be unreasonably withheld.

ARTICLE 5 – HAZARDOUS MATERIALS

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

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

(a). Use. Lessee hereby agrees that Lessee and Lessee's officers, directors, employees, representatives, agents, contractors, subcontractors, successors, assigns, sublessees, invitees and any other occupants of the Ground Lease Premises (for purpose of this Section, referred to collectively herein as "Lessee Parties") shall not use, generate, manufacture, refine, produce, process, store or dispose of, on, under or about the Ground Lease Premises or transport to or from the Ground Lease Premises in the future for the purpose of generating, manufacturing, refining, producing, storing, handling, transferring, processing or transporting Hazardous Materials, except in compliance with all applicable Hazardous Materials Laws. Furthermore, the Lessee Parties shall, at their own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for the storage or use by the Lessee Parties

of Hazardous Materials on the Ground Lease Premises, including without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Ground Lease Premises.

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

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

Section 5.3. Notice of Hazardous Materials Matters. Each party hereto (for purposes of this Section, “Notifying Party”) shall immediately notify the other party (the “Notice Recipient”) in writing of: (a) any enforcement, clean-up, removal or other governmental or regulatory action instituted, contemplated or threatened concerning the Ground Lease Premises pursuant to any Hazardous Materials Laws; (b) any claim made or threatened by any person against the Notifying Party or the Ground Lease Premises relating to damage contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials on or about the

Ground Lease Premises; and (c) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Ground Lease Premises, including any complaints, notices, warnings or asserted violations in connection therewith, all upon receipt by the Notifying Party of actual knowledge of any of the foregoing matters. Notifying Party shall also supply to Notice Recipient as promptly as possible, and in any event within five (5) business days after Notifying Party first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Ground Lease Premises or Lessee's use thereof.

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

ARTICLE 6 – IMPROVEMENTS

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

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

ARTICLE 7 – MAINTENANCE

Section 7.1. Maintenance of Ground Lease Premises. Lessee agrees that it will, at its sole cost

and expense, maintain or cause to be maintained the Ground Lease Premises and any other improvements/infrastructure located thereon and appurtenances thereto and every part thereof, in good order, condition and repair and in accordance with all applicable laws, rules, ordinances, orders and regulations of all governmental authorities. In the event any repairs required to be made under the provisions of this Lease are not made or commenced and diligently pursued thereafter, within sixty (60) days after written notice from Lessor to do so, then Lessor may, at its option, enter upon said Ground Lease Premises and repair the same, and the cost and expense of such repairs, with interest accruing thereon at a rate 7% per annum from the date of the invoice for same, shall be due and payable by Lessee as additional rent to Lessor within 30 days of Lessee's receipt of the invoice for same.

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

ARTICLE 8 – MECHANICS' LIENS

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

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

ARTICLE 9 – CONDEMNATION

Section 9.1. Interests of Parties on Condemnation. If the Ground Lease Premises or any part thereof shall be taken for public purpose by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, the interests of Lessor and Lessee in the award or consideration for such transfer, and the allocation of the award and the other effects of the taking or transfer upon this Lease, shall be as provided by this Article 9.

Section 9.2. Total Taking - Termination. If the entire Ground Lease Premises is taken or so

transferred, this Lease and all of the right, title and interest of Lessee hereunder, including Lessee's obligation to pay rent, shall cease on the date title to such land so taken or transferred vests in the condemning authority.

Section 9.3. Partial Taking - Termination. In the event of the taking or transfer of only a part of the Ground Lease Premises, leaving the remainder of the Ground Lease Premises in such location, or in such form, shape or reduced size as to be not effectively and practicably usable in the good faith opinion of Lessee for the Lessee's purposes, this Lease and all right, title and interest of Lessee hereunder may be terminated by Lessee giving, within sixty (60) days of the occurrence of such event, thirty (30) days' notice to Lessor of Lessee's intention to terminate. Notwithstanding the foregoing, upon notice from Lessee to Lessor that Lessee desires to continue this Lease, this Lease shall continue in full force and effect.

Section 9.4. Partial Taking - Award. If title and possession of a portion of the Ground Lease Premises is taken under the power of eminent domain, and this Lease continues as to the portion remaining, all compensation and damages ("Compensation") payable to Lessee by reason of any improvements/infrastructure so taken shall be available to be used, to the extent reasonably needed, by Lessee in replacing any improvements/infrastructure so taken with improvements/infrastructure of the same type as the remaining portion of the Ground Lease Premises. All plans and specifications for such replacement and improvements shall be subject to Lessor's reasonable prior approval and all such repairs shall be in compliance with all then existing codes, zoning ordinances, rules and regulations governing the Ground Lease Premises.

Section 9.5. Allocation of Award. Any compensation awarded or payable because of the taking of all or any portion of the Ground Lease Premises by eminent domain shall be awarded in accordance with the values of the respective interests in the Ground Lease Premises and all improvements/infrastructure thereon immediately prior to the taking. The value of Lessor's interest in the Ground Lease Premises and all improvements/infrastructure thereon immediately prior to a taking shall include the then value of its interest as Lessor under this Lease, together with the value of its reversionary interest in the Ground Lease Premises and related improvements/infrastructure. The value of Lessee's interest in the Ground Lease Premises and improvements/infrastructure immediately prior to a taking shall include the then value of its interest in the Ground Lease Premises and related improvements/infrastructure for the remainder of the Term of this Lease (without giving effect to any early termination provision). In the event of separate awards, then Lessor and Lessee may retain such separate awards made to each and any of them. Such values shall be those determined in the proceeding relating to such taking or, if no separate determination of the values is made in such proceeding, those determined by agreement between Lessor and Lessee. If such agreement cannot be reached, such values shall be determined by an appraiser or appraisers appointed in the manner provided below. The time of taking shall mean 12:01 a.m. of, whichever shall first occur, the date of title or the date physical possession of the portion of the Ground Lease Premises on which the improvements/infrastructure are located is taken by the taking agency or entity. If the appointment of an appraiser or appraisers is required, Lessor and Lessee will each select an MAI real estate appraiser licensed in the State of South Carolina and having experience in the appraisal of commercial real estate to conduct an appraisal of the Ground Lease Premises or applicable portion thereof, taking into account the then use of the Ground Lease Premises by Lessee, together with the appurtenances to the Ground Lease Premises such as access, parking and landscaping, but including such value only as appurtenances to the Ground Lease Premises. If the two appraisers shall agree, the agreed value shall be the fair market value of the Ground Lease Premises or applicable portion thereof. If the appraisers do not agree and the difference between the two appraisals does not exceed ten percent (10%) of the greater appraisal,

then the average of the two (2) fair market values as determined by the two appraisals shall determine the fair market value of the Ground Lease Premises or applicable portion thereof. If the difference between the two appraisals is greater than ten percent (10%) of the greater appraisal, then the two appraisers shall select a third MAI appraiser licensed in the State of South Carolina, and the average of the three appraisals shall be the fair market value of the Ground Lease Premises or applicable portion thereof. Each party shall pay the cost of its chosen appraiser and should a third appraiser be necessary, Lessor and Lessee shall each pay one-half (½) of the costs of the third appraiser.

Section 9.6. Voluntary Conveyance. A voluntary conveyance by Lessor to a public utility, agency or authority under threat of a taking under the power of eminent domain in lieu of formal proceedings shall be deemed a taking within the meaning of this Article 9.

ARTICLE 10 - ASSIGNMENT AND SUBLETTING

Section 10.1. Limitation on Assignment and Subletting. Lessee may not sell, assign, sublease, convey or transfer all or substantially all of Lessee's interest in this Lease and the leasehold estate created hereby, without the prior written consent of Lessor, which consent will not be unreasonably withheld or delayed. Lessor, however, understands and acknowledges that Lessee will be subletting use of space at the Facility on a regular basis as part of its normal course of business in operating the Facility including, but not limited to, subletting space to numerous vendors at the Farmers' Market and the Fair, as well as subletting space for other events to be held at the Facility, and the Lessor acknowledges and agrees that such activities by Lessee in the normal course of business shall not require the approval of Lessor. With the exception of subleases to vendors at the Farmer's Market or Fair or similar vendors at other events where less than 1% of the total acreage of the Ground Lease Premises is being subleased by the vendor (collectively, "Small Subleases"), any assignment, sublease, conveyance or transfer of Lessee's interest in this Lease shall be subject to compliance with the provisions of this Lease. In the event of an assignment, sale or transfer of all, or substantially all, of Lessee's interest in this Lease, any such assignee, buyer or transferee shall be required to assume in writing all of the Lessee's obligations and shall be bound by all of the terms of this Lease.

ARTICLE 11 - INSURANCE

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

insurance policies during the Term. Such insurance shall be cancelable only after thirty (30) days' prior written notice to Lessor and Lessee, and any holder of a mortgage on the Ground Lease Premises. In the event Lessee fails to timely pay any premium when due, Lessor shall be authorized to do so, and may charge all costs and expenses thereof, including the premium, to Lessee, to be paid by Lessee as additional rent hereunder.

Section 11.2. Fire and Extended Coverage Property Insurance. Lessee shall, at its cost and expense and at all times during the Term, maintain in force, for the joint benefit of Lessor and Lessee, and any holder of a mortgage on the Ground Lease Premises, or any holder of a mortgage on the leasehold interest on the Ground Lease Premises, a policy of insurance insuring the Ground Lease Premises and any improvements/infrastructure thereon against loss or damage by fire, lightning, and earthquake, and such other perils as are covered under a broad form of "extended coverage" or "all risk" endorsement as available in South Carolina. Lessor shall be named as an additional insured on such policy of insurance, and the leasehold mortgagee, if any, shall be named as required by its loan documents, and subject to terms of any mortgage encumbering the Ground Lease Premises or any interest therein. Any insurance proceeds shall be applied in the manner as set forth in this Lease. The insurance shall be carried and maintained to the extent of full replacement cost of the improvements/infrastructure, in such amounts as may be reasonably acceptable to Lessor from time to time during the Term of this Lease; provided however, that during a period of construction, Lessee shall provide or cause to be provided, in lieu thereof, builders' risk or similar type of insurance to the full replacement cost thereof. Such insurance policy or policies shall be stated to be primary and noncontributing with any insurance which may be carried by Lessor. In addition, the deductible for such insurance shall not exceed \$10,000.00. A certificate of said insurance, together with proof of payment of the premium thereof, shall be delivered to Lessor. Any renewal certificates and proof of payment of premium therefor shall be delivered to Lessor not less than five (5) days prior to the renewal date of any such insurance policies during the Term. Such insurance shall be cancelable only after thirty (30) days' prior written notice to Lessor, Lessee, and any holder of a mortgage on the Ground Lease Premises. In the event Lessee fails to timely pay any premium when due, Lessor shall be authorized to do so, and may charge all costs and expenses thereof, including the premium, to Lessee, to be paid by Lessee as additional rent hereunder.

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

Section 11.4. Indemnification. Lessee hereby agrees to indemnify, protect, defend, and save Lessor and its officers, Council members, employees, agents, attorneys, successors, and assigns harmless from and against any and all losses, damages, actions, fines, penalties, demands, damages, liability, and expense, including attorneys' fees and costs through litigation and all appeals, in connection with the loss of life, personal injury, and damage to property, resulting (in whole or in part) from the negligence or intentional misconduct of Lessee, its employees, agents, or sublessees

and arising from or out of (i) any occurrence in, upon, at or about the Ground Lease Premises and/or (ii) the occupancy, use, or construction upon and maintenance of the Ground Lease Premises. Nothing contained herein shall be construed to make Lessee liable for any injury or loss primarily caused by the gross negligence or willful misconduct of Lessor or any agent or employee of Lessor.

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

(a) With the exception of Small Subleases as defined in Section 10.1 above, Lessee shall require all of its sublessees to:

(i) maintain customary insurance required of lessees in similar properties (which insurance, as to any lessee serving liquor, shall include liquor law sales and dram shop coverage);

(ii) include Lessor and Lessee as additional insureds on their commercial general liability policies (or equivalent policies);

(iii) obtain a waiver of subrogation endorsement in all policies in favor of Lessor and Lessee; and

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

(b) With the exception of sublessees under Small Subleases as defined in Section 10.1 above, Lessee shall require all of its sublessees' contractors, subcontractors, design-builders, construction managers, consultants, and other entities providing services, materials or labor to all or any portion of the Ground Lease Premises to:

(i) include Lessor and Lessee as additional insureds in their commercial general liability policies; and

(ii) obtain a waiver of subrogation endorsement in all policies in favor of Lessor and Lessee.

(c) Lessee shall require any manager of the Ground Lease Premises, to maintain at all times during the term of its management agreement:

(i) Workers' compensation insurance as required by law and which shall include employer's liability insurance for all employees of said manager;

(ii) liability Insurance with a per occurrence combined single limit of at least One Million and 00/100 (\$1,000,000) Dollars including Lessor as additional insured;

(iii) fidelity insurance, if commercially available, with a coverage limit of at least One Million and 00/100 (\$1,000,000) Dollars;

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

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

ARTICLE 12 - DAMAGE AND DESTRUCTION

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

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

ARTICLE 13 - DEFAULTS AND REMEDIES

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

(a). Abandonment. Abandonment of the Ground Lease Premises, or the improvements/infrastructure now or hereafter constructed thereon, where such abandonment continues for a period of: Two hundred and forty (240) consecutive days during years one (1) through three (3) of the Term, One hundred and twenty (120) consecutive days during years four (4) through seven (7) of the Term, and Sixty (60) consecutive days during the remainder of the Term, after written notice thereof by Lessor to Lessee, and Lessee's failure to cure said default within fifteen (15) days of receipt of the notice from Lessor. Such abandonment shall not include any time that the Ground Lease Premises are vacated due to a casualty.

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

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

(d). Failure to Operate the Fair and Farmers' Market. The failure of Lessee, through no fault of the Lessor or any third party, to begin operation of the Farmers' Market and to begin operation of the Fair on the Ground Lease Premises within two (2) years from the

Lease Commencement Date and/or the failure of the Lessee, thereafter, to continue to host the Farmers' Market and Fair on an annual basis at the Ground Lease Premises, for the remaining Term of this Lease.

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

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

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

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

Premises after termination or expiration of this Lease without compensation and without liability for use or damage, or Lessor may store them for the account and at the cost of Lessee. The election of one remedy for any one item shall not foreclose an election of any other remedy for another item, or for the same item at a later time.

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

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

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

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

ARTICLE 14 - SURRENDER AND REMOVAL

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

payment of any consideration.

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

ARTICLE 15 – GENERAL PROVISIONS

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

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

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

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

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

LESSOR:

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

with a copy to:

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

LESSEE:

The FARM Center

with a copy to:

Nexsen Pruet, LLC
Attn: Todd Davidson
55 E. Camperdown Way Ste. 400
Greenville, SC 29601

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SIGNATURE PAGE TO FOLLOW

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

IN THE PRESENCE OF:

LESSOR:

**THE COUNTY OF OCONEE,
SOUTH CAROLINA**

By: _____
Name: _____
Title: _____

LESSEE:

**THE FOOTHILLS AGRICULTURAL
RESOURCES AND MARKETING CENTER**

By: _____
Name: _____
Title: _____

EXHIBIT A

LEGAL DESCRIPTION OF GROUND LEASE PREMISES

The same property conveyed to Lessor by Limited Warranty Deed of Stone Mountain Industrial Park, Inc., dated May 13, 2016, and recorded May 13, 2016 in the Office of the Register of Deeds for Oconee County, South Carolina at Book 2181, Page 256. See attached.

EXHIBIT B

MEMORANDUM OF LEASE

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE is made as of the ____ day of _____ 2017, between **THE COUNTY OF OCONEE, SOUTH CAROLINA**, hereinafter referred to as "Lessor" and **THE FOOTHILLS AGRICULTURAL RESOURCES AND MARKETING CENTER**, hereinafter referred to as "Lessee."

1. Lessor and Lessee entered into a certain Lease Agreement, dated _____ (the "Lease Commencement Date").
2. The property demised under the Lease consists of certain land located in the County of Oconee, State of South Carolina, and more particularly described in Exhibit "A" together with all improvements now or hereafter erected thereon.
3. The term of the Lease (the "Term") shall commence on the Lease Commencement Date. The last day of the Term shall be the day immediately preceding the fiftieth (50th) anniversary of the Lease Commencement Date, which may be extended through the sixtieth (60th) anniversary of the Lease Commencement Date.
4. The Lease is on file at the offices of the County Administrator for the County of Oconee, South Carolina at 415 S. Pine Street Walhalla, South Carolina 29691.
5. All of the terms, conditions, provisions and covenants of the Lease are incorporated herein by reference as though set forth at length, and the Lease and this Memorandum of Lease shall be deemed to constitute a single document.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Memorandum of Lease to be executed and delivered as of the day and year first above written.

IN THE PRESENCE OF:

LESSOR:

**THE COUNTY OF OCONEE,
SOUTH CAROLINA**

By: _____
Name: _____
Title: _____

LESSEE:
**THE FOOTHILLS AGRICULTURAL
 RESOURCES AND MARKETING CENTER**

By: _____
 Name: _____
 Title: _____

STATE OF SOUTH CAROLINA)
)
 COUNTY OF OCONEE)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within named LESSOR by its duly authorized officer sign, seal and as its act and deed, deliver the within-written Memorandum of Lease for the uses and purposes therein mentioned and that s/he, with the other witness whose signature appears above witnessed the execution thereof.

SWORN to before me this _____
 day of _____, 2017.

 Witness

 Notary Public of South Carolina
 My commission expires: _____

STATE OF SOUTH CAROLINA)
)
 COUNTY OF OCONEE)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that s/he saw the within named LESSEE by its duly authorized officer sign, seal and as the act and deed of LESSEE, deliver the within-written Memorandum of Lease for the uses and purposes therein mentioned and that s/he, with the other witness whose signature appears above witnessed the execution thereof.

SWORN to before me this _____
 day of _____, 2017.

 Witness

 Notary Public of South Carolina
 My commission expires: _____

EXHIBIT A
(TO MEMORANDUM OF LEASE)

LEGAL DESCRIPTION OF GROUND LEASE PREMISES

The same property conveyed to Lessor by Limited Warranty Deed of Stone Mountain Industrial Park, Inc., dated May 13, 2016, and recorded May 13, 2016 in the Office of the Register of Deeds for Oconee County, South Carolina at Book 2181, Page 256. See attached.

TO HAVE AND TO HOLD, all, and singular, the Property before mentioned, together with any and all improvements located thereon, unto Grantee, and the heirs, legal representatives, successors, successors-in-title and assigns of Grantee forever;

AND, Grantor does hereby bind itself and its successors and assigns to warrant and forever defend all and singular the Property unto Grantee, its heirs, legal representatives, successors, successors-in-interest and assigns, against the Grantor, its successors and assigns, lawfully claiming, or to claim, the same or any part thereof, and this conveyance and the aforesaid warranty are made subject to those matters listed as permitted title exceptions as set forth on *Exhibit B* attached hereto and hereby made a part hereof.

FURTHERMORE, Grantor does hereby quitclaim, convey, remise, and release unto Grantee without title warranty the property described on the attached *Exhibit C*.

[Signature on following page]

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed, sealed and delivered by proper authority duly given.

GRANTOR:

STONE MOUNTAIN INDUSTRIAL PARK, INC., a Georgia corporation

Signed, sealed and delivered in the presence of:

FIRST WITNESS:

Joshua D. Harris
Print name: Joshua D. Harris

By: *L. P. Callahan* (SEAL)
Name: Lawrence P. Callahan
Title: President



SECOND WITNESS:

Ben W. Stafford
Print name: Ben W. Stafford

STATE OF GEORGIA)
)
COUNTY OF FULTON)

ACKNOWLEDGMENT

I, Anita Holmes, a Notary Public for the State of Georgia, do hereby certify that Lawrence P. Callahan, known to me to be President of Stone Mountain Industrial Park, Inc., a Georgia corporation, did personally appear before me this day and acknowledged before me on this day that, being informed of the contents of said conveyance, he, as such representative and with the full authority, executed the same voluntarily for and as the act of said corporation, as aforesaid.

Subscribed to and sworn to before me this 9th day of May, 2016.

Anita Holmes
Print Name: Anita Holmes
Notary Public for State of Georgia
My Commission expires: July 9, 2016

[Notary Seal]

Anita Holmes
Notary Public
Gwinnett County, Georgia
My Commission Expires July 9, 2016

EXHIBIT A

Description of Land

All that certain piece, parcel or tract of land lying and being situate in the State of South Carolina, County of Oconee, on the south side of U.S. Highway #123, containing SIXTY NINE AND SIX-TENTHS (69.6) acres, more or less, as shown and more fully described on a plat thereof by John B. Earle, Surveyor, dated 03-30-66 and recorded in Plat Book P-27, page 274, records of the Clerk of Court of Oconee County, South Carolina.

This being the identical property conveyed unto Deryl C. Keese, William Craig Keese and W.T. Keese by deed of Henrietta V. Burns, recorded in Deed Book 9-W, page 63, with the said W.T. Keese having died testate on 11-18-66, devising his interest in the aforementioned property unto Deryl C. Keese and William Craig Keese as reference to Probate File 7713, records of Oconee County, will more clearly show.

Less and except the following described property:

ALL that certain piece, parcel or tract of land, situate, lying and being situate in the State of South Carolina, County of Oconee, located near the South side of US Hwy 123 and 76, containing 10.89 acres, more or less, as shown and more fully described on a plat of survey entitled "PLAT PREPARED FOR W. MICHAEL BOND", dated April 2, 2010, prepared by Cornerstone of Seneca, Inc., recorded 5-12-2010, in the Register of Deeds for Oconee County, South Carolina in Plat Book B340, Page 9. Reference is being made to said plat for a more complete metes and bounds description thereof.

This being a portion of the same property conveyed to the Grantor herein by General Warranty Deed of Deryl C. Keese and William Craig Keese dated August 29, 1986, recorded August 29, 1986 in Deed Book 467, Page 177; reference is also being made to Quit-Claim Deed of Carolyn P. Keese dated August 29, 1986 and recorded August 29, 1986 in Deed Book 467, Page 180, and Quit-Claim Deed of Pattillo Construction Company, Inc. dated November 4, 1986 recorded November 10, 1986 in Deed Book 475, Page 191, all of the referenced deeds being recorded in the Office of the Clerk of Court for Oconee County, South Carolina.

TMS # 252-00-02-003

FILED OCONEE COUNTY, SC
ANNEX DAVISON
REGISTER OF DEEDS
2016 MAY 13 P 3:48

EXHIBIT B

Permitted Encumbrances

1. Taxes and assessments for the year 2016 and subsequent years, which are a lien but are not yet due and payable.
2. Easement given by F.H. Burns to the Lonsdale Company dated October 29, 1937, recorded on December 28, 1937, in Deed Book 4-R at page 297.
3. Easement given by Henrietta V. Burns to the Lonsdale Company dated October 29, 1937, recorded on December 28, 1937, in Deed Book 4-R at page 299.
4. Easement given by F.H. Burns to Blue Ridge Electric Cooperative, Inc. dated December 22, 1952, recorded on March 30, 1962, in Deed Book 8-Q at page 345.
5. Right of Way Agreement given by Deryl C. Keese and William Craig Keese to Duke Power Company dated January 20, 1986, recorded on February 11, 1986, in Deed Book 444 at page 213, as shown on plat recorded in Plat Book P-52 at page 695.
6. Easement for Channel Improvement given by Henrietta V. Burns to Oconee Soil and Water Conservation Dist. dated January 10, 1966, recorded on February 18, 1966, in Deed Book 9-V at page 47.
7. Easement & Right-of-Way given by Pattillo Construction Company, Inc. to Oconee County Sewer Commission dated January 10, 1986, recorded on January 14, 1986, in Deed Book 441 at page 195.
8. Easement & Right-of-Way given by William Craig Keese and Deryl C. Keese to Oconee County Sewer Commission recorded on January 29, 1986, in Deed Book 443 at page 40.
9. Easement given by F.H. Burns to Southern Bell Telephone and Telegraph Company dated November 15, 1943, recorded on November 22, 1943, in Deed Book 5-E at page 426.
10. Right-of-Way Easement given by John M. Powell and Deryl C. Keese to Southern Bell Telephone and Telegraph Company dated October 14, 1977, recorded on February 21, 1978, in Deed Book 12-Y at page 196.
11. Rights of others in and to the use of the roadway shown on Survey of the Property of Mrs. F.H. Burns prepared by John B. Earle, Surveyor, dated March 30, 1966, recorded in Plat Book P-27 at page 27.
12. Matters shown on Survey of the Property of Mrs. F.H. Burns prepared by John B. Earle, Surveyor, dated March 30, 1966, recorded in Plat Book P-27 at page 27.
13. Such state of facts as would be disclosed by an accurate survey and inspection of the premises.
14. The right of James Butts, as tenant in possession of the Property, as tenant only.

Exhibit C

All that certain piece, parcel or lot of land lying and being situate in the State of South Carolina, County of Oconee, containing 57.44 acres, more or less, and being shown and designated as "57.44 Acres" on a boundary survey prepared by Lavender, Smith & Associates, Inc., dated January 28, 2014 and recorded on May 12, 2016, in the Office of the Register of Deeds for Oconee County, South Carolina in Plat Book B546 at Page 6.

This being a portion of the same property conveyed to the Grantor herein by General Warranty Deed of Deryl C. Keese and William Craig Keese dated August 29, 1986, recorded August 29, 1986 in Deed Book 467, Page 177; reference is also being made to Quit-Claim Deed of Carolyn P. Keese dated August 29, 1986 and recorded August 29, 1986 in Deed Book 467, Page 180, and Quit-Claim Deed of Pattillo Construction Company, Inc. dated November 4, 1986 recorded November 10, 1986 in Deed Book 475, Page 191, all of the referenced deeds being recorded in the Office of the Clerk of Court for Oconee County, South Carolina.

TMS # 252-00-02-003

FILED OCONEE COUNTY, SC
ANNA K. DANSON
REGISTER OF DEEDS
2016 MAY 13 P 3:48

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE)

AFFIDAVIT OF CONSIDERATION

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

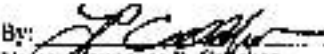
1. I have read the information on the back of this affidavit and I understand such information.
2. The property is located in Oconee County, South Carolina, on the south side of U.S. Highway #123 (Sandifer Blvd.), bearing Oconee County Tax Map Number 252-00-02-003, and was transferred by Stone Mountain Industrial Park, Inc, a Georgia corporation, to Oconee County, South Carolina, a body politic and corporate and political subdivision of the State of South Carolina, on the date hereof.
3. Check one of the following: The deed is
 - (a) _____ Subject to the deed recording fee as a transfer for consideration paid, or to be paid, in money or money's worth.
 - (b) _____ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
 - (c) X exempt from the deed recording fee because (See Information section of affidavit): Exemption #2

(If exempt, please skip items 4 - 7, and go to item 8 of this affidavit.)

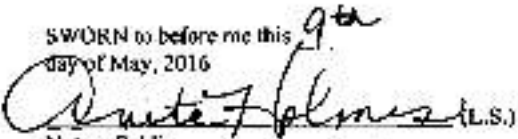
If exempt under exemption #14 as described in the Information section of this affidavit, did the agent and principal relationship exist at the time of the original sale and was the purpose of this relationship to purchase the realty? Check Yes _____ or No _____
4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit.):
 - (a) _____ The fee is computed on the consideration paid, or to be paid, in money or money's worth in the amount of \$.
 - (b) _____ The fee is computed on the fair market value of the realty which is
 - (c) _____ The fee is computed on the fair market value of the realty as established for property tax purposes which is
5. Check Yes _____ or No X to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "Yes," the amount of the outstanding balance of this lien or encumbrance is:
6. The deed recording fee is computed as follows:
 - (a) Place the amount listed in item 4 above here: \$ _____
 - (b) Place the amount listed in item 5 above here: 0.00
 - (If no amount is listed, place zero here.)
 - (c) Subtract Line 6(b) from Line 6(a) and place result here: \$ _____
7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording, fee due is: \$.
8. As required by Code Section, 12-24-70, I state that I am a responsible person who was connected with the transaction as: President of Grantor
9. I understand that a person required to furnish this affidavit who wilfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Signature of Responsible Person Connected with the Transaction

STONE MOUNTAIN INDUSTRIAL PARK, INC.

By: 
 Name: Lawrence J. Callahan
 Title: President

SWORN to before me this ^{9th}
 day of May, 2016


 Notary Public

My Commission Expires: 7/9/2016

INFORMATION

Except as provided in this paragraph, the term "value" means "the consideration paid or to be paid in money or money's worth for the realty." Consideration paid or to be paid in money's worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in money's worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust or as a distribution to a trust beneficiary, "value" means the realty's fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, tenement, or realty before the transfer and remaining on the land, tenement, or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempted from the law are deeds

- (1) transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal or less than one hundred dollars;
- (2) transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
- (3) that are otherwise exempted under the laws and Constitution of this State or of the United States;
- (4) transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (5) transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty;
- (6) transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 35;
- (7) that constitute a contract for the sale of land to be sold;
- (8) transferring realty to a corporation, a partnership, or a trust in order to become, in or as a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by the grantor. However, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or trust beneficiary of the entity is subject to the law even if the realty is transferred to another corporation, a partnership, or trust;
- (9) transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantor's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. The beneficiaries of a family trust may also include charitable entities. "Family" means the grantor and the grantor's spouse, parents, grandparents, sisters, brothers, children, stepchildren, grandchildren, and the spouses and lineal descendants of any the above. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (10) transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;
- (11) transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership; and
- (12) that constitute a corrective deed or a quitclaim deed used to confirm title already vested in the grantor, provided that no consideration of any kind is paid or is to be paid under the corrective or quitclaim deed;
- (13) transferring realty subject to a mortgage to the mortgagee whether by deed in lieu of foreclosure executed by the mortgagor or deed pursuant to foreclosure proceedings;
- (14) Transferring realty from an agent to the agent's principal in which the realty was purchased with funds of the principal, provided that a notarized document is also filed with the deed that establishes the fact that the agent and principal relationship existed at the time of the original purchase as well as for the purpose of purchasing the realty;
- (15) transferring title to facilities for transmitting electricity that is transferred, sold, or exchanged by electrical utilities, municipalities, electric cooperatives, or political subdivision to a limited liability company which is subject to regulation under the Federal Power Act (16 U.S.C. Section 791(a)) and which is formed to operate or to take functional control of electric transmission assets as defined the Federal Power Act

STATE OF SOUTH CAROLINA
OCONEE COUNTY
ORDINANCE 2017-13

AN ORDINANCE GRANTING CERTAIN EASEMENT RIGHTS TO DUKE ENERGY CAROLINAS, LLC FOR THE PURPOSE OF LOCATING AND MAINTAINING ELECTRIC AND/OR COMMUNICATION FACILITIES ON COUNTY-OWNED PROPERTY; 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 a parcel of land situate in the City of Walhalla, Oconee County, South Carolina, described as follows: Parcel No. 500-22-05-002, containing 13.45 acres more or less, being land described in a deed from the School District of Oconee County, South Carolina to Oconee County, recorded August 3, 1998 in Deed Book 988, Page 0329, and shown on a plat dated October 28, 1997 and recorded in Plat Book A621, Page 10, Oconee County, Register of Deeds ("County Property"); and

WHEREAS, Duke Energy Carolinas, LLC ("DEC") wishes to acquire from the County, and the County wishes to grant to DEC, certain easement rights for, generally and without limitation, the construction, operation, and maintenance of electric and/or communication facilities on the County Property (the "Easement"); and

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

WHEREAS, while the Easement is considered a "floating" easement, it will generally encompass an area of fifteen (15') feet on either side of the electric/communication lines shown on the attached Exhibit "B."

WHEREAS, Section 4-9-30(2) of the Code of Laws of South Carolina 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 same form as attached hereto as Exhibit "A," 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 Agreement.
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, ordinances, and enactments of the 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 Oconee County Council.

ORDAINED in meeting, duly assembled, this ____ day of _____, 2017.

OCONEE COUNTY, SOUTH CAROLINA

Edda Cammick, Chair, County Council
Oconee County, South Carolina

ATTEST:

Katie D. Smith, Clerk to County Council
Oconee County, South Carolina

First Reading: May 16, 2017
Second Reading: June 6, 2017
Public Hearing: June 20, 2017
Third Reading: June 20, 2017

SOUTH CAROLINA
OCONEE COUNTY

EASEMENT

Prepared By: Angelica Hall
For: Lamar Taylor
Return To: Duke Energy
Attn: Angelica Hall
425 Fairforest Way
Greenville, SC 29607

THIS EASEMENT ("Easement") is made this _____ day of _____, 20_____
("Effective Date"), from OCONEE COUNTY, ("GRANTOR," whether one or more), to Duke Energy Carolinas, LLC, a
North Carolina limited liability company ("DEC"); its successors, licensees, and assigns.

WITNESSETH:

THAT GRANTOR, for and in consideration of the sum of ONE DOLLAR (\$1.00), the receipt and sufficiency of which are hereby acknowledged, does hereby grant unto DEC, its successors, lessees, licensees, transferees, permittees, apportionees, and assigns, the perpetual right, privilege, and easement to go in and upon the land of GRANTOR situated in Township of Wagner, City of Walhalla Oconee County, South Carolina, described as follows: Parcel No. 500-22-05-002, containing 13.45 acres more or less, being land described in a Deed from SCHOOL DISTRICT OF OCONEE COUNTY, SOUTH CAROLINA to OCONEE COUNTY, dated August 3, 1998, recorded in Deed Book 988, Page 0329, shown on plat dated October 28, 1997 and recorded in Plat Book A621, Page 10, Oconee County, Register of Deeds (the "Property"), LESS AND EXCEPT any prior out-conveyances, and to construct, reconstruct, operate, patrol, maintain, inspect, repair, replace, relocate, add to, modify and remove electric and/or communication facilities thereon including but not limited to, supporting structures such as poles, cables, wires, guy wires, anchors, and other appurtenant apparatus and equipment (the "Facilities") within an easement area being thirty (30) feet wide (the "Easement Area"), for the purpose of transmitting and distributing electrical energy and for communication purposes of DEC and Incumbent Local Exchange Carriers. The centerline of the Facilities shall be the center line of the Easement Area.

The right, privilege and easement shall include the following rights granted to DEC: (a) ingress and egress over the Easement Area and over adjoining portions of the Property (using lanes, driveways and paved areas where practical as determined by DEC); (b) to relocate the Facilities and Easement Area on the Property to conform to any future highway or street relocation, widening or improvement; (c) to trim and keep clear from the Easement Area, now or at any time in the future, trees, limbs, undergrowth, structures or other obstructions, and to trim or clear dead, diseased, weak or leaning trees or limbs outside of the Easement Area which, in the opinion of DEC, might interfere with or fall upon the Facilities; (d) to install guy wires and anchors extending beyond the limits of the Easement Area; and (e) all other rights and privileges reasonably necessary or convenient for DEC's safe, reliable and efficient installation, operation, and maintenance of the Facilities and for the enjoyment and use of the Easement Area for the purposes described herein.

TO HAVE AND TO HOLD said rights, privilege, and easement unto DEC, its successors, licensees, and assigns, forever, and GRANTOR, for itself, its heirs, executors, administrators, successors, and assigns, covenants to and with DEC that GRANTOR is the lawful owner of the Property and the Easement Area in fee and has the right to convey said rights and Easement.

IN WITNESS WHEREOF, this EASEMENT has been executed by GRANTOR and is effective as of the Effective Date herein.

OCONEE COUNTY

By: _____
Chairman

Witnesses:

(Witness #1)

(Witness #2)

ATTEST:

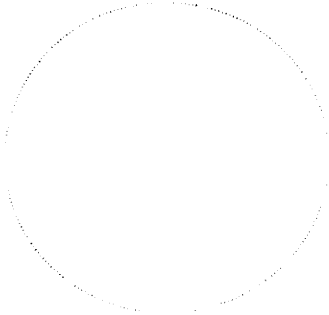
Clerk

(Affix Official Seal)

SOUTH CAROLINA, _____ COUNTY

I, _____, a Notary Public of _____ County, South Carolina, certify that _____ personally appeared before me this day and acknowledged the due execution of the foregoing EASEMENT.

Witness my hand and notarial seal, this _____ day of _____, 20____.



Notary Public

My commission expires: _____

TO HAVE AND TO HOLD said rights, privilege, and easement unto DEC, its successors, licensees, and assigns, forever, and GRANTOR, for itself, its heirs, executors, administrators, successors, and assigns, covenants to and with DEC that GRANTOR is the lawful owner of the Property and the Easement Area in fee and has the right to convey said rights and Easement.

IN WITNESS WHEREOF, this EASEMENT has been executed by GRANTOR and is effective as of the Effective Date herein.

OCONEE COUNTY

By: _____
T. Scott Moulder, Oconee County Administrator

Witnesses:

(Witness #1)

(Witness #2)

ATTEST:

Clerk

(Affix Official Seal)

SOUTH CAROLINA, _____ COUNTY

I, _____, a Notary Public of _____ County, South Carolina, certify that _____ personally appeared before me this day and acknowledged the due execution of the foregoing EASEMENT.

Witness my hand and notarial seal, this _____ day of _____, 20____.

Notary Public

My commission expires: _____



USP: SCADA
 USP: 407 S. CHOURH ST AT WESLEY ST
 USP: 85 T FUSE ON S. PINE ST
 USP:
 USP:

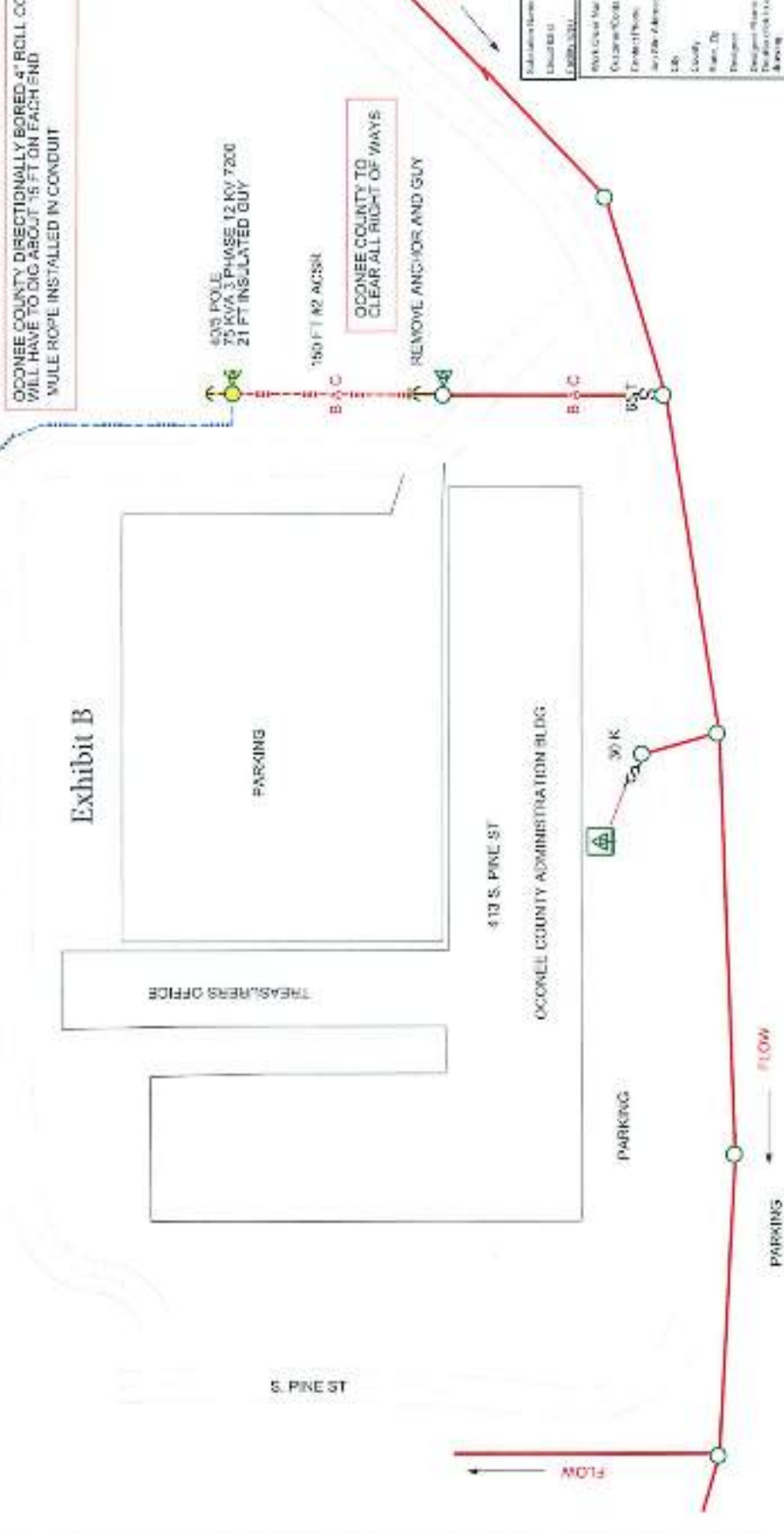
SAFETYFIRST
 PERSONAL PROTECTIVE EQUIPMENT
 ALL TYPES OF HARD HATS
 ALL TYPES OF GOGGLES
 ALL TYPES OF GLOVES
 ALL TYPES OF BOOTS

Safety Reminders / Address Conditions
 ? WILL BE WORKING IN OCOREE CO. DRIVE THROUGH TAX PAYMENT DRIVEWAY
 ? COUNTY WILL TEMPORARILY CLOSE DRIVEWAY
 ? CONES AND SIGNS

Work Zone General Comments: Double click to edit

REMEMBER: Work zone area conditions may have changed for this job! Everyone is responsible for verifying the above safety information is correct prior to any work being performed each day.

400 AMP SELF CONTAINED METERBASE
 285 FT 350-1 IUG QUADRUPLE X



OCOREE COUNTY DIRECTIIONALLY BORED 4" ROLL CONDUIT WILL HAVE TO DIG ABOUT 15 FT ON EACH END MULE ROPE INSTALLED IN CONDUIT

OCOREE COUNTY TO CLEAR ALL RIGHT OF WAYS REMOVE ANCHOR AND GUY

Substation Name	REGULATORY
ES&S No.	24013700
ES&S No.	24013701
Work Order No.	21091001
Customer Name	OCOREE CO. REGISTRATION
Order #	881211881
Service Address	411 S. PINE ST
City	WADSWORTH
County	OCOREE
State	GA
Zip	30135
Designation	REGULATORY
Designation	REGULATORY
Designation	REGULATORY
Designation	REGULATORY
Designation	REGULATORY
Designation	REGULATORY



**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2017-01**

AN ORDINANCE TO ESTABLISH THE BUDGET FOR OCONEE COUNTY AND TO PROVIDE FOR THE LEVY OF TAXES FOR ORDINARY COUNTY PURPOSES, FOR THE TRI-COUNTY TECHNICAL COLLEGE SPECIAL REVENUE FUND, FOR THE ROAD MAINTENANCE SPECIAL REVENUE FUND, FOR THE VICTIM SERVICES SPECIAL REVENUE FUND, FOR THE BRIDGE AND CULVERT CAPITAL PROJECT FUND, AND FOR THE ECONOMIC DEVELOPMENT CAPITAL PROJECT FUND, ALL IN OCONEE COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

BE IT ORDAINED by the County Council for Oconee County, South Carolina, (the "County Council"), in accordance with the general law of the State of South Carolina and the Acts and Joint Resolutions of the South Carolina General Assembly, as follows:

SECTION 1

Pursuant to Section 4-9-140 of the South Carolina Code of Laws, 1976, as amended, the following amounts are hereby appropriated for the 2017-2018 fiscal year for Oconee County (the "County") for ordinary county purposes:

General Fund	\$ 44,397,501
Special Revenue Funds:	
Emergency Services Protection	\$ 1,460,000
Victim Services - Sheriff's Office	\$ 152,000
Victim Services - Solicitor's Office	\$ 58,000
911 Fund	\$ 1,034,000
Tri-County Tech Operations	\$ 1,670,000
Road Maintenance Fund	\$ 1,470,000
Capital Project Funds:	
Economic Development	\$ 615,000
Bridge & Culvert	\$ 525,000
Enterprise Fund:	
Rock Quarry	\$ 4,988,500
Debt Service Fund	<u>\$ 1,958,544</u>
TOTAL	\$ 58,328,545

SECTION 2

A tax of sufficient millage to fund the aforesated appropriations for the Oconee County Budget for the fiscal year beginning July 1, 2017 and ending June 30, 2018, after crediting against such appropriations all other unrestricted revenue anticipated to accrue to Oconee County and any fund balance budgeted to be used during said fiscal year, is hereby directed to be levied upon all taxable property, eligible to be lawfully taxed for such purposes, in Oconee County. The Auditor of Oconee County is hereby requested to recommend to the Oconee County Council, for approval by Oconee County Council, a sufficient millage levy and the Treasurer of Oconee County is herein directed to collect sufficient millage on taxable property in Oconee County to provide for the aforesated operations appropriations and direct expenditures of Oconee County for the fiscal year beginning July 1, 2017 and ending June 30, 2018. The Auditor and Treasurer of Oconee County are hereby directed to fund such bond repayment sinking fund(s) as are necessary to provide for an orderly and timely payment of the debt service of Oconee County and to satisfy any debt covenants.

SECTION 3

A tax of 3.0 mills to provide funding for the Tri-County Technical College Special Revenue Fund is hereby levied on all taxable property, eligible to be lawfully taxed for such purposes, in Oconee County. The revenue from this levy is hereby appropriated, for expenditures in an amount not to exceed \$1,670,000, for support of Tri-County Technical College. The Auditor of Oconee County is hereby requested to levy and the Treasurer of Oconee County is herein directed to collect the millage on taxable property in Oconee County to provide for the aforesated appropriations of the Tri-County Technical College Special Revenue fund for the fiscal year beginning July 1, 2017 and ending June 30, 2018. To the extent such levy results in revenues in excess of the amount appropriated above, all such revenues shall be retained and accounted for in the Tri-County Technical College Special Revenue Fund and shall be carried forward from year to year as fund balance in this fund to be appropriated by Oconee County Council through future budget adoption or budget amendments.

SECTION 4

A tax of 2.9 mills to provide funding for the Emergency Services Protection Special Revenue Fund is hereby levied on all taxable property within the special tax district, eligible to be lawfully taxed for such purposes, in Oconee County. The combined revenue from this levy and a portion of fund balance as authorized by County Council is hereby appropriated, for expenditures in an amount not to exceed \$1,460,000, for the Emergency Services Protection Special Revenue Fund. The Auditor of Oconee County is hereby requested to levy and the Treasurer of Oconee County is herein directed to collect the millage on taxable property within the special tax district in Oconee County to provide for the aforesated operations appropriations and direct expenditures of the Emergency Services Protection Special Revenue Fund for the fiscal year beginning July 1, 2017 and ending June 30, 2018. To the extent such levy results in revenues in excess of the amount appropriated above, all such revenues shall be retained and accounted for in the Emergency Services Protection Special Revenue Fund and shall be carried forward from year to year as fund balance in this fund to be appropriated by Oconee County Council through future budget adoption or budget amendments.

SECTION 5

A tax of 2.1 mills to provide funding for the Road Maintenance Special Revenue Fund is hereby levied on all taxable property within the special tax district, eligible to be lawfully taxed for such purposes, in Oconee County. The combined revenue from this levy and a portion of fund balance as authorized by County Council is hereby appropriated, for expenditures in an amount not to exceed \$1,470,000, for the Road Maintenance Special Revenue Fund. The Auditor of Oconee County is hereby requested to levy and the Treasurer of Oconee County is herein directed to collect the millage on taxable property within the special tax district in Oconee County to provide for the aforesated operations appropriations and direct expenditures of the Road Maintenance Special Revenue Fund

for the fiscal year beginning July 1, 2017 and ending June 30, 2018. To the extent such levy results in revenues in excess of the amount appropriated above, all such revenues shall be retained and accounted for in the Road Maintenance Special Revenue Fund and shall be carried forward from year to year as fund balance in this fund to be appropriated by Oconee County Council through future budget adoption or budget amendments.

SECTION 6

A tax of 1 mill to provide funding for the Bridge and Culvert Capital Project Fund is hereby levied on all taxable property, eligible to be lawfully taxed for such purposes, in Oconee County. The combined revenue from this levy and a portion of fund balance as authorized by County Council is hereby appropriated, for expenditures in an amount not exceed \$525,000, for the Bridge and Culvert Capital Project Fund. The Auditor of Oconee County is hereby requested to levy and the Treasurer of Oconee County is herein directed to collect the millage on taxable property in Oconee County to provide for the aforesated operations appropriations and direct expenditures of the Bridge and Culvert Capital Project Fund for the fiscal year beginning July 1, 2017 and ending June 30, 2018. To the extent such levy results in revenues in excess of the amount appropriated above, all such revenues shall be retained and accounted for in the Bridge and Culvert Capital Project Fund and shall be carried forward from year to year as fund balance in this fund to be appropriated by Oconee County Council through future budget adoption or budget amendments.

SECTION 7

A tax of 1.1 mills to provide funding for the Economic Development Capital Project Fund is hereby levied on all taxable property, eligible to be lawfully taxed for such purposes, in Oconee County. The combined revenue from this levy, other anticipated restricted revenues, transfers, and a portion of fund balance as authorized by County Council is hereby appropriated not to exceed \$615,000, for the Economic Development Capital Projects Fund for projects approved by County Council. The Auditor of Oconee County is hereby requested to levy and the Treasurer of Oconee County is herein directed to collect the millage on taxable property in Oconee County to provide for the aforesated operations appropriations and direct expenditures of the Economic Development Capital Project Fund for the fiscal year beginning July 1, 2017 and ending June 30, 2018. To the extent such levy results in revenues in excess of the amount appropriated above, all such revenues shall be retained and accounted for in the Economic Development Capital Project Fund and shall be carried forward from year to year as fund balance in this fund to be appropriated by Oconee County Council through future budget adoption or budget amendments.

SECTION 8

Oconee County receives certain recurring revenues that are restricted for certain purposes. These revenues are accounted for in various special revenue funds including the Victim Services-Sheriff's Office Fund, Victim Services-Solicitor's Office Fund, and 911 Fund, special revenue funds. Any surplus in these funds of the County or any moneys accruing therefrom shall be retained and accounted for in these funds and shall be carried forward from year to year as fund balances in such funds.

SECTION 9

All capital projects and multi-year grant appropriations made by prior year budget ordinances for which the respective monies have been obligated or encumbered are hereby carried forward and reappropriated, as of July 1, 2017, as a part of the budget authorized by this Ordinance.

SECTION 10

Capital projects are budgeted on a project basis instead of an annual basis and as such, unexpended appropriations for uncompleted capital projects are carried forward as a part of the budget authorized by this ordinance.

SECTION 11

All unexpended appropriations as of June 30, 2017, except for those specifically carried forward by this ordinance shall lapse and expire and the monies involved shall revert to the fund balance of the fund from which the appropriation originated.

SECTION 12

The County Administrator, as required by state law, shall oversee and supervise the day-to-day implementation of this budget ordinance, including the execution and delivery, on behalf of the County, of all contractual documents necessary or required for the expenditure of funds authorized by this budget ordinance, for the purposes for which such funds are so authorized. Subject to the procurement policies of the County, the County Administrator is hereby authorized to contract and enter into contracts on behalf of the County for purposes, activities and matters budgeted for herein.

SECTION 13

The fees authorized for all county departments to charge for services of the county and to use for operations of the county are as set forth in a schedule of fees. This schedule of fees attached hereto, as ATTACHMENT A, is incorporated herein, by reference, as fully as if set forth verbatim herein, and adopted as part of this Ordinance and the fees are hereby approved to be charged by the appropriate county departments.

SECTION 14

The County began contributing to retiree health benefits (the "Retiree Health Benefit Plan" or "Plan") on behalf of employees and county retirees on January 1, 1985. Several amendments to the County's Plan guidelines have occurred since that time; however nothing in these Plan amendments permits or affords grandfathering eligibility for any individual other than those outlined explicitly in the guidelines, which are hereby incorporated herein by reference, as fully as if set forth verbatim herein, and adopted as part of this Ordinance and the rates are hereby approved to be charged and administered according to the Retiree Health Plan Guidelines. The county administrator is authorized to administer this plan in accordance with these guidelines and to establish health reimbursement accounts for eligible retirees for contributory purposes for the Fiscal year beginning on July 1, 2017 and ending on June 30, 2018. **DUE TO THE RISK OF UNKNOWN CIRCUMSTANCES, THIS PLAN MAY BE DEEMED NON-SUSTAINABLE AT SOME FUTURE TIME. THE RETIREE HEALTH BENEFIT GUIDELINES ARE DISCRETIONARY ON THE PART OF THE COUNTY AND THE EMPLOYEE AND DO NOT CREATE ANY EXPRESS OR IMPLIED CONTRACT OF THIS BENEFIT BEING PROVIDED IN THE FUTURE OR IN ANY PARTICULAR AMOUNT AT ANY TIME. NO PAST PRACTICES OR PROCEDURES, PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, FORM ANY EXPRESS OR IMPLIED AGREEMENT TO CONTINUE SUCH PRACTICES OR PROCEDURES. IT IS EXPLICITLY STATED AND RECOGNIZED BY THE COUNTY AND EVERY EMPLOYEE ACCEPTING BENEFITS UNDER THE PLAN THAT ALL EMPLOYMENT IN OCONEE COUNTY (EXCEPT FOR THE OCONEE COUNTY ADMINISTRATOR) IS "AT WILL" AND THAT NO OCONEE COUNTY EMPLOYEE (EXCEPT FOR THE COUNTY ADMINISTRATOR) HAS AN EMPLOYMENT AGREEMENT OR CONTRACT, AND THAT ALL PROVISIONS OF ANY AND ALL EMPLOYMENT BENEFITS, INCLUDING WITHOUT LIMITATION, THOSE DESCRIBED IN THE PLAN IS ALWAYS SUBJECT TO ANNUAL APPROPRIATION BY OCONEE COUNTY COUNCIL, WHICH IS NEVER GUARANTEED AND NEVER WILL BE GUARANTEED.**

SECTION 15

If any clause, phrase, sentence, paragraph, appropriation, or section of this Ordinance shall be held invalid for any reason, it shall not affect the validity of this Ordinance as a whole or the remaining clauses, phrases, sentences, paragraphs, appropriations, or sections hereof, which are hereby declared separable.

SECTION 16

All other orders, resolutions, and ordinances of Oconee County, inconsistent herewith, are, to the extent of such inconsistency only, hereby revoked, rescinded and repealed.

SECTION 17

This Ordinance shall become effective upon approval on third reading and enforced from and after July 1, 2017.

SECTION 18

The budget provisos attached hereto are hereby incorporated herein, by reference, as fully as if set forth verbatim herein, and adopted as part of this Ordinance.

Adopted in meeting duly assembled this ___ day of June, 2017.

OCONEE COUNTY, SOUTH CAROLINA

Edda Cammick
Chairwoman, Oconee County Council

ATTEST

Katie Smith
Clerk to County Council

First Reading (Title Only): May 16th, 2017
Second Reading: June 6th, 2017
Public Hearing: June 13th, 2017
Public Hearing: June 20th, 2017
Third Reading: June 20th, 2017

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
BUDGET PROVISOS FOR FISCAL YEAR 2017-2018
ORDINANCE 2017-01

Section 1

The appropriations made herein shall not be exceeded without proper authority or amendment by Oconee County Council. Any officer incurring indebtedness on the part of the County in excess of the appropriations herein made shall be liable upon his official bond.

Section 2

The Finance Director and Treasurer of Oconee County shall prepare such separate records and books of account as may be required by the United States Government or any of its agencies or by the State of South Carolina or any of its agencies, reflecting the receipt and disposition of all funds.

Section 3

All purchasing and contracting for the acquisition of goods and services for County purposes shall be in accordance with procedures outlined in the County Procurement Ordinance, as codified. Subject to the provisions of Oconee County policies, whenever possible and practical, goods and services shall be purchased from firms and individuals located in Oconee County whenever goods and services of equal quality and specifications are available from local suppliers at prices less than or equal to prices submitted by nonresident suppliers.

Section 4

No bills or claims against Oconee County shall be approved for payment and no check will be issued for same unless such bills or claims are properly itemized showing the goods purchased or services rendered, dated as of the date of delivery of said goods and/or services and signed by the person receiving said goods or services.

Section 5

No officer, elected official or employee of Oconee County shall furnish any services or sell any materials or supplies to the County for pay, except upon open quote or bid in accordance with the County Procurement Ordinance, as codified.

Section 6

The County Council may transfer funds from any fund, department, activity or purpose to another by normal Council action, subject to all other applicable legal requirements. The County Administrator shall be authorized to transfer appropriations between departments within a fund. All transfers authorized by this section are subject to the overall appropriation limits of this Ordinance.

Section 7

For any equipment, vehicle or any other item that is approved in the budget as a replacement for existing items, the item being replaced will be relinquished to the Procurement Director for disposal or reassignment.

Section 8

The standard mileage rate reimbursed to County employees for use of their personal vehicles will be equal to the amount set, as the authorized rate, by the Internal Revenue Service, at any given time.

Section 9

Oconee County will pay County employees a per diem for meals while traveling on County business, including travel related to training. No per diem will be paid for meals that are included in registration fees. The rates will be \$8 for breakfast, \$12 for lunch and \$15 for dinner. Per Diem for breakfast will be reimbursed if the employee is required to leave home before 7:30 a.m. Per Diem for dinner will be reimbursed if the employee returns home after 6 p.m. For non-overnight travel reimbursement for meals will be based on actual expenditures for meals, limited to the per diem amounts above. Receipts for meals will be required for reimbursements.

Section 10

The First Fifteen Hundred Dollars (\$1500) of Oconee County building permit fees (under Community Development on the attached, and incorporated Oconee County Departmental Fees Schedule for this budget year) and related and associated Building Code fees are, to the extent permitted by law, hereby waived and set at \$0 for any Oconee County non-profit or eleemosynary entity duly recognized as such by the State of South Carolina and granted tax exempt status by the Internal Revenue Service of the United States ("IRS"), only for so long as such entity maintains such non-profit or eleemosynary status and tax exempt recognition by the IRS. All building permit fees and building code fees in excess of \$1500, per applying non-profit, eleemosynary entity per application, will be applied and collected as usual, per this budget, this proviso, and the attached, incorporated Oconee County Departmental Fees Schedule. Oconee County Council hereby determines and finds that this reduction in fees is appropriate and justified by the provision of public services which these non-profit, eleemosynary entities provide to Oconee County and the public of Oconee County – services of public use and public benefit which would otherwise have to be provided by some unit of local government.

Section 11

For all economic development projects in a joint county industrial or business park ("MCIP") in the unincorporated portion of the County, for which revenue is first received on or after July 1, 2017, and subject to any superior agreements allocating portions of such revenue, all revenue or remaining revenue, as the case may be, received from such MCIP which is/was attributable to the levy of all general fund millages shall be divided and distributed in the following percentages, in order to offset the costs of economic development which made the project(s) possible: (1) Oconee County general fund – 33%; Oconee County Economic Development Capital Projects Fund – 34%; School District of Oconee County - 33%; (2) all other taxing entities levying millage at the site in question - 1% each;^[1] (3) all other taxing entities in Oconee the County - 0%. Revenue attributable to the levy of debt service millage or other non-general fund millage shall be distributed to the taxing entity levying such millage. For joint county industrial or business parks located within municipal limits, the intergovernmental agreement governing the creation of such MCIP shall govern distribution of revenues. Any unused revenues in such fund at the end of any fiscal year shall be carried over to the succeeding fiscal year.

Section 12

Pursuant to authority given to governing bodies of South Carolina counties by the South Carolina General Assembly in Section 12-43-360 of the South Carolina Code of Laws, 1976, as amended, the Oconee County Council hereby reduces the assessment ratio otherwise applicable in determining the assessed value of general aviation aircraft subject to property tax in Oconee County to a ratio of four percent (4%) of the fair market value of such general aviation aircraft. Such assessment ratio shall apply uniformly to all general aviation aircraft subject to *ad valorem* property taxation in Oconee

^[1] If there are other taxing entities levying millage at the site in question, then the County and the SDOC percentages shall apply to the remainder

County. This proviso first became effective in the 2011-2012 budget ordinance and is a part of the budget ordinance beginning July 1, 2017 and ending June 30, 2018.

Section 13

The Oconee County fund balance policy, as stated and established in Oconee County Resolution R2011-09, is hereby implemented as a part of this budget. Oconee County Council hereby sets the following amounts of fund balance for the respectively stated purposes:

Assigned funds for the Solid Waste Reserve General Fund balance:	\$1,997,700
Assigned funds for the Healthcare Reserve General Fund balance:	\$2,592,895
Assigned funds for the OPEB Reserve General Fund Balance:	\$1,207,715
Assigned funds for Old Courthouse Fund Balance:	\$ 500,000
Assigned funds for Transportation Fund Balance:	\$ 300,000

Section 14

County Council adopts the employee benefit plan and ratifies the designation of the County Administrator to act as the Plan Administrator and affirms all plan amendments prior to the date hereof, attached hereto as **ATTACHMENT B**.

Section 15

County Council adopts the retiree health benefit plan as modified and ratifies the designation of the County Administrator to act as the Plan Administrator and affirms all plan amendments prior to the date hereof, attached hereto as **ATTACHMENT C**.

Section 16

Oconee County receives federal, state and local grants for specified purposes. Oconee County is hereby authorized, absent any other factor, to apply for, receive, and expend all such grants for which no local match is required or for which such funds are budgeted herein, in addition to all other authority elsewhere given, and in accordance with all other policies and directives of Oconee County. These grants, including any local match, are deemed budgeted for the specified purposes upon acceptance of such grants. These grants are budgeted for on a project basis in accordance with the grantors' terms and conditions instead of an annual basis and as such, unexpended appropriations for uncompleted grant projects are carried forward as a part of the budget authorized by this ordinance. The Oconee County Administrator, or his duly authorized representative, is hereby authorized to apply for all federal and state grants for which no County matching funds are required, if all necessary operating funds for the County facility, institution, or programs in question have been made available by County Council through the County's operating and capital budgets or are available in applicable County enterprise fund balances, or for those grants for which County matching funds are required when all necessary County matching funds have been made available by County Council through the annual County operating and capital budgets or are available in applicable County enterprise fund balances, for County Council authorized programs, institutions, and facilities of the County, and to receive and expend such federal and state grant funds, for the purposes authorized in the respective grant applications.

**Georgetown County, South Carolina
Fees Schedule
2017-2018**

Description	Rate	FY 2017 Fees	FY 2018 Fees
General County Fees			
(Applicable to all departments, unless otherwise noted within the Departmental Fees below)			
Copies			
8.5 X 11	Per Page	\$0.25	\$0.25
8.5 X 14	Per Page	\$0.50	\$0.50
11 X 17	Per Page	\$0.50	\$0.50
County Road Maps			
County Road Map (Less Than 50)	Per Map	\$2.00	\$2.00
County Road Map Bulk (50 or More)	Per Map	\$1.50	\$1.50
Noise Ordinance Application Fee (New)	\$50.00	\$0.00	\$50.00
Departmental Fees			
Animal Control			
Dog Adoption Fee	Per Dog	\$75.00	\$75.00
Cat Adoption Fee	Per Cat	\$65.00	\$65.00
Horse Adoption Fee	Per Horse	\$100 - \$200	\$100 - \$200
Quarantine Fee		\$60.00	\$60.00
Owner Pick-Up Fee - Cat or Dog		\$10.00	\$10.00
Boarding Fee - Cat or Dog	Per Day	\$10.00	\$10.00
Owner Pick-Up Fee - Large Animal		\$20.00	\$20.00
Boarding Fee - Large Animal	Per Day	\$15.00	\$15.00
Airport			
T-Hanger Rental Rates - A - 14 Units	Per Month	\$235.00	\$235.00
T-Hanger Rental Rates - B - 5 Units	Per Month	\$235.00	\$235.00
T-Hanger Rental Rates - C - 6 Units	Per Month	\$160.00	\$160.00
T-Hanger Rental Rates - D - 4 Units	Per Month	\$160.00	\$160.00
T-Hanger Rental Rates - E - 3 Units	Per Month	\$235.00	\$235.00
T-Hanger Rental Rates - F - 4 Units	Per Month	\$270.00	\$270.00
Aircraft Tie-Down Rate	Per Month	\$30.00	\$30.00
Long-Term Parking Fee	Per Month, Per Vehicle	\$10.00	\$10.00
After Hour Callout Fee		\$120.00	\$120.00
Event Fee		\$25.00 Single Engine \$50.00 Multi Engine \$100.00 Jet Aircraft	\$25.00 Single Engine \$50.00 Multi Engine \$100.00 Jet Aircraft
Ramp Fee - Transient Business Planes Over 15,000 Pounds		\$50.00	\$50.00
Airport customers with an Oconee Airport based corporate aircraft who purchase 150 or more gallons of Jet A fuel at one time will receive a \$0.10 per gallon discount off the County Airport's normal retail price for the Jet A Fuel.		N/A	N/A
Airport customers who purchase 200 gallons or more of Jet A Fuel at one time will receive a \$0.10 per gallon discount off the County Airport's normal retail price for the Jet A Fuel.		\$0.10 reduction for 200 gallons or more	\$0.10 reduction for 200 gallons or more
Airport			
Temporary Tags		\$5.00	\$5.00

**Oconee County, South Carolina
Fees Schedule
2017-2018**

Description	Rate	FY 2017 Fees	FY 2018 Fees
Community Development			
<i>(See Section 13 of Ordinance to the Oconee County Budget for this year)</i>			
All Buildings, Demolition, and Mechanical Trades \$10,000 or Less		\$50.00	\$50.00
All Buildings, Demolition, and Mechanical Trades \$10,000 and Up		\$50.00 + \$4.00 for each additional \$1,000 or fraction thereof	\$50.00 + \$4.00 for each additional \$1,000 or fraction thereof
Farm Exempt Structures		\$50.00	\$50.00
Manufactured Homes			
Set-Up Permit (Includes County Decal)		\$100.00	\$100.00
Decal Only		\$20.00	\$20.00
Manufactured Home De-Title Fee		\$40.00	\$40.00
Manufactured Home Moving Permit		\$20.00	\$20.00
Other Permits			
Moving Permits (Structures Other Than Manufactured Homes)		\$50.00	\$50.00
Sign Fees			
Less Than 50 Square Feet		no fee	no fee
51 Square Feet to 200 Square Feet		\$100.00	\$100.00
Greater Than 200 Square Feet		\$300.00	\$300.00
Penalties			
<i>(Where work for which a permit is required by this Ordinance is started prior to obtaining said permit, the applicable fee shall be doubled.)</i>			
Re-inspection Fee - Shall be charged if an inspection is scheduled and the work is not ready when the inspector arrives.		\$50.00	\$50.00
Stop Work Order Fee - Shall be charged if the inspector issues a stop work order.		\$50.00	\$50.00
Commercial Plan Review Fee		1/2 of building permit fee	1/2 of building permit fee
Basic Plan Review - New for FY 2015		\$25.00	\$25.00
Subdivision Review - Minor Subdivision, Less Than 4 Units		\$50.00	\$50.00
Subdivision Review - Minor Subdivision 4 to 10 Units		\$100.00	\$100.00
Subdivision Review - Major Subdivision		\$100.00	\$100.00
Communication Towers - New Build		\$5,000.00	\$6,000.00
Communication Towers - Collocate		\$3,000.00	\$3,000.00
Communication Tower Main Fee - New for FY 2015	Annual Fee	\$1,000.00	\$1,000.00
WiFi Tower - New for FY 2015		\$250.00	\$250.00
Group Homes		\$50.00	\$50.00
Sexually Oriented Business	Annual Fee	\$1,000.00	\$1,000.00
Sexually Oriented Business Employee	Per Employee	\$25.00	\$25.00
Sign Permit - Billboard		\$100.00	\$100.00
Tattoo Facilities		\$1,000.00	\$1,000.00
Pre-Sound Document - Less Than 50 Pages		\$5.00	\$5.00
Pre-Sound Document - Greater Than 50 Pages	Per Page	\$5.00 + \$0.10 per page	\$5.00 + \$0.10 per page
Documents on CD		\$1.00	\$1.00
Maps - 8.5 X 11	Each	\$3.00	\$3.00
Maps - 18 X 24	Each	\$5.00	\$5.00
Maps - 24 X 36	Each	\$7.00	\$7.00
Maps - 36 X 48	Each	\$8.00	\$8.00
Custom Mapping - Planning and Zoning Projects Only	Per Hour	\$30.00	\$30.00
Non-CPD Rezoning Application Fee	Per Parcel	\$25.00	\$25.00
Appeals, Variances, and Special Exception Application Fee		\$100.00	\$100.00
Zoning Permit Fee - New for FY 2015		\$25.00	\$25.00

**Georgetown County, South Carolina
Fees Schedule
2017-2018**

Description	Rate	FY 2017 Fees	FY 2018 Fees
County Council			
Audio CD	Per Event	\$5.00	\$5.00
Delinquent Tax Collector			
Administrative Fee		\$10.00	\$10.00
GIS			
Custom Production - Billed in 1/2 Hour Increments	Per Hour	\$35.00	\$35.00
Roads Directory - Microsoft Access Database CD	Per CD	\$20.00	\$20.00
Custom Scan and Prints	Per Hour	\$35.00	\$35.00
GIS A - 8.5 X 11		\$3.00	\$3.00
GIS B - 11 X 17		\$5.00	\$5.00
GIS C - 16 X 24		\$6.00	\$6.00
GIS D - 24 X 36		\$8.00	\$8.00
GIS E - 36 X 48		\$10.00	\$10.00
GIS A - 8.5 X 11 (aerial Imagery) New for 2016		\$6.00	\$6.00
GIS B - 11 X 14 (aerial Imagery) New for 2016		\$10.00	\$10.00
GIS B - 11 X 17 (aerial Imagery) New for 2016		\$10.00	\$10.00
GIS C - 16 X 24 (aerial Imagery) New for 2016		\$12.00	\$12.00
GIS D - 24 X 36 (aerial Imagery) New for 2016		\$14.00	\$14.00
GIS E - 36 X 48 (aerial Imagery) New for 2016		\$16.00	\$16.00
Tax Map Grid with Roads		\$3.00	\$3.00
Voting Precincts and Council Districts		\$3.00	\$3.00
Library			
Dues and Fines			
Books, Magazines, or Music CDs - Up to a Maximum of \$2.00	Per Day	\$0.10	\$0.10
Per Book, Magazine, or Music CD			
Videos and DVDs - Up to a Maximum of \$6.00 Per Item	Per Day	\$1.00	\$1.00
Items Borrowed Through Inter-Library Loan	Per Day, Per Item	\$0.50	\$0.50
Miscellaneous			
Lost Materials - Books, CDs, Videos, etc.		original price of item	original price of item
South Carolina Room Research (By Mail or E-Mail)		\$5.00 + price of photocopies	\$5.00 + price of photocopies
Lost Library Cards		\$2.00	\$2.00
Back and White Prints		\$0.15	\$0.15
Color Prints		\$0.50	\$0.50
Out of County Card	Annually*	\$50.00	\$60.00
* Not charged to patrons from Anderson and Pickens Counties who are in good standing			
Assessor			
Custom Production - Billed in 1/2 Hour Increments	Per Hour	\$35.00	\$35.00
Roads Directory - Microsoft Access Database CD	Per CD	\$20.00	\$20.00
Custom Scan and Prints	Per Hour	\$35.00	\$35.00
GIS A - 8.5 X 11		\$3.00	\$3.00
GIS B - 11 X 17		\$5.00	\$5.00
GIS C - 16 X 24		\$6.00	\$6.00
GIS D - 24 X 36		\$8.00	\$8.00
GIS E - 36 X 48		\$10.00	\$10.00
GIS A - 8.5 X 11 (aerial Imagery) New for 2016		\$6.00	\$6.00
GIS B - 11 X 14 (aerial Imagery) New for 2016		\$10.00	\$10.00
GIS B - 11 X 17 (aerial Imagery) New for 2016		\$10.00	\$10.00
GIS C - 16 X 24 (aerial Imagery) New for 2016		\$12.00	\$12.00
GIS D - 24 X 36 (aerial Imagery) New for 2016		\$14.00	\$14.00
GIS E - 36 X 48 (aerial Imagery) New for 2016		\$16.00	\$16.00
Tax Map Grid with Roads		\$3.00	\$3.00
Voting Precincts and Council Districts		\$3.00	\$3.00

Oconee County, South Carolina
Fees Schedule
2017-2018

Description	Rate	FY 2017 Fees	FY 2018 Fees
Parks, Recreation and Tourism			
Admission Fees (All Parks)			
Daily Parking	Per Vehicle	\$2.00	\$2.00
Daily Parking	Per Boat and Trailer	\$5.00	\$5.00
Annual Pass - Calendar Year (Oconee County Residents)		\$25.00	\$25.00
Annual Pass - Calendar Year - Discounted for Senior Citizen (52+ Years Old), Legally Disabled, and Veterans		\$15.00	\$15.00
Annual Pass - Calendar Year - Out of County, South Carolina Residents		\$50.00	\$50.00
Annual Pass - Calendar Year - Discounted for Senior Citizen (52+ Years Old), Legally Disabled, and Veterans		\$40.00	\$40.00
Camping (All Parks)			
Oconee County Resident	Per Night	\$20.00	\$20.00
Non-Resident	Per Night	\$25.00	\$25.00
Waterfront Site - Oconee County Resident	Per Night	\$25.00	\$25.00
Waterfront Site - Non-Resident	Per Night	\$30.00	\$30.00
Winter Camping Rate (November 1 - February 28)	Per Night	\$15.00	\$15.00
All campsites must have correct Access plates. No site may be occupied for more than thirty (30) days.			
Building Reservations (All Parks)			
A security deposit is required, but refundable if facility and area left clean.			
Recreation Building - 1 to 50 People	1/2 Day	\$50.00	\$50.00
Recreation Building - 51 to 100 People	1/2 Day	\$100.00	\$100.00
Recreation Building - 101 to 150 People	1/2 Day	\$100.00	\$100.00
Recreation Building - 151 to 200 People	1/2 Day	\$175.00	\$175.00
Recreation Building - 201 to 300 People	1/2 Day	\$275.00	\$275.00
Recreation Building - 301 or More People	Full Day Only	\$400.00	\$400.00
Picnic Shelters			
Chau Ram Park			
Shelter #1 - Maximum Number of 36 People	1/2 Day	\$30.00	\$30.00
Shelter #2 - Maximum Number of 36 People	1/2 Day	\$30.00	\$30.00
Shelter #3 - Maximum Number of 12 People	1/2 Day	\$20.00	\$20.00
Gazebo #1 - Maximum Number of 12 People	1/2 Day	\$20.00	\$20.00
Gazebo #2 - Maximum Number of 12 People	1/2 Day	\$20.00	\$20.00
Smith Cove Park			
Pavilion	1/2 Day	\$50.00	\$50.00
High Falls Park			
Shelters - 1 to 50 People	1/2 Day	\$30.00	\$30.00
Shelters - 51 to 75 People	1/2 Day	\$40.00	\$40.00
Shelters - 76 to 100 People	1/2 Day	\$70.00	\$70.00
Shelters - 101 to 150 People	1/2 Day	\$80.00	\$80.00
Weddings and Rehearsals			
Weddings	1/2 Day	\$250.00	\$250.00
Weddings	Full Day	\$500.00	\$500.00
Rehearsal Dinners and Receptions (For Off-Site Weddings)			
Less Than 100 People	1/2 Day	\$100.00	\$100.00
Less Than 100 People	Full Day	\$200.00	\$200.00
101 or More People		see recreation building rates	
Miscellaneous			
Tennis	Per Hour to Reserve	\$5.00	\$5.00
Miniature Golf	Per Game	\$3.00	\$3.00
Softball Field	Per Hour to Reserve	\$5.00	\$5.00
Volleyball	Per Hour to Reserve	\$5.00	\$5.00

**Oconee County, South Carolina
Fees Schedule
2017-2018**

Description	Rate	FY 2017 Fees	FY 2018 Fees
Probate			
Estate and Conservatorship Fees			
In estate and conservatorship proceedings, the fee shall be based upon the gross value of			
(1) Property Valuation Less Than \$0,000		\$75.00	\$75.00
(2) Property Valuation of \$0,000.00 But Less Than \$20,000		\$45.00	\$45.00
(3) Property Valuation of \$20,000.00 But Less Than \$60,000		\$67.50	\$67.50
(4) Property Valuation of \$60,000.00 But Less Than \$100,000		\$95.00	\$95.00
(5) Property Valuation of \$100,000.00 But Less Than \$600,000		\$95.00 + 0.15 of one percent of the property valuation between \$100,000 and \$600,000	\$95.00 + 0.15 of one percent of the property valuation between \$100,000 and \$600,000
(6) Property Valuation of \$600,000.00 or Higher Amount		See forth in item (5) above + 0.25 of one percent of the property valuation above \$600,000	See forth in item (5) above + 0.25 of one percent of the property valuation above \$600,000
Filing Affidavit for Collection of Personal Property Under Section 62-3-1201, the Fee Pursuant to Items (1) Through (6) Above Based Upon Property Valuation Shown		See items (1) through (6) above	See items (1) through (6) above
Filing Affidavit for Collection of Personal Property Where the Property Valuation is Less Than \$100.00		\$12.00	\$12.00
Filing In Rem Petition In Any Action or Proceeding Other Than Items (1) Through (6) Above, Same Fee as Charged for Filing Civil Actions in Circuit Court		\$150.00	\$150.00
Issuing Certified Copy		\$5.00 + \$0.20 per page	\$5.00 + \$0.20 per page
Issuing Unsworn/Affidavited Copy		\$20.00	\$20.00
Filing Demands for Notice		\$5.00	\$5.00
Filing Conservatorship Accountings		\$10.00	\$10.00
Filing Conservatorship Orders		\$5.00	\$5.00
Recording Authenticated or Certified Record		\$20.00	\$20.00
Reopening Closed Estates		\$22.50	\$22.50
Appointment of Special, Temporary or Successor Personal Representative		\$22.00	\$22.00
Filing and Indexing Will Under Section 62-2-501		\$10.00	\$10.00
Certifying Appeal Record		\$10.00	\$10.00
Marriage Fees			
Marriage License - Domestic Violence Fund Fee/Each Marriage Application (State)		\$20.00	\$20.00
Marriage Ceremony Fee - Oconee County Resident		\$10.00	\$10.00
Marriage Ceremony Fee - Out of County Resident		\$20.00	\$20.00
Marriage License Fee - (Total Cost) - Oconee County Resident		\$30.00	\$30.00
Marriage License Fee - (Total Cost) - Out of County Resident		\$40.00	\$40.00
Certified Copy of Marriage License		\$5.00	\$5.00
Filing Marriage License Affidavit		\$1.00	\$1.00
Reforming or Correcting Marriage Record		\$6.75	\$6.75
Issuing Duplicate Marriage License		\$6.75	\$6.75
Newspaper Advertisement Fees			
Keowee Courier/Westminster News		\$20.00	\$20.00
Daily Journal		\$75.00	\$75.00
Notice to Creditor - Daily Journal			\$20.00
Notice to Creditor - Keowee Courier/Westminster News			\$20.00

Oconee County, South Carolina
Fees Schedule
2017-2018

Description	Rate	FY 2017 Fees	FY 2018 Fees
Register of Deeds			
Deeds and Mortgages		\$10.00 more than 4 pages \$1.00 per additional	\$10.00 more than 4 pages \$1.00 per additional
Deed Stamps		\$3.70 per \$1,000 rounded up to next \$500	\$3.70 per \$1,000 rounded up to next \$500
Instrument Which Assigns, Transfers, or Releases Real Estate Mortgage		\$6.00 for first page \$1.00 for each additional	\$6.00 for first page \$1.00 for each additional
Abstract of Mining Assignment		\$10.00	\$10.00
Lease, Contract of Sale, or Trust Indenture		\$10.00 more than 4 pages \$1.00 per additional	\$10.00 more than 4 pages \$1.00 per additional
Substitution of Real Estate Mortgage		\$5.00	\$5.00
Plat Larger Than 8.5 X 14		\$10.00	\$10.00
Plat of "Legal Size" Dimensions or Smaller		\$5.00	\$5.00
Plat Larger Than 17 X 24		\$20.00	\$20.00
Any Other Paper Affecting Title or Possession of Real Estate or Personal Property and Required by Law To Be Recorded, Except Judicial Records		\$10.00 more than 4 pages \$1.00 per additional	\$10.00 more than 4 pages \$1.00 per additional
Power of Attorney, Trustee Qualification, or Other Appointment		\$15.00 more than 4 pages \$1.00 per additional	\$15.00 more than 4 pages \$1.00 per additional
Mechanics Liens		\$10.00 more than 4 pages \$1.00 per additional	\$10.00 more than 4 pages \$1.00 per additional
Cancellation of Mechanics Lien		\$5.00	\$5.00
Uniform Commercial Code (UCC) Financing Statement Filing - UCC1 or UCC3		\$8.00, more than 2 pages \$10.00; more than two doctors \$10.00, each additional doctor more than two \$2.00; continuations \$3.00; amendments \$6.00; assignments \$8.00; partial release \$5.00	\$8.00, more than 2 pages \$10.00; more than two doctors \$10.00; each additional doctor more than two \$2.00; continuations \$3.00; amendments \$6.00; assignments \$8.00; partial release \$5.00
Public Finance Taxation and Manufactured Home Transactions		\$20.00	\$20.00
Copies Mailed \$1.00 to Certify		\$5.00 for 4 pages then \$.25 per additional page	\$5.00 for 4 pages then \$.25 per additional page
Copies - 8.5 X 11	Per Page	\$0.25	\$0.25
Copies - 8.5 X 14	Per Page	\$0.25	\$0.25
Copies - 11 X 17	Per Page	\$0.50	\$0.50
Roads and Bridges			
Sign Fee - Municipalities		materials cost	materials cost
Sign Fee - Other		2.5 times the materials cost	2.5 times the materials cost
Encroachment Fee - Residential/Commercial		\$60.00	\$60.00
Encroachment Fee - Pavement Cut Fee (Contractor Only)		\$250.00 + \$10.00 per sq. ft.	\$250.00 + \$10.00 per sq. ft.
Encroachment Fee - Permit Extension		\$10.00	\$10.00
Encroachment Fee - Re-Inspection		\$60.00	\$60.00
Encroachment Fee - Longitudinal Work in ROW		\$20.00 + \$0.10 per linear ft.	\$20.00 + \$0.10 per linear ft.
Encroachment Fee - Annual Blanket Permit		\$1,000.00	\$1,000.00
Road Inspection Fee		\$1.50 per foot minimum \$600	\$1.50 per foot minimum \$600
Storm Water Fees		2.5 times the materials cost	2.5 times the materials cost

Georgetown, South Carolina
Fees Schedule
2017-2018

Description	Rate	FY 2017 Fees	FY 2018 Fees
Rock Quarry			
# 1 Crusher Run 1 1/2"		\$9.50	\$10.10
# 2 Crusher Run (Sap Rock)		\$7.75	\$8.35
# 3 Surger 2" x 3"		\$11.75	\$12.35
# 4 Screenings		\$5.00	\$5.60
# 5 5/8" 1"		\$11.50	\$12.10
# 6 7/8" 3/8" x 1/2"		\$11.00	\$11.60
# 7 Class A Rio Rap 4" x 8"		\$13.25	\$13.85
# 8 Class B Rio Rap 5" x 10"		\$13.40	\$14.10
# 9 Asphalt Sand		\$8.75	\$9.35
#10 Class E Rip Rap (Boulders Larger than 27")		\$18.75	\$19.35
#14 Flat Boulders		\$21.75	\$22.35
#15 Class C Rio Rap 15" x 21"		\$13.75	\$14.35
#16 Class D Rio Rap 21 1/2" x 27"		\$14.00	\$14.60
#17 Dirt Sales per Ton (New)		\$0.00	\$0.50
Sheriff			
Civil Fees			
Mechanics Liens	Each	\$10.00	\$10.00
Subpoenas	Each	\$10.00	\$10.00
Writs	Each	\$25.00	\$25.00
Judgments	Each	\$25.00	\$25.00
Trespass Notices	Each	\$15.00	\$15.00
Other	Each	\$15.00	\$15.00
Miscellaneous			
Incident Reports	Each	\$2.00	\$2.00
Record Check	Each	\$5.00	\$5.00
Executions	Each	\$25.00	\$25.00
Solid Waste			
MSW Transfer Station Tipping Fee	Per Ton	\$45.00	\$45.00
C and D Landfill Tipping Fee (Rate was last set in 1995.)	Per Ton	\$30.00	\$30.00
Match	Per Scoop	\$10.00	\$10.00
Solicitor			
Workless Check Fee		\$50 for checks up to \$500; \$100 dollars for checks \$500 to \$1000 and \$100 for checks \$1000 or greater.	\$50 for checks up to \$500; \$100 dollars for checks \$500 to \$1000 and \$100 for checks \$1000 or greater.
Treasurer			
Check Fee	Each	\$1.00	\$1.00
Bad Check Fee	Each	\$30.00	\$30.00
Replacement Check Fee	Each	\$30.00	\$30.00

**PLANNED ADMINISTRATORS, INC.
ADMINISTRATIVE SERVICES ONLY (ASO) AGREEMENT**

This Agreement, dated this 1st day of May 2017, effective for the Administrative Service Period of 12 months beginning May 1, 2017 and ending April 30, 2018 is entered into by and among the Plan Sponsor/Administrator, Oconee County, and the Plan Supervisor, Planned Administrators, Inc. ("PAI").

WITNESSETH:

Whereas, The Plan Sponsor/Administrator identified above has adopted an Employee Health and Welfare Benefit Plan known as the Oconee County Employee Health and Welfare Benefit Plan ("Plan"), which is set forth in the Plan Document, for certain employees and their dependents (hereinafter referred to as "covered persons"); and

Whereas, PAI has been designated by the Plan Sponsor/Administrator as the Third Party Administrator (TPA) to provide administration and claims services for the establishment and operation of the Plan; and

Whereas, the Plan Sponsor/Administrator has requested that PAI perform the services that are specified in the Agreement and PAI has agreed to do same upon the terms and conditions hereinafter set forth.

Now therefore, in consideration of the mutual promises and covenants contained herein, it is hereby agreed as follows:

SECTION 1. ADMINISTRATIVE SERVICES

- 1.1 To the extent specified in Exhibits A, B, C & D attached hereto, PAI shall provide the services for, and shall assist the Plan Sponsor/Administrator in, the administration of the Plan.
- 1.2 PAI shall follow the terms and provisions of the Plan Document in accordance with the Plan Sponsor/Administrator's intent and directions in carrying out the terms and purposes of this Agreement.
- 1.3 To the extent set forth in Exhibits A, B, C & D, PAI shall assist the Plan Sponsor/Administrator in the preparation of any report, or similar papers, required by a state or federal authority, for the Plan.

SECTION 2. PLAN SPONSOR/ADMINISTRATOR OBLIGATIONS

- 2.1 It is understood that the effective performance of all obligations hereunder by PAI will require that the Plan Sponsor/Administrator furnish to PAI certain timely reports and information in a form and manner specified by PAI, and such shall be as follows:
 - A. Previous Plan Document and Health Insurance Contract;
 - B. Plan Summary Booklet;
 - C. Copy of previous Carrier's billing for month preceding the effective date of coverage of the new Plan;
 - D. Complete, legible, and accurate enrollment forms on all covered employees and timely submission of Employee Data Change Forms and Health Questionnaires when appropriate;
 - E. Any and all necessary information regarding any Excess Loss (Stop Loss) Insurance ("Excess Loss (Stop Loss) Insurance" means the insurance procured by the Plan Sponsor/Administrator that insures against claims made in excess of certain amounts); and
 - F. Other information or documentation as may be required from time to time, within 30 days of request.

If applicable, items A through C shall be delivered to PAI within 15 days of the effective date of this Agreement. Item D shall be delivered to PAI no later than the 20th of each month for enrollments, changes, and questionnaires completed during the prior calendar month.

- 2.2 PAI shall not be responsible for delay in the performance of the claim and administrative and billing services caused by failure of the Plan Sponsor/Administrator to furnish any required information on a timely basis.

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- 2.3 The Plan Sponsor/Administrator shall comply with all requirements of the Employee Retirement Income Security Act of 1974 and any other laws and regulations covering self-funded employee benefits programs.
- 2.4 The Plan Sponsor/Administrator shall be responsible for determining which covered persons are eligible for benefits under the Plan and shall certify this eligibility to PAI. Eligibility determinations shall be made by the Plan Sponsor/Administrator in compliance with the terms of the Plan Document. The Plan Sponsor/Administrator is responsible for ensuring that any member (employees or employees' dependents who Plan Sponsor/Administrator determines are eligible to participate in the Plan and who have elected to participate in the Plan) coverage rescissions reported to PAI are due to fraud, intentional misrepresentation of material fact or non-payment of premium contribution amounts. Any member notices required by law due to rescissions of coverage are also the Plan Sponsor/Administrator's responsibility. The Plan Sponsor/Administrator is responsible for reconciling its employment records to the lists of covered employees on PAI's monthly invoices, and reporting any discrepancies to PAI.
- 2.5 The Plan Sponsor/Administrator shall open and maintain a separate checking account at the bank of its choice, from which claims payments will be issued. The Plan Sponsor/Administrator shall provide PAI with bank account documentation, i.e. signature card, MICR encoded bank specifications sheet. Claims checks will be issued from this account on a twice-weekly basis. The Plan Sponsor/Administrator shall be responsible for timely deposit of sufficient funds for claims checks to be mailed two business days following the date of the check issuance (check date). Escheat/Unclaimed Funds reporting and compliance shall be the responsibility of the Plan Sponsor/Administrator.
- 2.6 The Plan Sponsor/Administrator is responsible for timely payment of all premiums for any insurance purchased by or for the benefit of the Plan. The Plan Sponsor/Administrator has the final authority to decide the insurance company(s) that will provide any such insurance.
- 2.7 If the Plan Sponsor/Administrator purchases COBRA services from PAI, Plan Sponsor/Administrator shall:
- A. Complete a COBRA initial notification form (which shall be provided by PAI or its designee within ninety (90) days of any new employees and within thirty (30) days of a member's Qualifying Event (as defined in the Plan Document));
 - B. Determine the amount of contributions required for COBRA continuation coverage and notify PAI or its designee of such amount;
 - C. Inform PAI or its designee of continuation rights, by use of the COBRA notification form or other electronic means upon the occurrence of a Qualifying Event;
 - D. Notify PAI or its designee upon receipt of notification of any second Qualifying Event.
- If the Plan Sponsor/Administrator does not purchase COBRA services from PAI, then this section is not applicable.
- 2.8 Internal Revenue Code Section 125 Plan ("125 Plan") Services: If applicable and if the Plan Sponsor/Administrator purchases 125 Plan Services from PAI, then the Plan Sponsor/Administrator shall:
- A. Sponsor and encourage employee support of the 125 Plan.
 - B. Provide PAI or its designee (in a format reasonably acceptable to PAI or its designee) any necessary employee payroll, census, benefit information and any other information reasonably requested from time to time by PAI or its designee.
 - C. Be responsible for creation of any 125 Plan documents.
 - D. At all times be responsible for contributions to the 125 Plan and funds held by the 125 Plan.
 - E. Report participant terminations and changes of family status to PAI or its designee.
 - F. Reconcile payroll amounts redirected to the 125 Plan.

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- G. Complete and file form(s) 5500 with the IRS each plan year.
- H. Initiate any action required in the event 125 Plan becomes discriminatory.
- I. Distribute funds according to the requirements of the 125 Plan and PAI's or its designee's direction.

If the Plan Sponsor/Administrator does not purchase 125 Plan Services from PAI, then this section is not applicable.

2.9 Summary of Benefits and Coverage (SBC): The Plan Sponsor/Administrator agrees:

- A. To promptly provide to PAI the information necessary to complete the SBC;
- B. There is an understanding and agreement that the Plan Sponsor/Administrator's failure to provide information in a timely manner may substantially delay and/or jeopardize the timely delivery of the SBC;
- C. To distribute the SBC required under the Patient Protection and Affordable Care Act (PPACA) to members;
- D. To ensure that electronic access shall be restricted to a "read-only" or similar basis;
- E. To replace any hard-copy SBC that is modified by PAI;
- F. That the hard-copy SBC on file with PAI shall control in the event of any discrepancy; and
- G. That the Plan Sponsor/Administrator remains solely responsible for the content of the SBC and all other legal requirements related to the SBC. To the extent that PAI incurs any liability as a result of the preparation or distribution of the SBCs to Plan Sponsor/Administrator's members, Plan Sponsor/Administrator shall fully indemnify PAI.

SECTION 3. PAYMENTS

- 3.1 **Monthly Billing** - Monthly billings reflecting Fixed Costs (all Plan Costs except Claim Costs) will be provided to the Plan Sponsor/Administrator to arrive approximately seven (7) calendar days prior to the first day of the month in which it is due. This bill will reflect all written changes received by PAI prior to the 10th day of the previous month. Payment is due on the 1st day of each month, and will be delinquent if not received prior to the 10th. All claims adjudication will be curtailed on delinquent accounts until such time as the account is brought current. If payment is not received within 30 days following the due date, PAI Administrative and Claims Services may be cancelled. If life insurance premiums are included on the billing, that coverage will also be cancelled. The Plan Sponsor/Administrator is required to pay as billed and accept reasonable or appropriate retroactive additions or terminations, if applicable, on the subsequent month's billing.
- 3.2 If during the operation of the Plan, any tax (other than state or federal income taxes), or any other assessment or premium charge shall be assessed against the Plan, or if PAI is required to pay such tax, PAI shall report the payment to the Plan Sponsor/Administrator and the Plan Sponsor/Administrator shall reimburse PAI for the same, to exclude any expenses or taxes that are not appropriately allocable to the operation of the Plan.
- 3.3 In addition to monthly administrative, claims, and handling fees, the Plan Sponsor/Administrator shall pay PAI additional charges for any special request items or services not specifically covered in Exhibits A, B, C & D. Such items may be:
 - A. Printing and supplies expenses incurred after exhausting the supplies provided under the initial set-up fee for Plan inserts, Plan Document changes, ID cards, etc.;
 - B. Special statistical reports other than customary or annual reports, (See Exhibit B, paragraph F). Unusual or extraordinary expenses for services or support that PAI and the Plan Sponsor/Administrator mutually agreed upon.
- 3.4 All charges incurred as a result of paragraph 3.3 will be submitted for payment on the next Plan monthly billing statement and subject to payment in full with that billing remittance.

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- 3.5 All charges incurred for services to be rendered for an administrative run-out of claims at termination of a contract will be billed and remitted as set forth in Section 9, Termination of Agreement, paragraph 9.5.
- 3.6 PAI has the right to change the monthly Fixed Costs charges, in the following circumstances. PAI will, to the extent possible, give the Plan Sponsor/Administrator no less than thirty (30) days advance written notice of the change. The portion of the Fixed Costs representing policy premiums (if any) may be changed at any time the policy premiums are changed by the insurer(s). The administrative service fees of PAI may be changed once every twelve months. PAI may also change the administrative service fees (1) on the date a substantive change is made to the Plan which increases the responsibilities of PAI or (2) on the date the number of employees covered by the Plan has changed by 25% or more since the date the then current administrative services fees were effective. If Fixed Costs charges change during the term of this Agreement, an amended Schedule D will be prepared, agreed upon and initialed by both parties to the Agreement.

SECTION 4. MISCELLANEOUS PROVISIONS

- 4.1 PAI in performing its obligations under this Agreement is acting only as an agent of the Plan Sponsor/Administrator. For the purposes of the Employee Retirement Income Security Act of 1974, as amended from time to time, and any applicable state legislation of similar nature, the Sponsor shall be the Administrator of the Plan, unless the Sponsor by action of its Board of Directors designates an individual or committee to act as Administrator. In no instance shall PAI be deemed to be, or be, the Sponsor or the Administrator of the Plan for purposes of the Employee Retirement Income Security Act of 1974, as amended from time to time. Both parties acknowledge and agree that all documents and records generated by PAI in performance of its obligations under this Agreement are owned by the Plan Sponsor/Administrator, and that PAI serves as the custodian of such documents and records on behalf of the Plan Sponsor/Administrator.
- 4.2 PAI shall not be liable, nor advance its funds, for the payment of claims under the Plan or insurance or other premiums or monies owed to other providers of goods or services that are the responsibility of the Plan Sponsor/Administrator. PAI shall not be considered the Insurer or Underwriter of the liability of the Plan Sponsor/Administrator to provide benefits for the Plan's covered persons and the Plan Sponsor/Administrator shall have final responsibility and liability for payment of claims in accordance with the provisions of the Plan.
- 4.3 To the extent permitted pursuant to applicable law, the Plan Sponsor/Administrator agrees to defend, indemnify and hold harmless PAI from any and all claims, lawsuits, settlements, judgments, costs, penalties, liabilities and expenses ("Damages"), including a reasonable attorneys' fee (for attorneys chosen by PAI), resulting from, or related to any third party claim relating to this Agreement or the Plan Sponsor/Administrator's Plan or the Plan Document unless such Damages are the direct consequence of criminal conduct, fraud, or willful misconduct on the part of PAI. The Plan Sponsor/Administrator agrees to hold PAI harmless for any claims amounts that are not reimbursed by any Excess Loss (Stop Loss) carrier, provided that PAI has processed the claims pursuant Section 8.
- 4.4 PAI agrees to indemnify and hold harmless the Plan Sponsor/Administrator from any and all claims, lawsuits, settlements, judgments, costs, penalties, liabilities and expenses, including a reasonable attorney's fee (for attorneys chosen by The Plan Sponsor/Administrator), arising out of or related to the Plan, Plan Document or this Agreement, but only if resulting from PAI's criminal conduct, fraud, or willful misconduct.
- 4.5 The Plan Sponsor/Administrator also recognizes and agrees that Plan Sponsor/Administrator's failure to adhere to the check release process as outlined in Section 4.10, or Plan Sponsor/Administrator's failure to pay the Administrative Fee due to PAI under this Agreement, may result in PAI incurring significant costs and has the potential to result in a delay in the release of the claims checks, Provider Vouchers and Explanation of Benefits Statements beyond the time frames for such release as set forth in the U.S. Department of Labor claims regulations. In the event that the Plan Sponsor/Administrator delays the release of any claims checks, or fails to pay the Administrative Fee, PAI will be entitled to indemnification for any and all claims, lawsuits, settlements, judgments, costs, penalties, liabilities and expenses, including attorneys' fees (for attorneys chosen by PAI), resulting from, or arising out of, based on, or in connection with such delay or non-payment.
- 4.6 PAI may secure the services of actuaries, computer service firms and any other firms it deems necessary in

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performing its duties under this Agreement.

- 4.7 Both parties acknowledge and agree that pursuant to this Agreement, PAI is an independent contractor under South Carolina State law. Personnel performing services under this Agreement will remain employees of their respective parties and no such employee of either party shall be considered in any way to be an agent, officer, representative, or employee of the other party, or have binding authority as an agent, officer, representative, or employee of the other party.
- 4.8 A. If PAI becomes aware of an excess payment or overpayment made under the Plan in excess of \$50.00, PAI shall use its standard overpayment collection processes and procedures to attempt to recover any overpayment; PAI will not attempt to recover overpayments in the amount of \$50.00 or less. PAI's services for its standard overpayment collection processes are included in the Administrative Charge. In the event PAI uses the services of a Medical Provider Audit Firm ("MPAF"), the fee for such MPAF services shall be based on a percentage of the amount recovered and is listed on Exhibit D. PAI, in its sole discretion, shall settle and resolve overpayments on any basis it determines is reasonable (provided that PAI may only pursue litigation in accordance with this Section 4.8), including payment of less than the entire overpayment amount. Notwithstanding the foregoing, PAI is not required to initiate court proceedings to comply with this Section 4.8; however, if PAI determines that litigation is necessary to collect the overpayment, PAI will notify Plan Sponsor/Administrator, and Plan Sponsor/Administrator will be solely responsible for the decision to pursue litigation and funding all litigation costs and expenses, including attorney's fees; PAI shall deliver any related files to the Plan Sponsor/Administrator for the Plan Sponsor/Administrator to pursue such amount. PAI shall notify the Plan Sponsor/Administrator whenever attempted recovery of overpayments is unsuccessful, and the Plan Sponsor/Administrator shall hold PAI harmless for any overpayment not recovered.
- B. If PAI becomes aware of a subrogation claim in excess of \$50.00, PAI shall use its standard processes and procedures to attempt to recover the subrogation claim; PAI will not attempt to recover overpayments in the amount of \$50.00 or less. PAI shall charge an additional fee based on a percentage of the subrogation amount recovered (hereinafter the "Subrogation Fee"). The Subrogation Fee is listed on Exhibit D and is not included in the Administrative Charge or any other fee described herein. PAI, in its sole discretion, shall settle and resolve all such claims on any basis it determines as reasonable, including collection of less than the entire amount of such claim and contributions to the Member's attorney's fees. Notwithstanding the foregoing, PAI is not required to initiate court proceedings to comply with this Section 4.8. In the event PAI determines litigation is necessary to recover a subrogation claim, PAI will notify Plan Sponsor/Administrator, and Plan Sponsor/Administrator will be solely responsible for the decision to pursue litigation and funding all litigation costs and expenses, including attorney's fees; PAI shall deliver any related files to the Plan Sponsor/Administrator, for the Plan Sponsor/Administrator to pursue such amount. PAI shall notify the Plan Sponsor/Administrator whenever attempted recovery of subrogation claims is unsuccessful, and the Plan Sponsor/Administrator shall hold PAI harmless for any subrogation claim not recovered. If the Plan Sponsor/Administrator separately contracts with an outside vendor for subrogation services, references to subrogation recovery in this paragraph are not applicable.
- 4.9 The Plan Sponsor/Administrator acknowledges that PAI may receive rebates and/or other amounts ("credits") from drug manufacturers and/or through a Pharmacy Benefit Manager ("PBM"). These financial credits are paid directly from drug manufacturers or from other providers through the PBM. Except as otherwise provided herein, credits are not payable to the Plan Sponsor/Administrator or members and will be retained by PAI to help stabilize overall rates and to offset expenses. Amounts paid to pharmacies, or discounted prices charged at pharmacies, are not affected by these credits. Any coinsurance that a member must pay for prescription drugs is based upon the allowable charge at the pharmacy, and does not change due to receipt of any credit by PAI. Copayments are not affected by any credit. Pharmacy rates may vary and the proposed retail rates do not necessarily reflect the actual contracted rate between the PBM and the pharmacy chain. The Plan Sponsor/Administrator acknowledges that the amount paid to the pharmacy may not be equal to the amount billed to the Plan Sponsor/Administrator. If the Plan Sponsor/Administrator independently contracts with a Pharmacy Benefit Manager that does not electronically exchange member level claims data with PAI, then PAI is not responsible for (1) integrating pharmaceutical claims payment information into members' maximum out-of-

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pocket accumulators, or (2) inclusion of pharmaceutical claims payment information in stop loss claims submissions for reimbursement. This section does not apply if Plan Sponsor/Administrator does not offer coverage for prescription drugs as part of its Plan Document or if the Plan Sponsor/Administrator has separately contracted with a PBM. If the Plan Sponsor/Administrator has separately contracted with a PBM, PAI shall be entitled to rely on any information provided to it by the Plan Sponsor/Administrator's PBM vendor. PAI shall base certain eligibility, coverage and other determinations in the performance of its responsibilities under this Agreement in reliance on the information so provided, and shall not be required to confirm or verify the accuracy, authenticity or completeness of any information so provided. PAI shall not be liable for any damages that may result from its reliance on and/or utilization of inaccurate or incomplete information received from the Plan Sponsor/Administrator's PBM vendor.

- 4.10 The Plan Sponsor/Administrator agrees to operate under the prescribed procedures for auto-release of their claims checks. Checks will be mailed two business days after the date of the checks. Failure of the Plan Sponsor/Administrator to comply with prescribed auto-release procedures may result in immediate placement of claims processing on administrative hold.
- 4.11 PAI shall not be bound by any notice, or directive or request unless and until it is received in writing at its office in Columbia, South Carolina, addressed to Planned Administrators, Inc., Post Office Box 6927, Columbia, South Carolina 29260.
- 4.12 This Agreement, including any attached Exhibit, Schedule, Attachment or Supplement, contains the entire agreement between the parties with respect to the subject matter hereof and it supersedes all prior oral or written agreements, commitments or understandings with respect to such matters. Unless otherwise provided in this Agreement, no modification or waiver of any of the provisions, or any future representation, promise, or addition, shall be binding upon the parties unless made in writing and signed by both parties.

SECTION 5. LAWS GOVERNING AGREEMENT

This Agreement shall be construed and enforced according to the laws of the State of South Carolina, except to the extent such laws are preempted by the Employee Retirement Income Security Act of 1974 and any other federal law in which such federal law shall apply.

SECTION 6. AGREEMENT COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and said counterpart shall constitute but one of the same instrument.

SECTION 7. MODIFICATION OF AGREEMENT

This Agreement and any attachments thereto constitute the entire Agreement between the parties. Changes in the Agreement or in any attachments must be mutually agreed to, in writing, signed and delivered to the respective parties.

SECTION 8. TIME LIMIT FOR FILING CLAIMS

- 8.1 It is understood that the Plan Sponsor/Administrator has implemented a self-funded health benefit plan and that all provisions of the Plan must be described in a Plan Document.
- 8.2 The Plan Sponsor/Administrator understands that if it purchases Excess Loss (Stop Loss) coverage to reimburse it for some losses sustained under the Plan, the coverage contract will contain a time limit within which covered and complete claims must be filed by persons covered under the Plan in order for the loss to be reimbursable to the Plan Sponsor/Administrator.
- 8.3 It is understood that the Plan Sponsor/Administrator is responsible for the Plan Document and for all provisions in the Plan Document including, but not limited to, a description of any time limits within which complete claims must be filed. It is understood, further, that if the Plan Document provides for a longer time period to pay claims than the Excess Loss (Stop Loss) coverage provides, there could be claims payable under the Plan which will not be reimbursed by the Excess Loss (Stop Loss) contract, which otherwise might have been reimbursable. In all

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cases where claims are submitted to PAI for payment, PAI is responsible for processing and presenting claims for payment to the Plan Sponsor/Administrator in a time and manner as specified in Exhibit B, and within a reasonable timeframe to secure reimbursement under the Excess Loss (Stop Loss) contract. If PAI receives a claim after the deadline for reimbursement under the Excess Loss (Stop Loss) contract, PAI will promptly notify the Plan Sponsor/Administrator. PAI will not disrupt the standard flow of the adjudication process, but will follow its standard processing procedures.

Claims must be filed with PAI within the time requirements as set forth in the Plan Document, unless it was not reasonably possible to do so. PAI will determine if enough information has been submitted to enable proper consideration of the claim.

- 8.4 For purposes of claims processing, a complete claim is one that includes all information necessary for PAI to properly adjudicate the claim. If PAI receives incomplete claims or if the claim is considered incomplete due to any other information being needed, PAI will request the needed information and the Plan Sponsor/Administrator shall be notified in writing, via a monthly "LPR-Claim Letter Listing" report, which informs the Plan Sponsor/Administrator about any claims received by PAI that are pending additional information. This report provides information regarding all letters PAI has sent out to subscribers on behalf of the Plan Sponsor/Administrator, requesting additional information necessary to complete the adjudication of the claim in question. PAI will use reasonable means to secure the information needed for the incomplete claim to become complete. It is ultimately, however, the responsibility of the Plan Sponsor/Administrator to secure any information needed by PAI.
- 8.5 If PAI receives any claim which is incomplete, as described in paragraph 8.4 and the information needed to make the claim complete is not received within the claim filing and payment time limit in the Excess Loss (Stop Loss) contract, that claim if subsequently paid under the Plan may not be reimbursed to the Plan Sponsor/Administrator by the carrier providing the Excess Loss (Stop Loss) coverage.

SECTION 9. TERMINATION OF AGREEMENT

- 9.1 This Agreement may be terminated by either party by written notice of intention to terminate given to the other party, to be effective as of a certain date set forth in the written notice which shall not be less than thirty (30) days from the date of such notice. Failure by the Plan Sponsor/Administrator to render written notice of at least thirty (30) days will result in the equivalent of one month's administrative service fees being due to the Plan Supervisor, payable immediately. Failure of the Plan Sponsor/Administrator to remit said amount will void and invalidate any further obligation of PAI to furnish materials or data as outlined in Section 9, paragraph 9.5, item C.
- 9.2 This Agreement shall automatically terminate in the event of:
- A. Bankruptcy or insolvency of the Plan Sponsor/Administrator or PAI;
 - B. Failure by the Plan Sponsor/Administrator to deliver to PAI on a timely basis the reports and information set forth in Section 2, paragraph 2.1;
 - C. Merger, sale or consolidation of Plan Sponsor/Administrator, unless the surviving entity, as new Plan Sponsor/Administrator, and PAI agree to continue this Agreement;
 - D. Merger, sale or consolidation of PAI, unless the surviving entity, as new Plan Supervisor, and Plan Sponsor/Administrator agree to continue this Agreement;
 - E. The enactment of any law or the promulgation of any regulation, which makes illegal the continuance of this Agreement or the performance of any obligations hereunder;
 - F. Failure of the Plan Sponsor/Administrator to deposit funds for the payment of claims within a two week time period from the date of the checks.

Provided, however, in the event of any termination of this Agreement pursuant to items A through F of this Section 9.2, such termination shall not occur and shall not be effective until the 15th day after the terminating party notifies the other party in writing that the Agreement is being terminated. As to items B and F above, there

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shall be a right to cure the default during the first 7 days of this 15-day notice period.

- 9.3 In the event of termination of this Agreement, PAI shall complete the processing of all fully documented requests for claim payments under the Plan that were received by it and are due and payable prior to the termination of this Agreement, but it shall have no obligation:
- A. To complete the processing of any such requests upon its determination that the Plan Sponsor/Administrator has failed to provide funds for the payment of benefits due;
 - B. To process requests for claim payments that were received by it after termination of this Agreement;
 - C. To process requests for claims payment for which full documentation does not arrive at PAI until after the termination of the Agreement;
 - D. To issue checks after the termination date for requests for claim payment relative to conditions existing on or after such date.
- 9.4 All checks issued by PAI, which are outstanding upon the termination of this Agreement or issued thereafter in accordance with Section 9, paragraph 9.3, shall continue to be the responsibility and liability of the Plan Sponsor/Administrator. The Plan Sponsor/Administrator shall continue to be responsible and liable for the payment of all benefits and expenses under the Plan after the termination of this Agreement.
- 9.5 Notwithstanding anything herein to the contrary, if the Agreement is terminated for any reason the following applies:
- A. Termination of this Agreement will result in cessation of all administrative and claims services, upon the date of termination. However, when mutually agreeable the Plan Sponsor/Administrator can request an Administrative and Claims Service Agreement only, to allow for the orderly resolution of the incurred but not paid, pending claims (runout). This in no way will be construed as an extension of any insurance contracts that may exist. Such an agreement can be arranged for three months at a time (up to a total of 12 months), and the runout fees will be based on the administrative rates and number of enrollees on the invoice of the final month of the contract. The monthly runout fees will be determined at the time of contract termination. The monthly runout fees will be equal to 100% of the last contract month's administrative fees for the first three months, 50% of the last contract month's administrative fees for the fourth through sixth months, and 25% of the last contract month's administrative fees for the seventh through twelfth months. Any runout PPO network fees are not reduced quarterly in the same manner as the administrative fees. The runout fees will be payable in advance, unless otherwise agreed upon.
 - B. PAI will deliver to the Plan Sponsor/Administrator, for a standard end-of-contract reporting fee of \$500.00, the following items after the termination of this Service Agreement:
 - 1. The Plan year-end closing documentation;
 - 2. A final accounting of all reimbursements made by the Excess Loss (Stop Loss) Carrier;
 - 3. All unused check stock;
 - 4. Copies of paperwork on outstanding reimbursements which was forwarded to Excess Loss (Stop Loss) Carrier;
 - 5. Claims submitted but not processed;
 - 6. All claims documentation and other materials utilized to process claims;
 - 7. A listing of all deductible and out-of-pocket accumulations;
 - 8. Any other documents or records for which PAI is responsible pursuant to the terms of this Agreement.
 - C. The delivery of those items in the paragraph above to the Plan Sponsor/Administrator or its representative will release PAI of all further administrative, legal, financial and consultative responsibility of any ongoing or future actions that may be taken by claimants or providers of services, etc.

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In Witness whereof, the Plan Sponsor/Administrator and PAI have executed this Agreement as of the day and year first above written.

For: **OCONEE COUNTY**
By: 
(Signature)

Name: T. SCOTT MURRELL
(Print)

Title: County Administrator

Date: 4/26/17
(Please enter exact date signed.)

For: **PLANNED ADMINISTRATORS, INC. (PAI)**
By: _____
(Signature)

Name: PJ Rescigno
(Print)

Title: AVP Sales and Service

Date: _____
(Please enter exact date signed.)

This Agreement shall be effective on the earlier of the Effective Date or, if Plan Sponsor/Administrator shall not return an executed copy prior to the Effective Date, the first date the Plan Sponsor/Administrator receives Services. If Plan Sponsor/Administrator has not returned an executed copy of this Agreement prior to the receipt of Services, then the version of this Agreement initially provided to the Plan Sponsor/Administrator shall control.

EXHIBIT A

General Administrative Services

1. PAI will provide technical assistance, guidance and administrative support in the preparation for approval by the Plan Sponsor/Administrator of the following:
 - A. Standard Plan Document with the Schedule of Benefits (Benefit Booklet);
(If Plan Sponsor/Administrator has not returned an approved and executed copy of the Plan Document prior to the receipt of Services, then the version of the Plan Document initially provided to the Plan Sponsor/Administrator shall control.)
 - B. Billing format;
 - C. Checks for any bank account.
2. PAI will provide the following:
 - A. Enrollment/Change Forms;
 - B. Claim Forms (medical, dental, and disability);
 - C. Health Questionnaires;
 - D. Drug Forms;
 - E. Monthly billing;
 - F. Explanation of benefit forms (EOB);
 - G. Standard PAI identification cards.
3. PAI may perform the marketing function to obtain quotes and coordinate the procurement process for any Stop Loss Insurance Contracts.
4. PAI will furnish information to the Plan Sponsor/Administrator necessary for the Plan Sponsor/Administrator to complete 5500 filings (if applicable), within the prescribed deadline of 120 days from end of Plan year. It is the Plan Sponsor/Administrator's responsibility to determine whether the Plan is required to file Form 5500.
5. PAI will print and mail 1099s to the appropriate recipients at the end of each calendar year. PAI's actual cost will be billed to the Plan Sponsor/Administrator. PAI will also electronically file the 1099 information returns with the appropriate governmental authorities, on behalf of the Plan Sponsor/Administrator.
6. If Plan Sponsor/Administrator purchases COBRA Services from PAI, PAI or its designee shall:
 - A. Mail the initial COBRA rights notice (as approved by the Department of Labor) to the member or dependent under the Plan. A separate COBRA rights notice will be mailed to the covered spouse if applicable.
 - B. Send the appropriate COBRA notice and election forms to the qualified beneficiaries and monitor the election period for the COBRA beneficiaries upon notice of a qualified member. (Forms must be completed in its entirety; incomplete elections will be treated as elected as offered.)
 - C. Bill and collect the initial premium payment covering the period during which coverage would have normally ended to the date the beneficiary elects COBRA continuation.
 - D. Bill and collect the monthly premiums from the COBRA beneficiaries who elected continuation of coverage beginning with the first monthly premium due after notice of continuation coverage is made by the beneficiary.
 - E. Monitor the appropriate continuation of coverage period for each beneficiary and disenroll the beneficiary at the end of the period of continued coverage.
 - F. Send conversion notices to eligible COBRA beneficiaries to the extent and within the period prescribed by applicable law, provided that a conversion option is included in their Plan Document.
 - G. Not be responsible for giving notice to the COBRA continuants of any open enrollment periods as well as the available benefit plan options and applicable premium rates for the periods.

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H. Provide reports as follows:

- 1) a monthly report summarizing the following items for the preceding month: coverage elections and terminations; premium payment status; eligibility expirations; and all changes related to coverage and/or demographics that have been affected;
- 2) a daily report indicating: receipt of initial premium, notice of election (including type of coverage chosen) and notice of termination (including date of and reason for termination);
- 3) additional reports may be available upon mutual agreement and for an additional fee.

I. Forward contributions received for the preceding month to Plan Sponsor/Administrator on a monthly basis, less any amount due as payment for COBRA Services furnished pursuant to this Agreement.

Neither PAI or its designee shall be responsible for providing notice of any open enrollment periods, available benefit plan options, and/or applicable premium rates for such periods.

PAI or its designee shall rely upon any information provided to it by the Plan Sponsor/Administrator, shall base certain eligibility, coverage and other determinations in the performance of its responsibilities under this Agreement in reliance on the information so provided, and shall not be required to confirm or verify the accuracy, authenticity or completeness of any information so provided. PAI's or its designee's only obligation hereunder shall be to compile such information accurately and to utilize such information in performing its responsibilities under this Agreement.

If the Plan Sponsor/Administrator does not purchase COBRA services from PAI, then this section is not applicable.

7. If Plan Sponsor/Administrator purchases 125 Plan Services from PAI, PAI or its designee shall:

- A. Provide sample announcement letters, sample communications materials for employee education and annual enrollment materials as requested by the Plan/Administrator.
- B. Process employee reimbursement requests as directed by the Employer's Section 125 Plan, 125 Plan Master Application and IRS guidelines.
- C. Provide toll-free customer service access via telephone.
- D. Provide 125 Plan discrimination reports at the beginning and end of the year.
- E. Provide standard monthly reports for reconciling amounts redirected to the 125 Plan. Standard monthly reports include:
 - 1) Reports detailing the monthly administrative fees;
 - 2) Reports detailing billing for employees; and,
 - 3) Reports detailing employees' elections and participation.
- F. Not have any obligation or duty to maintain any accounts or handle funds on behalf of the Plan Sponsor/Administrator.

If the Plan Sponsor/Administrator does not purchase 125 Plan Services from PAI, then this section is not applicable.

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EXHIBIT B

Claim Payment Services

1. PAI shall, in accordance with the terms of the Plan Document or other written agreements, as originally stated or as subsequently amended, do the following:
 - A. Promptly process claims with respect to covered persons and calculate the amounts due and payable in accordance with the Plan Document.
 - B. Prepare for signature by the authorized party, process and distribute payment checks drawn on the Plan's checking account.
 - C. Prepare and submit all reports and notices of claims to the reinsurer in a time and manner required by the Excess Loss Insurance Policy; maintain records reasonably required by the reinsurer and furnish to the reinsurer upon request, all pertinent data with respect to Covered Persons as required by the Excess Loss Insurance Policy; or perform any other duty in a time and manner as specified in the Excess Loss Insurance Policy. PAI shall promptly notify Plan Sponsor/Administrator of any notices received by PAI from the reinsurer, and promptly forward Excess Loss Insurance reimbursements received from the reinsurer to the Plan Sponsor/Administrator.
 - D. Maintain current and complete records and files of claim payments for each covered person in accordance with PAI's current practices.
 - E. Request, as needed, any Medical Records necessary with which to process claims and file claims reimbursements with the Excess Loss (Stop Loss) carrier on behalf of the Plan Sponsor/Administrator. The Plan Sponsor/Administrator shall be responsible for any expenses incurred in obtaining these Medical Records. This expense will be charged against the Plan Sponsor/Administrator's claims account.
 - F. Submit the following claims related reports to the Plan Sponsor/Administrator:
 1. Check register;
 2. Monthly Individual Specific Analysis (policy year); Benefit Analysis (month-to-date) and Coverage Analysis;
 3. Loss Ratio Report and Benefit Analysis (year-to-date);
 4. The reports in items 1 through 3 above, if requested at intervals other than specified above, will be provided for an additional fee. Non-standard reports such as Cost Containment, Lag Studies, or other program reports, can also be provided for an additional fee. Any such additional fees will be pre-approved by the Plan Sponsor/Administrator.
 - G. Conduct reviews of all written appeals of claim decisions. Claims appeal findings and determinations are subject to the Plan Sponsor/Administrator's right for final approval or denial.

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EXHIBIT C

Agreement Regarding Disclosure of Group Claim Information

HIPAA

1. HIPAA. For purposes of this Section 1, any reference to Plan Sponsor/Administrator shall include any group health plan administrated pursuant to the Administrative Services Agreement (the "Agreement").
 - A. Privacy of Protected Health Information.
 - i. PAI is permitted or required to use or disclose Protected Health Information ("PHI") it creates or receives for or from Plan Sponsor/Administrator's health plan or to request PHI on Plan Sponsor/Administrator's health plan's behalf as follows:
 - a. PAI is permitted to request the PHI on Plan Sponsor/Administrator's health plan's behalf, and to use and to disclose the Minimum Necessary PHI to perform functions, activities, or services for or on behalf of Plan Sponsor/Administrator's health plan, as specified in this Agreement.
 - b. PAI may use or disclose PHI it creates for or receives from Plan Sponsor/Administrator as necessary for data aggregation purposes. PAI may use the PHI for PAI's proper management and administration or to carry out PAI's legal responsibilities. PAI may disclose the PHI for PAI's proper management and administration or to carry out PAI's legal responsibilities only if:
 - 1) The disclosure is required by law; or
 - 2) PAI obtains reasonable assurances, in the form of a written contract, from any person or organization to which PAI will disclose PHI that the person or organization will hold such PHI in confidence and use or further disclose it only for the purpose for which PAI disclosed it to the person or organization or as required by law, and promptly notify PAI of any instance of which the person or organization becomes aware in which the confidentiality of such PHI was breached.
 - ii. PAI will develop, document, implement, maintain, and use appropriate administrative, technical, and physical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Plan Sponsor/Administrator's Electronic Protected Health Information that PAI creates, receives, maintains, or transmits on Plan Sponsor/Administrator's behalf as required by the HIPAA Security Rule and as required by the HITECH Act. PAI also shall develop and implement policies and procedures and meet the HIPAA Security Rule documentation requirements as required by the HITECH Act. PAI agrees to mitigate, to the extent practicable, any harmful effect that is known to PAI of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.
 - iii. PAI will require any of its subcontractors and agents to provide reasonable assurance that such subcontractor or agent will comply with the same privacy and security obligations as PAI with respect to such PHI.
 - iv. PAI's use, disclosure or request of PHI shall utilize a limited data set if practicable. Otherwise, PAI will, in its performance of the functions, activities, services, and operations allowed or required by this Agreement, make reasonable efforts to use, to disclose, and to request of a covered entity only the minimum amount of Plan Sponsor/Administrator's PHI reasonably necessary to accomplish the intended purpose of the use, disclosure or request.
 - v. PAI will neither use nor disclose PHI except as permitted or required by this Exhibit, or as required by law.
 - B. Individual Rights.
 - i. PAI will, within a reasonable time after Plan Sponsor/Administrator's request, make available to Plan Sponsor/Administrator or, at Plan Sponsor/Administrator's direction, to the individual (or the individual's personal representative) for inspection and obtaining copies, any PHI about the individual that is in PAI's custody or control, so that Plan Sponsor/Administrator may meet its access obligations under 45 C.F.R. § 164.524.
 - ii. PAI will, upon receipt of notice from Plan Sponsor/Administrator, promptly amend any applicable portion of the PHI under 45 C.F.R. § 164.526.

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iii. Disclosure Accounting.

- a. PAI will record information concerning each disclosure of PHI, not excepted from disclosure tracking under Section 1(b)(iii)(b) below, that PAI makes to Plan Sponsor/Administrator or a third party. For repetitive disclosures made by PAI to the same person or entity for a single purpose, PAI may provide (i) the disclosure information for the first of these repetitive disclosures; (ii) the frequency, periodicity or number of these repetitive disclosures; and (iii) the date of the last of these repetitive disclosures. PAI will make this disclosure information available to Plan Sponsor/Administrator within a reasonable time after Plan Sponsor/Administrator's request.
 - b. PAI need not record disclosure information or otherwise account for disclosures of PHI that this Agreement or Plan Sponsor/Administrator in writing permits or requires: (i) for purposes of treating the individual who is the subject of the PHI disclosed, payment for that treatment, or for the healthcare operations PAI; (ii) to the individual who is the subject of the PHI disclosed or to that individual's personal representative; (iii) pursuant to a valid authorization by the person who is the subject of the PHI disclosed; (iv) to persons involved in that individual's healthcare or payment related to that individual's healthcare; (v) for notification for disaster relief purposes, (vi) for national security or intelligence purposes; (vii) as part of a limited data set; or (viii) to law enforcement officials or correctional institutions regarding inmates or other persons in lawful custody.
 - c. PAI must have available for Plan Sponsor/Administrator the disclosure information required by Section 1(b)(iii)(a) above for the six (6) years preceding Plan Sponsor/Administrator's request for the disclosure information (except PAI need have no disclosure information for disclosures occurring before the effective date of the Agreement).
- iv. PAI will comply with any reasonable requests for restriction requests or confidential communications of which it is aware and to which Plan Sponsor/Administrator agrees pursuant to 45 C.F.R. § 164.522 (a) or (b).
 - v. In addition to the obligations described above, PAI will provide such additional individual rights to access and accounting as mandated by and, where applicable, the HITECH Act. Specifically, PAI shall make such access information available in an electronic format where directed by Plan Sponsor/Administrator. In addition, PAI shall include within its accounting, disclosures for payment and health care operations purposes where such recording or accounting is required by the HITECH Act. PAI further shall provide any additional information to the extent required by the HITECH Act and any accompanying regulations.
 - vi. Where PAI is contacted directly by an individual based on information provided to the individual by Plan Sponsor/Administrator and where so required by the HITECH Act and/or any accompanying regulations, PAI shall make such disclosure information available directly to the individual.
 - vii. PAI will make its internal practices, books, and records, relating to its use and disclosure of PHI, available to the U.S. Department of Health and Human Services to determine Plan Sponsor/Administrator's compliance with 45 C.F.R. Parts 160-64 or the Agreement.

C. Other Plan Sponsor/Administrator Responsibilities.

- i. Plan Sponsor/Administrator shall promptly provide PAI with Plan Sponsor/Administrator's health plan's notice of privacy practices and any changes to such notice.
- ii. Plan Sponsor/Administrator shall provide PAI with any changes to, or revocation of, authorization by an individual to use or disclose PHI, to the extent such changes affect PAI's permitted or required uses and disclosures.

D. Breach of Privacy Obligations.

- i. PAI agrees to report to Plan Sponsor/Administrator any use or disclosure of PHI not provided for by this Agreement of which it becomes aware.
- ii. In the event Plan Sponsor/Administrator determines that PAI has materially breached this Section 1, Plan Sponsor/Administrator may terminate the Agreement upon thirty (30) days prior written notice to PAI and PAI fails to cure the breach within such thirty (30) day period.

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- iii. **Obligations upon Termination.** Upon termination, cancellation, expiration or other conclusion of this Agreement, PAI will, at its sole discretion and if feasible, return to Plan Sponsor/Administrator or destroy all PHI. If PAI agrees to return Plan Sponsor/Administrator's PHI, all costs related to the return of such PHI will be paid by Plan Sponsor/Administrator. PAI may identify any PHI that cannot feasibly be returned to Plan Sponsor/Administrator or destroyed. PAI will limit its further use or disclosure of that PHI that is not returned or destroyed.
 - iv. If for any reason Plan Sponsor/Administrator determines that PAI has breached these terms and such breach has not been cured, but Plan Sponsor/Administrator determines that termination of the Agreement is not feasible, Plan Sponsor/Administrator may report such breach to the U.S. Department of Health and Human Services.
 - v. PAI will have the right to terminate this Agreement if Plan Sponsor/Administrator has engaged in a pattern of activity or practice that constitutes a material breach or violation of Plan Sponsor/Administrator's obligations regarding Plan Sponsor/Administrator's PHI and, on notice of such material breach or violation from PAI, fails to take reasonable steps to cure the breach or end the violation. If Plan Sponsor/Administrator fails to cure the material breach or end the violation within thirty (30) days after receipt PAI's notice, PAI may terminate this Agreement by providing Plan Sponsor/Administrator written notice of termination, stating the uncured material breach or violation that provides the basis for the termination and specifying the effective date of the termination. If for any reason PAI determines that Plan Sponsor/Administrator has breached the terms of this Section 1 and such breach has not been cured, but PAI determines that termination of this Agreement is not feasible, PAI may report such breach to the U.S. Department of Health and Human Services.
- E. The Plan Sponsor/Administrator, as the plan sponsor of its self-funded group health plan, has amended the plan document to comply with the requirements of 45 CFR Sections 164.314(b) and 164.504(f)(2).
- F. **Security Incident.** If PAI becomes aware of any Security Incident, PAI shall report the same in writing to Plan Sponsor/Administrator as provided below. PAI agrees to mitigate, to the extent practicable, any harmful effect resulting from such Security Incident.
- i. In determining how and how often PAI shall report to Plan Sponsor/Administrator in writing the Security Incidents required above, both Plan Sponsor/Administrator and PAI agree that unsuccessful attempts at unauthorized access or system interference occur frequently and that there is no significant benefit for data security from requiring the documentation and reporting of such unsuccessful intrusion attempts. In addition, both parties agree that the cost of documenting and reporting such unsuccessful attempts as they occur would outweigh any potential benefit gained from reporting them. Consequently, both Plan Sponsor/Administrator and PAI agree that this Agreement shall constitute the documentation, notice and written report of such unsuccessful attempts at unauthorized access or system interference as required above and by 45 C.F.R. Part 164, Subpart C and that no further documentation, notice or report of such attempts will be required. By way of example (and not limitation in any way), the Parties consider the following to be illustrative (but not exhaustive) of Unsuccessful Security Incidents when they do not result in unauthorized access, use, disclosure, modification, or destruction of e-PHI or interference with an information system:
 - a. **Pings on a Party's firewall,**
 - b. **Port scans,**
 - c. **Attempts to log on to a system or enter a database with an invalid password or username,**
 - d. **Denial-of-service attacks that do not result in a server being taken off-line, and**
 - e. **Malware (e.g., worms, viruses).**
 - ii. Otherwise, PAI will document as required by 45 C.F.R. Part 164, Subpart C and report to Plan Sponsor/Administrator any successful unauthorized access, use, disclosure, modification, or destruction of Plan Sponsor/Administrator's Electronic Protected Health Information of which PAI becomes aware if such security incident either (a) results in a breach of confidentiality; (b) results in a breach of integrity but only if such breach results in a significant, unauthorized alteration or destruction of Plan Sponsor/Administrator's Electronic Protected Health Information; or (c) results in a breach of availability of Plan

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Sponsor/Administrator's Electronic Protected Health Information, but only if said breach results in a significant interruption to normal business operations. Such reports will be provided in writing within ten (10) business days after PAI becomes aware of the impact of such Security Incident upon Plan Sponsor/Administrator's Electronic Protected Health Information.

- G. In addition to any reporting obligations in this Agreement, PAI will report, following discovery and without unreasonable delay, but in no event later than sixty (60) days following discovery, any "Breach" of "Unsecured Protected Health Information" as these terms are defined by the HITECH Act and any implementing regulations. PAI agrees to mitigate, to the extent practicable, any harmful effect it knows to have resulted from Breach. Any such report shall include, to the extent possible, the identification (if known) of each individual whose Unsecured Protected Health Information has been, or is reasonably believed by PAI to have been, accessed, acquired, or disclosed during such Breach, along with any other information required to be reported under the HITECH Act and any accompanying regulations.
 - H. Plan Sponsor/Administrator represents and certifies that it is solely responsible for and has obtained consent from all members authorizing the release of PHI by PAI to Plan Sponsor/Administrator or, the Plan Sponsor/Administrator otherwise has the legal authority to review, access, and /or use such information.
 - I. Plan Sponsor/Administrator will only use claims information provided by PAI to administer the Plan Sponsor/Administrator's group health plan. This may include auditing, monitoring and evaluating the costs and performance PAI and the Plan Sponsor/Administrator's health plan. Plan Sponsor/Administrator will not use any information provided by PAI for any improper or illegal or unauthorized purpose.
 - J. PAI is prohibited from releasing alcohol and drug abuse patient information protected under 42 U.S.C. § 290dd-2(a) to Plan Sponsor/Administrator.
 - K. If the Plan Sponsor/Administrator accesses the Benefit Coordinator features of the PAI website, it will ensure that Protected Health Information is only accessed while the individual whose information is being accessed is present or such individual has otherwise consented to such access.
 - L. Plan Sponsor/Administrator will protect and safeguard the integrity, privacy and confidentiality of all Protected Health Information in accordance with all federal and state laws, regulations and guidelines governing and applicable to Protected Health Information. Plan Sponsor/Administrator will only use or further disclose Protected Health Information for the purpose for which PAI disclosed it to the Plan Sponsor/Administrator or as required by law, and will promptly notify PAI of any instance of which the person or organization becomes aware in which the confidentiality of such PHI was breached.
 - M. If Plan Sponsor/Administrator requests that PAI disclose Protected Health Information to a third party, Plan Sponsor/Administrator agrees that it will indemnify and hold PAI harmless from any consequences from such disclosure. Plan Sponsor/Administrator will not require PAI to disclose information to any third party until such third party has executed PAI's disclosure agreement.
2. Compliance with Standard Transactions. For purposes of this Section 2, any reference to Plan Sponsor/Administrator shall include any group health plan administrated pursuant to this Agreement. If Plan Sponsor/Administrator conducts, in whole or part, Standard Transactions for or on behalf of Plan Sponsor/Administrator's health plan, Plan Sponsor/Administrator will comply, and will require any subcontractor or agent involved with the conduct of such Standard Transactions to comply, with 45 C.F.R. Part 162. All Standard Transactions submitted by the Plan Sponsor/Administrator or its subcontractors must be in a format that is acceptable to PAI.

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EXHIBIT D - Administrative Services Only Agreement

Rate Schedule - Disclosure of Charges Billed by PAI

GROUP NAME: Orange County **GROUP A** \$17
 FOR THE PERIOD FROM: 5/1/2017 TO: 4/30/2018
 (Rates are based on "Per Employee Per Month" unless otherwise stated.)

ADMINISTRATIVE SERVICE FEES	SINGLE	FAMILY
Medical (may include broker commission, if applicable)	\$13.84	\$13.84
Dental	\$4.10	\$4.10
Vision	\$0.00	\$0.00
Short Term Disability (STD)(PAI In-house)	\$0.00	\$0.00
HIPAA Eligibility Pre-Existing/Creditable Coverage Services	\$0.00	\$0.00
HIPAA Privacy Services	\$0.75	\$0.75
COBRA Services	\$1.35	\$1.35
MyCatalyst & Broker Fee	\$1.85	\$1.85
NY-HCRA Services	\$0.00	\$0.00

(Monthly NY-HCRA assessment fees will also apply if any subscribers are NY residents)

PPO NETWORK ACCESS FEES:		
Preferred Blue	10% of savings	10% of savings
First Health	25% of savings	25% of savings
First Health	\$5.25 perpm	\$5.25 perpm
	\$0 perpm	\$0 perpm

PRE-CERTIFICATION, MEDICAL REVIEW + MANAGED CARE ACCESS FEE

Managed Care Services	Included	included
Managed Care Services	2.50	2.50
Maternity Care	n/a	
Health Management	n/a	n/a
Health Management	n/a	
Complex Care - ongoing fees per patient	n/a	
24 hour Nurse Advisor - perpm	n/a	n/a
Smoking Cessation	n/a	
Weight Management	n/a	
Quit for Life	n/a	
Cholesterol Management	n/a	
Back Pain Management	n/a	
Stress Management	n/a	
Autism Management	n/a	

PRESCRIPTION DRUG PROGRAM

Applicable Fee Schedule:	PBM	Magellan Rx		
Per employee per month			\$3.00	\$3.00

ELECTRONIC ELIGIBILITY	ELIG Download Vendor:	ELIG Download Vendor:	\$0.00	\$0.00
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DATA WAREHOUSE FEES:	Description:	Description:	0	0
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OTHER CHARGES:	Description:	Description:	\$0.00	\$0.00
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STOP LOSS PREMIUMS: (Contract is between Group and Stop Loss Carrier. Not a PAI Contract)

Medical Specific per employee per month	\$85.35	\$161.94
Medical Specific Marketing Fee - PAI	\$3.85	\$3.53
Medical Specific Marketing Fee - Broker	\$7.69	\$19.05
Rolling Aggregate (medical) per employee per month	\$0.00	\$0.00
Medical Aggregate per employee per month	\$3.51	\$3.51
Medical Aggregate Marketing Fee - PAI	\$0.21	\$0.21
Medical Aggregate Marketing Fee - Broker	\$0.41	\$0.41

OTHER STOP LOSS INFORMATION ** Note: Please refer to your Stop Loss contract for information concerning:

- Specific Contract Basis
- Specific Deductible
- Aggregate Contract Basis
- Aggregate Attachment Point
- Maximum Claim Liability Funding Factors
- Any individuals on whom the Stop Loss carrier placed "resets" or other limitations.
- All other stop loss contract terms and conditions.

** Note: Aggregate attachment point will be determined after final enrollment.

** Note: Contract ending check runs may be processed several working days prior to the end of the contract period, to enable proper and timely year-end closeout under Stop Loss requirements.

SYSTEM GENERATED REPORTS:

- Standard monthly reports
- Custom reports (per hour of programming time)

ONE-TIME SETUP FEE

- Includes the initial production and printing of Plan Document
- Plan Building and Design (to include loading of benefit maximums if applicable)

PRINTING CHARGES

- Employee Booklets: Actual Vendor Cost + 10% Processing Fee

Group ID Cards:

- No charge for initial printing. ID cards reproduced by PAI. Quote will be provided based on group size to include printing and mailing costs.
- * If plastic cards produced by PBM. Initial and Subsequent Printings = Actual Vendor Cost.

PPO Directories: Actual Vendor Cost Plus Postage

Check Printing Charges: \$.16 per check
 Sponsor/Administrator Initials



PAI Initials _____

Exhibit D, Page 1

EXHIBIT D - Administrative Services Only Agreement

Division of Responsibilities

This Exhibit is a Disclosure of (1) All Charges Billed by PAI, and (2) Responsibilities of Parties to this Agreement.

GROUP NAME: Oconee County

GROUP #: 817

FOR THE PERIOD FROM: 5 /1 /2017

TO:

4 /30/2018

DIVISION OF RESPONSIBILITIES

	Plan Sponsor/ Administrator	PAI
Production of Plan Document Draft	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Approval of the Final Plan Design and Plan Document	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Final Approval of Plan Document	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cost of Printing Employee Booklets:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cost of Group I.D. Cards		
a) Initial Plastic ID Cards, new group or bulk reprinting	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Subsequent ID Cards, due to membership enrollment changes	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Cost of Printing or Copying PPO Directories (Initial and Subsequent Orders)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cost of Printing of Membership Applications and Enrollment Forms		
Standard PAI Forms	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Custom Forms Requested by Plan Sponsor/Administrator	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Banking:		
a) Claims Checking Account Owned and Maintained By	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Reconciliation of Claims Checking Account	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Escheat/Unclaimed Funds compliance and reporting	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Signature of Claims Checks	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Cost of Printing Plan Sponsor Claims Check Stock	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Plan Sponsor/Administrator Audit Fees, Bank Fees, Attorney + Other Legal Expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fees for Medical Information	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fees for Discounts Obtained and Applied to Non-Network Claims	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Reconciliation of PAI's monthly fixed cost invoice to employment records	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Preparation and Filing of Form 5500	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(PAI will furnish summary information to assist PAI Sponsor/Administrator with Form 5500)		
1099 Forms:		
Preparation, printing, and mailing	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Filing of Forms 1099 and other related information returns with governmental authorities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Responsibility for Obtaining Prior Claim Files, Billings and/or Other Required Reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Refunds:		
* If refund due to Plan Sponsor/Administrator is identified by and obtained through a Medical Provider Audit Firm (MPAF), MPAF's fee is to be paid by the Plan Sponsor/Administrator. (MPAF fees range from 10% to 15% of the refund secured for the Plan Sponsor/Administrator)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
* If subrogation refund due to the Plan Sponsor/Administrator is obtained through the efforts of the BCBSSC Subrogation Research Department, BCBSSC's 30% fee is to be paid by the Plan Sponsor/Administrator.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
* All refunds identified by PAI, will be sought by PAI.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Out of Network Claims Negotiation Fee: 25% of savings to be paid by the Plan Sponsor/Administrator	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sponsor/Administrator Initials:	PAI Initials _____	Exhibit D, Page 2

**AMENDMENT 2016 01
Oconee County
Effective: May 1, 2016**

As of the effective date above, the following changes will be implemented:

The following items in the **ELIGIBILITY** section will be updated as follows:

Eligibility:

Dependent Child, in addition to meeting the requirements contained in the Plan of Benefits; the maximum age limitation to qualify as a Dependent Child is:

An Employee may cover a Dependent Child up to the end of the calendar month during which the Dependent Child reaches age 26 for medical Benefits.

DEFINITIONS

The following items will be added to the **DEFINITIONS** section:

The following items in the **DEFINITIONS** section will be updated as follows:

Excepted Benefits:

1. Coverage only for accident, or disability income insurance, or any combination thereof;
2. Coverage issued as a supplement to liability insurance;
3. Liability insurance, including general liability insurance and automobile liability insurance;
4. Workers' compensation or similar insurance;
5. Automobile medical payment insurance;
6. Credit-only insurance;
7. Coverage for on-site medical clinics;
8. Other similar insurance coverage specified in regulations, under which benefits for medical care are secondary or incidental to other insurance benefits.
9. If offered separately:
 - a. Limited scope dental or vision benefits;
 - b. Benefits for long-term care, nursing home care, Home Health Care, community-based care, or any combination thereof.
 - c. Such other similar, limited benefits as specified in regulations.
10. If offered as independent, non-coordinated benefits:
 - a. Coverage only for a specified disease or illness;
 - b. Hospital indemnity or other fixed indemnity insurance.
11. If offered as a separate insurance policy:
 - a. Medicare supplemental health insurance (as defined under Section 1882(g)(1) of the Social Security Act);

- b. Coverage supplemental to the coverage provided under Chapter 55 of Title 10 of the United States Code;
- c. Similar supplemental coverage under a group health Plan.

Out-of-Pocket Maximum: the maximum amount (if listed on the Schedule of Benefits) of otherwise Covered Expenses incurred during a Benefit Year that a Participant will be required to pay.

The following items will be removed from the **DEFINITIONS** section:

Certificate of Creditable Coverage: a document from a group health Plan or insurer that states that a Participant had prior Creditable Coverage with that group health Plan or insurer.

Creditable Coverage: benefits or coverage provided under any of the following (each capitalized term as defined under HIPAA unless defined in this Plan of Benefits):

1. A group health Plan;
2. Health Insurance Coverage;
3. Medicare: Part A or Part B, Title XVIII of the Social Security Act;
4. Medicaid: Title XIX of the Social Security Act, other than coverage consisting solely of benefits under Section 1928;
5. Title 10 United States Code Chapter 55 (i.e. medical and dental care for members and certain former members of the uniformed forces and their Dependents);
6. A medical care program of the Indian Health Service or of a tribal organization;
7. A state health benefits risk pool, including South Carolina Health Insurance Pool (SCHIP);
8. A state Children's Health Insurance Program (S-CHIP);
9. A health Plan offered under Chapter 89 of Title 5, United States Code (Federal Employees Health Benefits Act);
10. A public health Plan, including that of the U.S. Federal Government as well as that of a foreign country or its political subdivision; or
11. A health benefit Plan under Section 5(e) of 22 United States Code 2504(e), the Peace Corps Act.

Creditable Coverage does not include coverage consisting solely of Excepted Benefits (as defined within the definition of Health Insurance Coverage).


Signature

Covering Administrator
Title

T. Scott Maulden
Typed/Printed Name

5/9/16
Date

Disclaimer:

In order for amendments to your plan to take effect, a signature is required from the person authorized to oversee your benefit plan. Requests for amendment should be signed within 30 days. Please sign and return to PAI on or before [redacted]

**AMENDMENT 2015 02
Oconee County
Effective: July 1, 2015**

As of the effective date above, the following changes will be implemented:

The following item will be added in the **MEDICAL SCHEDULE OF BENEFITS, WELLNESS SERVICES** section as follows:

WELLNESS SERVICES: Co-pay only applies if office visit is billed	PPO:	Non-PPO:
Adult and Child Immunizations based on CDC guidelines including administration fees (except those required for travel)	*100%	*60%

The following item in the **MEDICAL SCHEDULE OF BENEFITS, WELLNESS SERVICES** section will be updated as follows:

WELLNESS SERVICES: Co-pay only applies if office visit is billed	PPO:	Non-PPO:
Well-Child Care: Immunizations are covered at 100%, not subject to Benefit Year deductible or co-pay	\$25 co-pay, then *100%	*60%


Signature
T. Scott Moulder
Typed/Printed Name

County Administrator
Title
10/1/2015
Date

Disclaimer:

In order for amendments to your plan to take effect, a signature is required from the person authorized to oversee your benefit plan. Requests for amendment should be signed within 30 days. Please sign and return to PAI on or before October 31, 2015.

AMENDMENT 2015 01
Oconee County
Effective: May 1, 2015

As of the effective date above, the following changes will be implemented:

PRE-AUTHORIZATION

The second paragraph in the **PRE-AUTHORIZATION** section will be updated as follows:

All Admissions and some Benefits (as indicated herein or on the Schedule of Benefits) require Pre-Authorization to determine the Medical Necessity of such Admission or Benefit. The Group Health Plan reserves the right to add or remove Benefits that are subject to Pre-Authorization. Each Participant is responsible for obtaining Pre-Authorization and the appropriate review. If Pre-Authorization is not obtained for an Admission or outpatient services and the Participant is still admitted, Benefits may be reduced (up to and including denial of all or a portion of the room and board charges associated with the Admission) as listed on the Schedule of Benefits. If a PPO fails to obtain Pre-Authorization, they are required to write off this reduced amount and cannot bill the Participant for this amount. The Participant is responsible for obtaining Pre-Authorization for Admission to a Non-PPO Provider facility, and the Participant will be responsible for any penalty or reduction in payable charges as stated in the Schedule of Benefits if approval is not obtained. Pre-Authorization is obtained through the following procedures:

1. For all Admissions that are not the result of an Emergency Medical Condition, Pre-Authorization is granted or denied in the course of the Pre-Admission Review.
2. For all Admissions that result from an Emergency Medical Condition, Pre-Authorization is granted or denied in the course of the Emergency Admission Review.
3. For Admissions that are anticipated to require more days than approved through the initial review process, Pre-Authorization is granted or denied for additional days in the course of the Continued Stay Review.
4. For specific Benefits that require Pre-Authorization, Pre-Authorization is granted or denied in the course of the Pre-Authorization process.
5. For items requiring Pre-Authorization, the Medical Review Department or CBA must be called at the numbers listed below or on the Identification Card.

Items requiring Pre-Authorization are listed on the Schedule of Benefits.

The following item in the **MEDICAL SCHEDULE OF BENEFITS, INPATIENT HOSPITAL SERVICES** section will be added as follows:

INPATIENT HOSPITAL SERVICES:	PPO:	Non-PPO:
Pre-Authorization required		
Residential Treatment Facility:	80%	60%

MEDICAL BENEFITS

The following item will be added to the **MEDICAL BENEFITS** section:

Covered Expenses at a **Residential Treatment Center**.

MEDICAL EXCLUSIONS AND LIMITATIONS

The following items in the **MEDICAL EXCLUSIONS AND LIMITATIONS** section will be updated as follows:

42. Admissions or portions thereof for **custodial care or long-term care** including:

- A. Rest cares;
- B. Long-term acute or chronic psychiatric care;
- C. Care to assist a Participant in the performance of activities of daily living (including, but not limited to: walking, movement, bathing, dressing, feeding, toileting, continence, eating, food preparation and taking medication);
- D. Care in a sanitarium;
- E. Custodial or long-term care; or
- F. Psychiatric or Substance Abuse residential treatment when provided at therapeutic schools; wilderness/boot camps; therapeutic boarding homes; halfway houses; and therapeutic group homes.

ELIGIBILITY FOR COVERAGE

The following item in the **ELIGIBILITY** section will be removed in its entirety:

Eligibility:

Pre-Existing Condition Exclusion Period:

Applies only to claims with dates of service prior to June 1, 2014.

Each Participant age 19 or older may serve a twelve-month Pre-Existing Condition Exclusion Period, less any Creditable Coverage the Participant can provide. Any Participant who is a Late Enrollee will serve an eighteen-month Pre-Existing Condition Exclusion Period. See the Eligibility for Coverage section for information on qualifying for Special Enrollment.

DEFINITIONS

The following items will be added to the **DEFINITIONS** section:

Residential Treatment Center: a licensed institution, other than a Hospital, which meets all six of these requirements:

1. Maintains permanent and full-time Facilities for bed care of resident patients, and
2. Has the services of a Psychiatrist (Addictionologist, when applicable) or Physician extender available at all times and is responsible for the diagnostic evaluation, provides face-to-face evaluation services with documentation a minimum of once/week and PRN as indicated; and
3. Has a Physician or registered nurse (RN) present onsite who is in charge of patient care along with one or more registered nurses (RNs) or licensed practical nurses (LPNs) onsite at all times (24/7); and
4. Keeps a daily medical record for each patient; and
5. Is primarily providing a continuous structured therapeutic program specifically designed to treat behavioral health disorders and is not a group or boarding home, boarding or therapeutic school, half-way house, sober living residence, wilderness camp or any other facility that provides Custodial Care; and
6. Is operating lawfully as a residential treatment center in the area where it is located.

The following items in the **DEFINITIONS** section will be updated as follows:

Dependent: an individual who is:

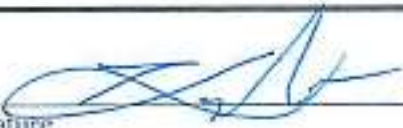
1. An Employee's spouse, which is any individual who is legally married under any state law; or
2. A Child under the age set forth in the Eligibility for Coverage section; or
3. An Incapacitated Dependent.

The following items will be removed from the **DEFINITIONS** section:

Mental Health Conditions: certain psychiatric disorders or conditions defined in the most current *Diagnostic and Statistical Manual of Mental Disorders* published by the American Psychiatric Association and are not otherwise excluded by the terms and conditions of this Plan of Benefits. The conditions as mandated by the State of South Carolina are:

1. Bipolar Disorder;
2. Major Depressive Disorder;
3. Obsessive Compulsive Disorder;
4. Paranoid and Other Psychotic Disorder;
5. Schizoaffective Disorder;
6. Schizophrenia;
7. Anxiety Disorder;
8. Post-traumatic Stress Disorder; and
9. Depression in childhood and adolescence.

Pre-Existing Condition(s): a physical or mental condition, regardless of the cause, for which medical advice, diagnosis, cure or treatment was received or recommended during the six (6) month period preceding the Enrollment Date, if applicable. Genetic Information may not be treated as a Pre-Existing Condition in the absence of a diagnosis of the specific condition related to the Genetic Information. Pre-Existing Condition applies only to Participants age 19 or older for claims with dates of service prior to June 1, 2014.



Signature

T. Scott Moulder

Typed/Printed Name

County Administrator

Title

April 27, 2015

Date

Disclaimer:

In order for amendments to your plan to take effect, a signature is required from the person authorized to oversee your benefit plan. Requests for amendment should be signed within 30 days. Please sign and return to PAI on or before May 21, 2015.

**SELF-FUNDED
PLAN DOCUMENT
FOR**



GROUP MEDICAL PLAN

Effective Date: May 1, 2014

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Capitalized terms are defined in the Definitions section of this Plan Document.

ABOUT YOUR PLAN

Because of the dramatic increase in the cost of medical care, group health Plans encourage and reward those covered individuals who are selective in their purchase of medical services.

Please review this booklet, which describes your health Plan. Be a selective medical consumer and assume the major role in keeping the cost of medical services at a minimum.

Your Plan Sponsor has established a comprehensive Group Health Plan ("Plan") for its Employees. In connection with the Plan, your Plan Sponsor has retained the services of *Planned Administrators, Inc.* ("PAI") (a third-party administrator) to process and pay health claims and to provide administrative services in connection with the operation of this Plan of Benefits. PAI has contracted with **Blue Cross and Blue Shield of South Carolina Preferred Blue, First Health and First Health Travel** as the Preferred Provider Organizations ("PPOs").

You will receive maximum Benefits when you use Providers who participate in the PPO Program (the term "PPO Providers" is explained further below) and when you obtain authorization (when required) for services. You will pay more if you do not use PPO Providers or if you do not obtain prior authorization (unless it is an emergency). The following information explains how to obtain authorization for services or supplies covered under this Plan.

It is your responsibility to ensure that your Provider is a PPO Provider. You should verify your Provider's status before services are rendered. To verify whether your Provider is a PPO Provider, you may:

- Ask the Provider if they participate in the PPO program referenced above.
- See the appropriate website for Provider information. Link available on www.paic.com.
- Call PAL*.

* The methods of verifying PPO participation may have timing differences between when a Provider is participating in the PPO or terminating from the PPO. The preferable method of obtaining the most correct information is to ask your Provider.

For South Carolina Employees, the Blue Cross and Blue Shield Preferred Blue Network is the PPO for this Group Health Plan. For Employees living outside of South Carolina, the PPO is First Health. Employees traveling outside of their home networks, will have access to First Health Travel.

PPO Providers include Hospitals, Skilled Nursing Facilities, Home Health Agencies, hospices, doctors and other Providers of medical services and supplies (as listed in the Definitions section) that have a written agreement with the PPO. Under their agreement with the PPO, PPO Providers will do the following:

- File all claims for Benefits or supplies with PAI;
- Ask you to pay only the Deductible, per occurrence Co-payments and Coinsurance amounts, if any, for Benefits;
- Accept the preferred allowance as payment in full for Covered Expenses; and
- Make sure that all necessary approvals are obtained from the Medical Services Department.

Non-PPO Providers include Hospitals, Skilled Nursing Facilities, Home Health Agencies, hospices, doctors and other Providers of medical services and supplies that are not under contract with the PPO. Non-PPO Providers can bill you their total charge. They may ask you to pay the total amount of their charges at the time you receive services or supplies, or to file your own claims, and you will need to obtain any necessary approvals for benefits to be paid. In addition to Deductibles and Coinsurance, you are responsible for the difference between the Non-PPO Provider's charge and the Allowed Amount for Covered Expenses.

Although Benefits typically are reduced when you use a Non-PPO Provider, Benefits provided by a Non-PPO Provider will be covered at the PPO Provider level under the following circumstances:

- In the event treatment is for an Emergency Medical Condition as defined in this Plan of Benefits and PPO Provider care is not available;
- For Dependents living out of state;
- For treatment by a Specialist when a PPO Provider Specialist is not available;
- For Non-PPO Provider ancillary services rendered in a PPO Provider Hospital, and/or
- The Participant requires a transplant and the transplant is performed at a Centers of Excellence (COE) facility.

Out-of-area Emergency Provision—If a Participant receives care for an Emergency Medical Condition from a Non-Participating Provider, the Plan will pay for Benefits at a PPO Provider level of Benefits if all of these conditions are met:

- You were traveling for reasons other than seeking medical care when the Emergency Medical Condition occurred.
- You were treated for an Accidental injury or new Emergency Medical Condition.

Benefits under this provision are subject to the Deductibles or Co-payments, Coinsurance and all Plan of Benefits maximums, limits and exclusions.

If you have claims that meet all of these conditions, write or call PAI. PAI will review your claims to determine if additional Benefits can be provided.

Customer Service

PAI is committed to helping you understand your coverage and obtain maximum Benefits on your claims. If you have questions about your coverage, you may call or write PAI at the following:

Planned Administrators, Inc.
Attn: Claims
P.O. Box 6927
Columbia, SC 29260
1-800-768-4375
www.paisc.com

Once a claim has been processed, you will have access to an Explanation of Benefits (EOB) at www.paisc.com or by contacting customer service. An EOB also will be mailed to you. The EOB explains who provided the care, the kind of service or supply received, the amount billed, the Allowed Amount, the Coinsurance rate and the amount paid. It also shows Benefit Year Deductible information and the reasons for denying or reducing a claim.

Time Limits to File a Claim

Claims should be filed within 180 days of the date charges were incurred. Benefits are based on the Plan's provisions at the time the charges were incurred. Claims filed later than that date will be decline unless:

- a. it is not reasonably possible to submit the claim in that time; and
- b. the claim is submitted within one year from the incurred date. This one year period will only apply when the person is not legally capable of submitting the claim, and the Plan Administrator has final authority to decide whether there is sufficient cause for a claim to be considered beyond the 180 day filing limit.

Authorized Representatives and Representatives designated under Health Insurance Portability and Accountability Act of 1996 (HIPAA)

Unless expressly permitted by law, you and your Dependent's PHI generally cannot be released to any other person without your or your Dependent's consent. However, there are instances when you may want someone to discuss your PHI with PAI or receive an Explanation of Benefits etc. to manage your care. In order to comply with applicable laws and also to comply with your request, you must sign a written authorization form. To obtain a copy of the form, please visit the PAI website at www.paisc.com and then select "forms." You can print this form and mail to the PAI address, or you can call 1-800-768-4375 for a copy of the form.

A Provider may be considered a Participant's authorized representative without a specific designation by the Participant when the claim request is for an Urgent Care Claim. A Provider may be a Participant's authorized representative with regard to non-Urgent Care Claims for Benefits or an appeal of an Adverse Benefit Determination only when the Participant gives the Plan supervisor a specific written designation in a format that is reasonably acceptable to PAI to act as an authorized representative. All information and notifications will continue to be directed to the Participant unless the Participant gives contrary directions.

This Plan Sponsor believes this Plan of Benefits is a "grandfathered health Plan" under the Affordable Care Act ("ACA"). As permitted by ACA, a grandfathered health Plan can preserve certain basic health coverage that already was in effect when that law was enacted. Being a grandfathered health Plan means that this Plan of Benefits may not include certain consumer protections of ACA that apply to other Plans; for example, the requirement for the provision of preventive health services without any cost sharing. However, grandfathered health Plans must comply with certain other consumer protections in ACA; for example, the elimination of lifetime limits on Benefits.

Questions regarding which protections apply and which protections do not apply to a grandfathered health Plan and what might cause a Plan to change from grandfathered health Plan status can be directed to the Plan Administrator at the number on the back of your Identification Card. For ERISA Plans, the Participant also may contact the Employee Benefits Security Administration, U.S. Department of Labor, at 1-866-444-3272 or www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health Plans.

PRE-AUTHORIZATION

To receive the maximum Benefits, certain types of services and equipment and all Admissions require Pre-Authorization in order to be covered under the Plan. Depending on the type of service, either the Blue Cross Blue Shield of South Carolina Medical Review Department or Companion Benefit Alternatives, Inc. ("CBA") must give advance authorization for the services and equipment that require Pre-Authorization and for all Admissions.

All Admissions and some Benefits (as indicated herein or on the Schedule of Benefits) require Pre-Authorization to determine the Medical Necessity of such Admission or Benefit. The Group Health Plan reserves the right to add or remove Benefits that are subject to Pre-Authorization. Each Participant is responsible for obtaining Pre-Authorization and the appropriate review. If Pre-Authorization is not obtained for an Admission or outpatient services and the Participant is still admitted, Benefits may be reduced (up to and including denial of all or a portion of the room and board charges associated with the Admission) as listed on the Schedule of Benefits. If a PPO fails to obtain Pre-Authorization, they are required to write off this reduced amount and cannot bill the Participant for this amount. The Participant is responsible for obtaining Pre-Authorization for Admission to a Non-PPO Provider facility, and the Participant will be responsible for any penalty or reduction in payable charges as stated in the Schedule of Benefits if approval is not obtained. Specific penalties for Mental Health Services, Mental Health Conditions and Substance Abuse Services are listed on the Schedule of Benefits. Pre-Authorization is obtained through the following procedures:

1. For all Admissions that are not the result of an Emergency Medical Condition, Pre-Authorization is granted or denied in the course of the Pre-Admission Review.
2. For all Admissions that result from an Emergency Medical Condition, Pre-Authorization is granted or denied in the course of the Emergency Admission Review.
3. For Admissions that are anticipated to require more days than approved through the initial review process, Pre-Authorization is granted or denied for additional days in the course of the Continued Stay Review.
4. For specific Benefits that require Pre-Authorization, Pre-Authorization is granted or denied in the course of the Pre-Authorization process.
5. For items requiring Pre-Authorization, the Medical Review Department or CBA must be called at the numbers listed below or on the Identification Card.

Items requiring Pre-Authorization are listed on the Schedule of Benefits.

Who to Call for Pre-Authorization

For Pre-Authorization for medical care, call the Blue Cross and Blue Shield of South Carolina Medical Review Department at 1-800-652-3076.

For Pre-Authorization for Mental Health Services, Mental Health Conditions or Substance Abuse Services, call CBA at 1-800-868-1032. CBA is a Mental Health and Substance Abuse subsidiary of Blue Cross and Blue Shield of South Carolina.

If you are unsure if Pre-Authorization is required, call PAI customer service. However, customer service representatives cannot give approval for services.

These numbers also are on the back of your Identification Card. Be sure to keep your Identification Card with you at all times, since you never know when you may need to reach us.

When you call for Pre-Authorization, you will be asked for the following information:

- Your name and ID number
- Participant's Employer
- The patient's name and relationship to you
- The Provider's name, address and phone number
- If applicable, the Hospital or Skilled Nursing Facility's name, address and phone number

- The reason the requested service, supply or Admission is necessary

After careful review, your Physician and Hospital will be notified whether the service, supply or Admission is approved as Medically Necessary and how long the approval is valid.

If you or a Dependent is undergoing a human organ and/or tissue Transplant, written approval must be obtained in advance [and the procedure must be done at a facility that PAI designates]. **If PAI does not pre-approve these services in writing** [or they are not done by a Provider PAI designates], then this Plan will not pay any Benefits.

If your Physician recommends services and supplies for you or your Dependent for any reason, make sure you tell your Physician that your health insurance Plan requires Pre-Authorization. Participating Providers will be familiar with this requirement and will get the necessary approvals.

Please note that if your claim for services or Benefits is denied, you may request further review under the guidelines set out in the Claims Filing and Appeal Procedures section of this booklet. Remember that a denial of a Pre-Authorization is a denied claim for purposes of an appeal.

CLAIMS FILING AND APPEAL PROCEDURES

A. CLAIMS FILING PROCEDURES

1. Where a Participating Provider renders services, generally the Participating Provider should either file the claim on a Participant's behalf or provide an electronic means for the Participant to file a claim while the Participant is in the Participating Provider's office. However, the Participant is responsible for ensuring that the claim is filed.
2. Written notice of receipt of services on which a claim is based must be furnished to PAI, at its address listed in this booklet, within twenty (20) days of the beginning of services, or as soon thereafter as is reasonably possible. Failure to give notice within the time does not invalidate nor reduce any claim if the Participant can show that it was not reasonably possible to give the notice within the required time frame and if notice was given as soon as reasonably possible. Upon receipt of the notice, PAI will furnish or cause a claim form to be furnished to the Participant. If the claim form is not furnished within fifteen (15) days after PAI receives the notice, the Participant will be deemed to have complied with the requirements of this Plan of Benefits as to proof of loss. The Participant must submit written proof covering the character and extent of the services within this Plan of Benefits' time fixed for filing proof of loss.
3. For Benefits not provided by a Participating Provider, the Participant is responsible for filing claims with PAI. When filing the claims, the Participant will need the following:
 - a. A claim form for each Participant. Participants can get claim forms from PAI at the telephone number indicated on the Identification Card or via the website, www.paic.com.
 - b. Itemized bills from the Provider(s). These bills should contain all the following:
 - i. Provider's name and address;
 - ii. Participant's name and date of birth;
 - iii. Participant's Identification Card number;
 - iv. Description and cost of each service;
 - v. Date that each service took place; and
 - vi. Description of the illness or injury and diagnosis.
 - c. Participants must complete each claim form and attach the itemized bill(s) to it. If a Participant has other insurance that already paid on the claim(s), the Participant also should attach a copy of the other Plan's Explanation of Benefits notice.
 - d. Participants should make copies of all claim forms and itemized bills for the Participant's records, since they will not be returned. Claims should be mailed to PAI's address listed on the claim form.
4. PAI must receive the claim within ninety (90) days after the beginning of services. Failure to file the claim within the ninety (90) day period, however, will not prevent payment of Covered Expenses if the Participant shows that it was not reasonably possible to file the claim timely, provided the claim is filed as soon as is reasonably possible. Except in the absence of legal capacity, claims must be filed no later than twelve (12) months following the date services were received.
5. Receipt of a claim by PAI will be deemed written proof of loss and will serve as written authorization from the Participant to PAI to obtain any medical or financial records and documents useful to the Plan of Benefits. The Plan of Benefits, however, is not required to obtain any additional records or documents to support payment of a claim and is responsible to pay claims only on the basis of the information supplied at the time the claim was processed. Any party who submits medical or financial reports and documents to PAI in support of a Participant's claim will be deemed to be acting as the agent of the Participant. If the Participant desires to appoint an Authorized Representative in connection with such Participant's claims, the Participant should contact PAI for an Authorized Representative form.

6. There are four (4) types of claims: Pre-Service Claims, Urgent Care Claims, Post-Service Claims, and Concurrent Care Claims. The Group Health Plan will make a determination for each type of claim within the following time periods:
 - a. Pre-Service Claim
 - i. A determination will be provided in writing or in electronic form within a reasonable period of time, appropriate to the medical circumstances, but no later than fifteen (15) days from receipt of the claim.
 - ii. If a Pre-Service Claim is improperly filed, or otherwise does not follow applicable procedures, the Participant will be sent notification within five (5) days of receipt of the claim.
 - iii. An extension of fifteen (15) days is permitted if PAI (on behalf of the Group Health Plan) determines that, for reasons beyond the control of PAI, an extension is necessary. If an extension is necessary, PAI will notify the Participant within the initial fifteen (15) day time period that an extension is necessary, the circumstances requiring the extension, and the date PAI expects to render a determination. If the extension is necessary to request additional information, the extension notice will describe the required information. The Participant will have at least forty-five (45) days to provide the required information. If PAI does not receive the required information within the forty-five (45) day time period, the claim will be denied. PAI will make its determination within fifteen (15) days of receipt of the requested information, or, if earlier, the deadline to submit the information. If PAI receives the requested information after the forty-five (45) days, but within two hundred twenty-five (225) days, the claim will be reviewed as a first-level appeal. Reference the Claims Filing and Appeal Procedures section, B. Appeal Procedures for an Adverse Benefit Determination, for details regarding the appeals process.
 - b. Urgent Care Claim
 - i. A determination will be sent to the Participant in writing or in electronic form as soon as possible, taking into account the medical exigencies, but no later than seventy-two (72) hours from receipt of the claim.
 - ii. If the Participant's Urgent Care Claim is determined to be incomplete, the Participant will be sent a notice to this effect within twenty-four (24) hours of receipt of the claim. The Participant then will have forty-eight (48) hours to provide the additional information. Failure to provide the additional information within forty-eight (48) hours may result in the denial of the claim.
 - iii. If the Participant requests an extension of Urgent Care Benefits beyond an initially determined period and makes the request at least twenty-four (24) hours prior to the expiration of the original determination period, the Participant will be notified within twenty-four (24) hours of receipt of the request for an extension.
 - c. Post-Service Claim
 - i. A determination will be sent within a reasonable time period, but no later than thirty (30) days from receipt of the claim.
 - ii. An extension of fifteen (15) days may be necessary if PAI (on behalf of the Group Health Plan) determines that, for reasons beyond the control of PAI, an extension is necessary. If an extension is necessary, PAI will notify the Participant within the initial thirty (30) day time period that an extension is necessary, the circumstances requiring the extension, and the date PAI expects to render a determination. If the extension is necessary to request additional information, the extension notice will describe the required information. The Participant will have at least forty-five (45) days to provide the required information. If PAI does not receive the required information within the forty-five (45) day time period, the claim will be denied. PAI will make its determination within fifteen (15) days of receipt of the requested information, or, if earlier, the deadline to submit the information. If PAI receives the requested information after the forty-five (45) days, but within two hundred twenty-five (225) days, the claim will be reviewed as a first-level appeal. Reference the Claims Filing and Appeal Procedures section, B. Appeal Procedures for an Adverse Benefit Determination, for details regarding the appeals process.

d. Concurrent Care Claim

The Participant will be notified if there is to be any reduction or termination in coverage for ongoing care sufficiently in advance of such reduction or termination to allow the Participant time to appeal the decision before the Benefits are reduced or terminated.

7. Notice of Determination

- a. If the Participant's claim is filed properly, and the claim is in part or wholly denied, the Participant will receive notice of an Adverse Benefit Determination. This notice will:
 - i. State the specific reason(s) for the Adverse Benefit Determination;
 - ii. Reference the specific Plan of Benefits provisions on which the determination is based;
 - iii. Describe additional material or information, if any, needed to complete the claim and the reasons such material or information is necessary;
 - iv. Describe the claims review procedures and the Plan of Benefits and the time limits applicable to such procedures, including a statement of the Participant's right to bring a civil action under section 502(a) of ERISA following an Adverse Benefit Determination on review;
 - v. Disclose any internal rule, guideline, or protocol relied on in making the Adverse Benefit Determination (or state that such information is available free of charge upon request); and,
 - vi. If the reason for denial is based on a lack of Medical Necessity, or Experimental or Investigational services exclusion or similar limitation, explain the scientific or clinical judgment for the determination (or state that such information will be provided free of charge upon request).
- b. The Participant will also receive a notice if the claim is approved.

B. APPEAL PROCEDURES FOR AN ADVERSE BENEFIT DETERMINATION

1. The Participant has one hundred eighty (180) days from receipt of an Adverse Benefit Determination to file an appeal. An appeal must meet the following requirements:
 - a. An appeal must be in writing; and,
 - b. An appeal must be sent (via U.S. mail or FAX) at the address or FAX number below:

Planned Administrators, Inc.
Attention: Appeals
P.O. Box 6927
Columbia, SC 29260
FAX 1-803-870-8012
 - c. The appeal request must state that a formal appeal is being requested and include all pertinent information regarding the claim in question; and,
 - d. An appeal must include the Participant's name, address, identification number and any other information, documentation or materials that support the Participant's appeal.
2. The Participant may submit written comments, documents, or other information in support of the appeal, and will (upon request) have access to all documents relevant to the claim. A person other than the person who made the initial decision will conduct the appeal. No deference will be afforded to the initial determination.
3. If the appealed claim involves an exercise of medical judgment, the Plan Sponsor will consult with an appropriately qualified health care practitioner with training and experience in the relevant field of medicine. If a health care professional was consulted for the initial determination, a different health care professional will be consulted on the appeal.

4. The final decision on the appeal will be made within the time periods specified below:
 - a. Pre-Service Claim

PAI (on behalf of the Group Health Plan) will decide the appeal within a reasonable period of time, taking into account the medical circumstances, but no later than thirty (30) days after receipt of the appeal.
 - b. Urgent Care Claim

The Participant may request an expedited appeal of an Urgent Care Claim. This expedited appeal request may be made orally, and the Plan Sponsor will communicate with the Participant by telephone or facsimile. The Plan Sponsor will decide the appeal within a reasonable period of time, taking into account the medical circumstances, but no later than seventy-two (72) hours after receipt of the request for an expedited appeal.
 - c. Post-Service Claim

PAI (on behalf of the Group Health Plan) will decide the appeal within a reasonable period of time, but no later than sixty (60) days after receipt of the appeal.
 - d. Concurrent Care Claim

The Plan Sponsor will decide the appeal of Concurrent Care Claims within the time frames set forth in the Claims Filing and Appeal Procedures section, B. Appeal Procedures for an Adverse Benefit Determination, item 4 a.-c., depending on whether such claim also is a Pre-Service Claim, an Urgent Care Claim or a Post-Service Claim.
5. Notice of Final Internal Appeals Determination
 - a. If a Participant's appeal is denied in whole or in part, the Participant will receive notice of an Adverse Benefit Determination.
 - i. State specific reason(s) for the Adverse Benefit Determination;
 - ii. Reference specific provision(s) of the Plan of Benefits on which the Benefit determination is based;
 - iii. State that the Participant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claim for Benefits;
 - iv. Disclose and provide any internal rule, guideline, or protocol relied on in making the Adverse Benefit Determination
 - v. If the reason for an Adverse Benefit Determination on appeal is based on a lack of Medical Necessity, or Experimental or Investigational services or other limitation or exclusion, explain the scientific or clinical judgment for the determination (or state that such information will be provided free of charge upon request); and
 - vi. Include a statement regarding the Participant's right to bring an action under section 502(a) of ERISA.
 - b. The Participant will also receive a notice if the claim on appeal is approved.
6. The Plan Sponsor may retain PAI to assist the Plan Sponsor in making the determination on appeal. Regardless of its assistance, PAI is acting only in an advisory capacity and is not acting in a fiduciary capacity. The Plan Sponsor at all times retains the right to make the final determination.

CASE MANAGEMENT

Case management is provided through a contract between PAI and Blue Cross Blue Shield of South Carolina.

COMPREHENSIVE CASE MANAGEMENT

In the event of a serious or catastrophic illness or injury, this Plan of Benefits provides for a comprehensive case management program. The comprehensive case management program is a patient-centered approach to developing a comprehensive plan of cost-effective health care. The services provided under the case management program include:

- A. Evaluation and assistance for the Participant to help develop a plan of services to meet specific needs;
- B. Assistance with obtaining unusual equipment or supply needs;
- C. Assistance in home care planning and implementation;
- D. Arrangements for needed nursing/caregiver services;
- E. Providing help with assessment of rehabilitation needs and Provider arrangements;
- F. Offering appropriate and effective alternative care/therapy suggestions for Mental Health Services and/or Substance Abuse Services as determined by medical care review;
- G. Monitoring and assuring treatment programs and interventions for Mental Health Services and/or Substance Abuse Services; and
- H. Functioning as an effective resource for information on treatment facilities and available care for Mental Health Services and/or Substance Abuse Services.

The case management program is voluntary and will not provide Benefits in excess of those ordinarily available under the Plan.

ALTERNATIVE TREATMENT PLAN UNDER CASE MANAGEMENT

In the course of the case management program, the Plan Administrator shall have the right to alter or waive the normal provisions of this Plan of Benefits when it is reasonable to expect a cost-effective result without a sacrifice to the quality of patient care.

Benefits provided under this section are subject to all other Plan of Benefits provisions. Alternative care will be determined on the merits of each individual case, and any care or treatment provided will not be considered as setting any precedent or creating any future liability with respect to that Participant or any other Participant. Nothing contained in this Plan of Benefits shall obligate the Plan Administrator to approve an alternative treatment plan.

MEDICAL SCHEDULE OF BENEFITS

This Schedule of Benefits and the Benefits described herein are subject to all terms and conditions of the Plan of Benefits. In the event of a conflict between the Plan of Benefits and this Schedule of Benefits, the Schedule of Benefits shall control. Capitalized terms used in this Schedule of Benefits have the meaning given to such terms in the Plan of Benefits. Percentages stated are those paid by the Group Health Plan. Covered Expenses will be paid only for Benefits that are Medically Necessary.

Benefit Year is from January 1st – December 31st.

Deductibles:

Benefit Year Deductible: Benefits with an “*” indicate that the Benefit Year Deductible is waived.	<p>\$300 per Participant per Benefit Year at a Participating Provider, limited to \$900 per family</p> <p>\$550 per Participant per Benefit Year at a Non-Participating Provider, limited to \$1,650 per family</p>
Benefit Year Deductible and any Co-payments must be met before any Covered Expenses are paid. The Co-payment for each Hospital Admission is \$250 at a Participating Provider and \$500 at a Non-Participating Provider.	

Maximums:

Annual Out-of-Pocket Maximum:	<p>\$3,000 per Participant and \$6,000 per family at a Participating Provider</p> <p>\$6,500 per Participant and \$13,000 per family at a Non-Participating Provider</p> <p>Allowed Amounts are paid at 100% after the Out-of-Pocket Maximum is met.</p> <p>Covered Expenses that are applied to the Out-of-Pocket Maximum shall contribute to both the Participating and Non-Participating Provider Out-of-Pocket Maximums.</p> <p>Benefit Year Deductibles, Penalties and Co-payments do not contribute to the Out-of-Pocket Maximum determination, nor does the percentage of reimbursement change from the amount indicated on the Schedule of Benefits.</p>
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Pre-Authorization Requirements:

- ◆ **All Admissions require Pre-Authorization**—If Pre-Authorization is not obtained for services at a Participating Provider, room and board charges will be denied. Pre-Authorization for services at a Non-Participating Provider is your responsibility, and you will be responsible for the first \$1,000 if it is not obtained.

INPATIENT HOSPITAL SERVICES:	PPO:	Non-PPO:
Pre-Authorization required		
Room and Board:		60%
Semi-private room rate:	80%	
Private room rate:	90%	
Skilled Nursing Facility: Limited to 100 days per Benefit Year—Per Admission Co-pay does not apply	80%	60%
Physical Rehabilitation Facility:	80%	60%
Intensive Care Unit, Cardiac Care Unit, Burn Unit:	80%	60%
Newborn Nursery:	80%	60%
Physician Expenses:	80%	60%
Radiology/Pathology Charges:	80%	60%
Mental Health or Substance Abuse:	80%	60%
Anesthesia:	80%	60%
Inpatient Prescription Drugs Only:	80%	60%

OUTPATIENT SERVICES:	PPO:	Non-PPO:
Hospital Surgical Services:	80%	60%
Hospital and Physician Charges:	80%	60%
Emergency Room Charges: Co-pay waived if admitted	\$100 co-pay per visit, then 80%	\$100 co-pay per visit, then 60%
Pre-Admission Testing:	80%	60%
Anesthesia:	80%	60%
Cardiac Rehabilitation:	80%	60%
Mental Health or Substance Abuse:	80%	60%
Diagnostic X-ray, Laboratory, Pathology, and Radiology:	80%	60%

PHYSICIAN OFFICE SERVICES:	PPO:	Non-PPO:
Surgery:	\$25 co-pay, then *100%	60%
Physician Office Visit: Including Lab, X-ray, Pathology, Radiology, Supplies, Mental Health, Substance Abuse, Injections, MRI, CT Scans or Allergy Services	\$25 co-pay, then *100%	60%
Allergy Injections: Co-pay applies with or without Office Visit	\$25 co-pay, then *100%	60%
Birth Control Device Surgery: Includes Implanon, IUD and Norplant	\$25 co-pay, then *100%	60%
Radiology, Pathology, X-ray, Labs, Supplies, MRI, CT Scans and Injections (other than Allergy Injections) billed separate from Office Visit: Note: Office Visit co-pay applies to all services rendered in a physician's office and billed by the physician . Lab, X-ray or other services billed by another entity will be subject to applicable deductible and coinsurance provisions.	80%	60%
Diagnostic Hearing Exam:	\$25 co-pay, then *100%	60%

OTHER SERVICES:	PPO:	Non-PPO:
Chiropractic Care: Limited to 24 visits per Benefit Year	80%	60%
Hospice Care:	80%	60%
Bereavement Counseling: Limited to 3 visits within 12 months of death	*80%	80%
Home Health Care:	80%	60%
Durable Medical Equipment (DME):	80%	60%
Prosthetics:	80%	60%
Second Surgical Opinion (not mandatory):	*100%	*100%
Human Organ/Tissue Transplants: Pre-Authorization required	80%	60%
Ambulance:	*80%	*80%
Physical/Occupational/Speech Therapy:	80%	60%
Radiation Therapy and Chemotherapy:	80%	60%
Diagnostic Colonoscopies:	80%	60%
Orthotics: Limited to initial appliance only	80%	60%
Maternity Care:	80%	60%
Private Duty Nursing:	80%	60%
Refractive Eye Surgery: Includes Lasik, PRK, Radial Keratotomy and any similar procedures Limited to lifetime maximum of \$1,000 per eye	50%	50%
Wig after Chemotherapy:	*80%	*80%
All Other Benefits:	80%	60%

WELLNESS SERVICES:	PPO:	Non-PPO:
Co-pay only applies if office visit is billed		
Annual Physical Exam:	\$25 co-pay, then *100%	*60%
Annual Gynecological Exam or Prostate Exam:	\$25 co-pay, then *100%	*60%
Well-Child Care: Immunizations are covered at 100%, not subject to Benefit Year deductible or co-pay up to age 6—Flu shots are not included	\$25 co-pay, then *100%	*60%
Routine Mammograms: Limited to one every 2 years for women age 40-50; one per year for women over age 50; and one per year upon Physician's orders for women at risk.	*100%	*60%
Routine Colonoscopies: Limited to one every 10 years for Participants age 50 or over	\$25 co-pay, then *100%	*60%
Routine Hearing Exams:	\$25 co-pay, then *100%	*60%
Blue Cross and Blue Shield of S.C. Mammography Network Provider:		
Routine Mammogram: Limited to one every 2 years for women age 40-50; one per year for women over age 50; and one per year upon Physician's orders for women at risk.	*100%	

PREScription DRUG BENEFITS

Prescription Drug Benefits are subject to all of the Prescription Drug Exclusions listed in this document.

Prescription Drugs are provided through the Magellan Rx Prescription Drug Program. Partners Rx uses the Medispan defined drug/therapeutic classification for product coverage and exclusion. Prescription Drugs will be covered in the following manner:

Participating Pharmacies:

Co-pay per prescription (30-day supply maximum per prescription):

Brand Name Drug	30% up to a maximum of \$250 per prescription
Generic Drug	\$3 co-pay, then 100%

Participating Pharmacies:

Co-pay per prescription (90-day supply maximum available for **Maintenance Drugs** at all retail locations):

Brand Name Drug	20% up to a maximum of \$250 per prescription
Generic Drug	\$6 co-pay, then 100%

Mail Service Pharmacy:

Co-pay per prescription (90-day supply maximum per prescription):

Brand Name Drug	20% up to a maximum of \$250 per prescription
Generic Drug	\$6 co-pay, then 100%

All Specialty Drugs require Pre-Authorization. (limited to 30-day supply at retail and mail order locations)

***Over the counter Smoking deterrents are covered at the Generic co-pay.**

***Anti-Obesity prescription drugs are covered.**

***Contraceptives are covered to include injectables, orals, patches and IUDs.**

A Participant will pay the difference in price between the Brand Name Drug and its generic equivalent when a brand name drug is dispensed (up to a maximum of \$225). This differential is in addition to the Brand Name co-payment. However, if there is no Generic bioequivalent available, there will be no additional cost of the Participant (other than the Brand Name co-payment).

MEDICARE PART D NOTICE

The prescription benefits offered by this Benefit Plan are considered "Creditable" for purposes of the CMS/Medicare Part D drug benefit option. This means that the Benefits offered by this Plan are generally the same as, or better than, what would be available under an approved Part D drug option plan. The determination that this Plan's drugs coverage is "Creditable" is important. As such, if you participate in this Plan's prescription drug Benefit program, and are also eligible for CMS/Medicare coverage but do not elect a CMS/Medicare Part D option, CMS/Medicare will not penalize you with higher premiums should you elect to participate in such a program in the future.

It is important to note that the "Creditable" coverage provided by this Plan could be forfeited in the event there is a break in coverage of 63 days or more before enrolling in an approved Part D plan.

MEDICAL BENEFITS

A. Payment

The payment of Covered Expenses for Benefits is subject to all terms and conditions of the Plan of Benefits and the Schedule of Benefits. In the event of a conflict between the Plan of Benefits and the Schedule of Benefits, the Schedule of Benefits controls. Covered Expenses will be paid only for Benefits:

1. Performed or provided on or after the Participant Effective Date; and
2. Performed or provided prior to termination of coverage; and
3. Provided by a Provider, within the scope of his or her license; and
4. For which the required Pre-Admission Review, Emergency Admission Review, Pre-Authorization and/or Continued Stay Review has been requested and Pre-Authorization was received from PAI (the Participant should refer to the Schedule of Benefits for services that require Pre-Authorization); and
5. That are Medically Necessary; and
6. That are not subject to an exclusion of this Plan of Benefits; and
7. After the payment of all required Benefit Year Deductibles, Coinsurance and Co-payments.

B. Specific Covered Benefits

If all of the following requirements are met, the Group Health Plan will provide the Benefits described in this section:

1. All of the requirements of this Benefits Section must be met; and
2. The Benefit must be listed in this section; and
3. The Benefit (separately or collectively) must not exceed the dollar amount or other limitations contained on the Schedule of Benefits; and
4. The Benefit must not be subject to one or more of the exclusions set forth in the Exclusions and Limitations Section.

The Group Health Plan will provide the following Benefits:

1. Covered Expenses for **ambulance transportation** (including air ambulance when necessary) when used:
 - A. Locally to or from a Hospital providing Medically Necessary services in connection with an accidental injury or that is the result of an Emergency Medical Condition; and
 - B. To or from a Hospital in connection with an Admission.

In some cases, emergency transportation by an Air Ambulance may qualify as ambulance service. Air Ambulance service must be Medically Necessary. Medical Necessity is established when the patient's condition is such that the use of any other method of transportation is contraindicated. All Air Ambulance services will be individually considered for Medical Necessity, and prior authorization should be obtained if possible.

2. Covered Expenses made by an **Ambulatory Surgical Center** or minor emergency medical clinic.
3. Covered Expenses for the cost and administration of an **anesthetic**; however, anesthesia rendered by the attending surgeon or his/her assistant is excluded.
4. Covered Expenses for **artificial limbs or breast prosthesis**, to replace body parts when the replacement is necessary because of physiological changes.
5. When an **assistant surgeon** is required to render technical assistance at an operation, the eligible expense for such services shall be limited to 20% of the Allowed Amount of the surgical procedure.

6. Covered Expenses incurred for the treatment of **Autism**.
7. **Blood transfusions**, including cost of blood, blood plasma, blood plasma expanders and other blood products not donated or replaced by a blood bank.
8. Phase II **cardiac rehabilitation** (to improve a patient's tolerance for physical activity or exercise) will be covered under a medically supervised and controlled reconditioning program.
9. Covered Expenses for **chiropractic care**.
10. Initial **contact lenses** or one pair of **eyeglasses** required following cataract surgery;
11. Covered Expenses for **cosmetic surgery**, only for the following situations:
 - A. When the malappearance or deformity is due to a congenital anomaly; or
 - B. When due solely to surgical removal of all or part of the breast tissue because of an injury or illness to the breast; or
 - C. When required for the medical care and treatment of a cleft lip and palate.

Coverage for the proposed cosmetic surgery or treatment must be Pre-Authorized by the Medical Review Department prior to the date of that surgery or treatment.
12. Charges for **CRNAs and Supervising Medical Doctors** will be a Covered Charge subject to the following provisions:
 - A. The Allowed Amount for a CRNA will be 50% of the PPO re-priced amount for the MD Anesthesiologist, subject to all other Plan and modifier limitations.
 - B. If the MD Anesthesiologist is not a PPO, then the CRNA Allowed Amount will be equal to 50% of the UCR for the MD Anesthesiologist, subject to all other Plan and modifier limitations.
 - C. Charges for the Supervising MD will be limited to 50% of the PPO re-priced amount for the MD Anesthesiologist working independently.
13. Covered Expenses for Prescription **Drugs** requiring a written prescription of a licensed Physician; such drugs must be necessary for the treatment of an illness or injury.
14. Covered Expenses for **Durable Medical Equipment** (such as renal dialysis machines, resuscitators or Hospital-type beds), required for temporary therapeutic use in the Participant's home by an individual patient for a specific condition when such equipment ordinarily is not used without the direction of a Physician. If such equipment is not available for rent, the monthly payments toward the purchase of the equipment may be approved by the Plan supervisor. Benefits will be reduced to standard equipment allowances when deluxe equipment is used. The rental or purchase Benefits cannot exceed the purchase price of the equipment.
15. Covered Expenses for **electrocardiograms**, electroencephalograms, pneumoencephalograms, basal metabolism tests or similar well-established diagnostic tests generally approved by Physicians throughout the United States.
16. Covered Expenses for Pre-Authorized **Home Health Care** when rendered to a homebound Participant in the Participant's current place of residence.
17. Covered Expenses for Pre-Authorized **Hospice Care** provided in an inpatient or outpatient setting. Bereavement counseling covered for up to three visits for any combination of family members within 12 months of death.
18. **Hospital Covered Expenses** for:
 - A. Daily room and board charges in a Hospital, not to exceed the daily semiprivate room rate (charges when a Hospital private room has been used will be reimbursed at the average semiprivate room rate in the facility). Hospitals with all private rooms will be allowed at 100% of the prevailing private room rate;
 - B. The day on which a Participant leaves a Hospital or Skilled Nursing Facility, with or without permission, is treated as the discharge day and will not be counted as an inpatient care day, unless he returns to the Hospital by midnight of the same day. The day the Participant returns to the Hospital or Skilled Nursing Facility is treated as the Admission day and is counted as an inpatient care day. The days during which the Participant is not physically present for inpatient care are not counted as inpatient days;

- C. Confinement in an intensive care unit, cardiac care unit or burn unit;
- D. Miscellaneous Hospital services and supplies during Hospital confinement if such charges should not have been included in the underlying Hospital charge (as determined by the Plan);
- E. Inpatient charges for well Newborn Care for nursery room and board and for professional service. Eligible expenses will be subject to the fee schedule rates for pediatric services and circumcision; and
- F. Outpatient Hospital services and supplies and emergency room treatment.

19. Charges for **Human Organ or Tissue Transplants** subject to the following limits:

- A. The transplant must be performed to replace an organ or tissue of the participant.
- B. If the organ or tissue donor is a participant and the recipient is not, then the Plan will cover donor organ or tissue charges for:
 - i. Evaluating the organ or tissue;
 - ii. Removing the organ or tissue from the donor.

The Plan will always pay secondary to any other coverage for the organ or tissue donor, however, if no coverage is available for the donor then benefits will be considered under the recipient's coverage and subject to the recipient's deductible and coinsurance. If the donor and recipient are both covered under this Plan the donor's charge will be considered as incurred by the recipient.

This Plan will **not** pay benefits for Travel or Lodging expenses.

Transplant arrangements are often assisted by Utilization Review, and at times Transplant facilities may or may not participate in one of the approved Preferred Provider Organizations (PPO). If the Utilization Review Coordinator assists in arranging services with an out-of-network facility (and usually is able to negotiate a discount in the process) then network benefit levels will be utilized when benefit payments are issued. If, however, Utilization review approves the Transplant procedure, but the patient chooses to have the service rendered in a non-network facility that is other than that recommended by Utilization review, then the benefits will be paid at the out-of-network benefit level.

Pre-Authorization by Cost Management/Utilization Review is mandatory for Transplant Coverage to be in effect (except for Cornea transplants).

- 20. Routine **mammograms**. Non-routine mammograms are covered when Medically Necessary.
- 21. Expenses for **maternity care** for Employee and covered Dependents.
- 22. Any expenses incurred in obtaining **medical records** in order to substantiate Medical Necessity.
- 23. Covered Expenses for dressings, sutures, casts, splints, trusses, crutches, pacemakers, braces (not dental braces) or other **Medical Supplies** determined by the Plan to be appropriate for treatment of an illness or injury.
- 24. Covered Expenses for **Mental Health Services** if rendered by a licensed medical Physician (M.D.), licensed psychologist (Ph.D.), clinical psychologist, licensed masters social worker or licensed professional counselor. Expenses for Psychological Testing are also covered.
- 25. Covered Expenses for **newborn care**. The Plan of Benefits will comply with the terms of the Newborns' and Mothers' Health Protection Act of 1996. The Plan of Benefits will not restrict Benefits for any length of Hospital stay in connection with childbirth for the mother or newborn child to less than forty-eight (48) hours following a vaginal delivery (not including the day of delivery), or less than ninety-six (96) hours following a cesarean section (not including the day of surgery). Nothing in this paragraph prohibits the mother's or newborn's attending Provider, after consulting with the mother, from discharging the mother or her newborn earlier than the specified time frames or from requesting additional time for hospitalization. In any case, PAI may not require that a Provider obtain authorization from PAI for prescribing a length of stay not in excess of forty-eight (48) or ninety-six (96) hours as applicable. However, Pre-Authorization is required to use certain Providers or facilities, or to reduce out-of-pocket costs.
- 26. Covered Expenses for the treatment and services rendered by an **occupational therapist** in a home setting, at a facility or institution whose primary purpose is to provide medical care for an illness or injury, or at a free-standing outpatient facility.

27. Charges for Injury to or care of the mouth, teeth, gums and alveolar processes will be Covered Expenses only if that care is for the following **oral surgical procedures**:
- A. Emergency repair due to Injury to sound natural teeth;
 - B. Surgery needed to correct accidental injuries to the jaws, cheeks, lips, tongue, floor and roof of the mouth; and
 - C. Excision of tumors and cysts of the jaws, cheeks, lips, tongue, roof and floor of the mouth when a lab exam is required; excision of benign bony growths of the jaw and hard palate; external incision and drainage of cellulitis and incision of sensory sinuses, salivary glands or ducts.
28. The initial purchase and fitting of **orthotic appliances** such as braces, splints or other appliances which are required for support for an injured or deformed part of the body as a result of a disabling congenital condition or an Injury or Sickness that occurred while covered under the plan. Replacement or repair will be covered only if it is necessary due to a change in the person's physical condition or it is less costly to buy a replacement rather than repair the existing equipment or rent like equipment.
29. Covered Expenses for **oxygen** and other gases and their administration.
30. Covered Expenses incurred for Admission in a **physical rehabilitation facility or Skilled Nursing Facility**, for participation in a multidisciplinary team-structured rehabilitation program following severe neurologic or physical impairment. The Participant must be under the continuous care of a Physician, and the attending Physician must certify that the individual requires nursing care 24 hours a day. Nursing care must be rendered by a registered nurse or a licensed vocational or practical nurse. The confinement cannot be primarily for domiciliary, custodial, personal-type care, care due to senility, alcoholism, drug abuse, blindness, deafness, mental deficiency, tuberculosis or Mental Disorders.
31. Covered Expenses for the treatment or services rendered by a **physical therapist** in a home setting, a facility or institution whose primary purpose is to provide medical care for an illness or injury, or at a free-standing duly licensed outpatient therapy facility.
32. Covered Expenses for the services of a **Physician** for medical care and/or surgical treatments including office, home visits, Hospital inpatient care, Hospital outpatient visits/exams, clinic care, and surgical opinion consultations, subject to the following:
- In-Hospital medical service consists of a Physician's visit or visits to a Participant who is a registered bed-patient in a Hospital or Skilled Nursing Facility for treatment of a condition other than that for which surgical service or obstetrical service is required, as follows:
- A. In-Hospital medical Benefits will be provided, limited to one visit per specialty per day;
 - B. In-Hospital medical Benefits in a Skilled Nursing Facility;
 - C. When two or more Physicians, within the same study, render in-Hospital medical services at the same time, payment for such service will be made only to one Physician; and
 - D. Concurrent medical/surgical care Benefits for in-Hospital medical service in addition to Benefits for surgical service will be provided only:
 - i. When the condition for which in-Hospital medical service requires medical care not related to Surgical or obstetrical service and does not constitute a part of the usual, necessary and related pre-operative and postoperative care but requires supplemental skills not possessed by the attending surgeon or his assistant; or
 - ii. When a Physician other than a surgeon admits a Participant to the Hospital for medical treatment and it later develops that surgery becomes necessary, such Benefits cease on the date of surgery for the admitting Physician and become payable under the surgeon only; or
 - iii. When the surgical procedure performed is designated by the Plan supervisor as a "warranted diagnostic procedure" or as a "minor surgical procedure."
33. **Pre-Admission testing** for a scheduled Admission when performed on an outpatient basis prior to such Admission. The tests must be in connection with the scheduled Admission and are subject to the following:

- A. The tests must be made within seven (7) days prior to Admission; and
 - B. The tests must be ordered by the same Physician who ordered the Admission and must be Medically Necessary for the illness or injury for which the Participant is subsequently admitted to the Hospital.
34. Covered Expenses for **Private Duty Nursing Care** by a licensed nurse (R.N., L.P.N. or L.V.N.) as follows:
- A. Inpatient Nursing Care: Charges are covered only when care is Medically Necessary or not Custodial in nature and the Hospital's Intensive Care Unit is filled or the Hospital has no Intensive Care Unit.
 - B. Outpatient Nursing Care: Charges are covered only when care is Medically Necessary and not Custodial in nature. The only charges covered for Outpatient nursing care are those covered under Home Health Care and does not include outpatient private duty nursing care on a 24 hour shift basis.
35. Covered Expenses for **radiation therapy** or treatment, and **chemotherapy**.
36. Expenses for a **Second Opinion** (Not Mandatory). The Second Opinion must be rendered by a board-certified surgeon who is not professionally or financially associated with the Physician or the surgeon who rendered the first surgical opinion. The surgeon who gives the second surgical opinion may not perform the surgery. If the Second Opinion is different from the first, a third opinion also will be payable, provided the opinion is obtained before the procedure is performed. The conditions that apply to a Second Opinion also apply to any third surgical opinion.
37. Fees of a licensed **speech therapist** for restorative speech therapy for speech loss or impairment due to:
- A. Surgery for correction of a congenital condition of the oral cavity, throat or nasal complex (other than a frenulectomy); or
 - B. An injury or illness.
38. Covered Expenses for **Substance Abuse** treatment will be payable if rendered by a licensed medical Physician (M.D.), licensed psychologist (Ph.D.), clinical psychologist, licensed masters social worker or licensed professional counselor. Services or charges for Detoxification are also covered.
39. Covered Expenses for **surgical procedures**, subject to the following:
- A. If two or more operations or procedures are performed at the same surgical approach, the total amount covered for the operations or procedures will be payable for the major procedure only, or Benefits will be payable according to the recommendations of the Medical Review Department;
 - B. If two or more operations or procedures are performed at the same time, through different surgical openings or by different surgical approaches, the total amount covered will be paid according to the Allowed Amount for the operation or procedure bearing the highest allowance, plus one half of the Allowed Amount for all other operations or procedures performed;
 - C. If an operation consists of the excision of multiple skin lesions, the total amount covered will be paid according to the Allowed Amount for the procedure bearing the highest allowance, 50 percent (50%) for procedures bearing the second- and third-highest allowance, 25 percent (25%) for procedures bearing the fourth- through the eighth-highest allowance, and 10 percent (10%) for all other procedures;
 - D. If an operation or procedure is performed in two or more steps or stages, coverage for the entire operation or procedure will be limited to the allowance for such operation or procedure;
 - E. If two or more Physicians perform operations or procedures in conjunction with one another, other than as an assistant at surgery or anesthesiologist, the allowance, subject to the above paragraphs, will be prorated between them by the Plan supervisor when so required by the Physician in charge of the case; and
 - F. Certain surgical procedures, which are normally exploratory in nature, are designated as "independent procedures" by the Plan supervisor, and the Allowed Amount is covered when such a procedure is performed as a separate and single entity. However, when an independent procedure is performed as an integral part of another surgical service, the total amount covered will be paid according to the Fee Schedule for the major procedure only.
40. Covered Expenses for hyperalimentation or **total parenteral nutrition (TPN)** for person recovering from or preparing for surgery.

41. Covered Expenses for services for **voluntary sterilization** for Participants.
42. Charges associated with the initial purchase of a **wig after chemotherapy**.
43. Covered Expenses for **x-rays, microscopic tests, and laboratory tests**.

MEDICAL EXCLUSIONS AND LIMITATIONS

Notwithstanding any provision of the Plan to the contrary, if the Plan generally provides Benefits for a type of injury, then in no event shall a limitation or exclusion of Benefits be applied to deny coverage for such injury if the injury results from an act of domestic violence or a medical condition (including both physical and mental health conditions), even if the medical condition is not diagnosed before the injury.

1. Any service or supply that is not **Medically Necessary**.
2. Charges incurred as a **result of declared or undeclared war or any act of war** or caused during service in the armed forces of any country.
3. **Professional services** billed by a Physician or nurse who is an employee of a Hospital or Skilled Nursing Facility and paid by the Hospital or facility for the service.
4. **Travel expenses**, whether or not recommended by a Physician.
5. Any medical **social services, recreational or Milieu Therapy, education testing or training**, except as part of Pre-Authorized Home Health Care or Hospice Care program.
6. **Nutritional counseling or vitamins, food supplements, and other dietary supplies** even if the supplements are ordered or prescribed by a Physician. Exceptions to this exclusion are noted under the Medical Schedule of Benefits and the Prescription Drug Benefits section.
7. Services, supplies or charges for **pre-marital and pre-employment physical examinations**.
8. Any service or supply for which a Participant is entitled to receive payment or Benefits (whether such payment or Benefits have been applied for or paid) under any law (now existing or that may be amended) of the United States or any state or political subdivision thereof, except for Medicaid. These include, but may not be limited to, Benefits provided by or payable under **workers' compensation laws**, the Veteran's Administration for care rendered for service-related disability, or any state or federal Hospital services for which the Participant is not legally obligated to pay. This exclusion applies if the Participant receives such Benefits or payments in whole or in part, and is applied to any settlement or other agreement regardless of how it is characterized and even if payment for medical expenses is specifically excluded.
9. Services to the extent that the Participant is entitled to payment or Benefits under any **state or federal** program that provides health care benefits, including Medicare, but only to the extent that Benefits are paid or are payable under such programs.
10. Charges incurred for which the Participant is not in the absence of this coverage **legally obligated** to pay or for which a charge would not ordinarily be made in the absence of this coverage.
11. Any illness you get or injury you receive while committing or attempting to **commit a crime, felony or misdemeanor** or while engaging or attempting to engage in an illegal act or occupation.
12. Any service (other than Substance Abuse Services), medical supplies, charges or losses resulting from a Participant being **Legally Intoxicated or under the influence of any drug or other substance**, or taking some action the purpose of which is to create a euphoric state or alter consciousness. The Participant, or Participant's representative, must provide any available test results showing blood alcohol and/or drug/substance levels upon request. If the Participant refuses to provide these test results, no Benefits will be provided.

Legal Intoxication or Legally Intoxicated means the Participant's blood alcohol level was at or in excess of the amount established under applicable state law to create a presumption and/or inference that the Participant was under the influence of alcohol, when measured by law enforcement or medical personnel.
13. Services and supplies received as the result of any intentionally **self-inflicted injury** that does not result from a medical condition or domestic violence.
14. Charges incurred for services or supplies that constitute **personal comfort or beautification items**, such as television or telephone use.

15. All **cosmetic procedures** and any related **medical supplies**, in which the purpose is improvement of appearance or correction of deformity without restoration of bodily function. Examples of services that are cosmetic and are not covered are: rhinoplasty (nose); mentoplasty (chin), rhytidoplasty (face lift); surgical planing (dermabrasion); and blepharoplasty (eyelid).
16. Charges for **custodial care**, including sitters and companions.
17. Charges for **services, supplies, or treatment** not commonly and customarily recognized throughout the Physician's profession or by the American Medical Association as generally accepted and Medically Necessary for the Participant's diagnosis and/or treatment of the Participant's illness or injury; or charges for procedures, surgical or otherwise, which are specifically listed by the American Medical Association as having no medical value.
18. Any Medical Supplies or services rendered by a Participant to himself or herself or by a Participant's **immediate family** (parent, Child, spouse, brother, sister, grandparent or in-law).
19. Charges for inpatient confinement, primarily for x-rays, laboratory, diagnostic study, physiotherapy, hydrotherapy, medical observation, convalescent, custodial or rest care, or any medical examination or test **not connected with an active illness or injury**, unless otherwise provided under any preventable care covered under this Plan of Benefits.
20. Charges incurred for treatment on or to the **teeth, the nerves or roots of the teeth, gingival tissue or alveolar processes**.
21. Treatment of **infertility** (including the reversal of voluntary sterilization).
22. **Experimental or Investigational** services, including surgery, medical procedures, devices or drugs. The Group Health Plan reserves the right to approve, upon medical review, non-labeled use of chemotherapy agents that have been approved by the Federal Drug Administration (FDA) for cancer.
23. Charges incurred for treatment or supplies of weak, strained, or **flat feet**, instability or imbalance of the feet, treatment of any tarsalgia, metatarsalgia or bunion (other than operations involving the exposure of bones, tendons or ligaments), cutting or removal by any method of toenails or superficial lesions of the feet, including treatment of corns, calluses and hyperkeratoses, unless needed in treatment of a metabolic or peripheral-vascular disease.
24. Charges for **custom molded inserts and/or orthotics, other than the initial appliance, unless needed in treatment of a metabolic or peripheral-vascular disease**.
25. Charges for **maintenance care**. Unless specifically mentioned otherwise, the Plan of Benefits does not provide benefits for services and supplies intended primarily to maintain a level of physical or mental function.
26. Any service or supply rendered to a Participant for the treatment of **obesity** or for the purpose of weight reduction. This includes all procedures designed to restrict the Participant's ability to assimilate food; for example, gastric bypass, the insertion of gastric bubbles, the wiring shut of the mouth, and any other procedure the purpose of which is to restrict the ability of the Participant to take in food, digest food or assimilate nutrients. Also excluded are services, supplies or charges for the correction of complications arising from weight control procedures, services, supplies or charges, such as procedures to reverse any restrictive or diversionary procedures and such reconstructive procedures as may be necessitated by the weight loss produced by these non-covered restrictive or diversionary procedures, except as specified on the Schedule of Benefits. Examples of such reconstructive procedures include, but are not limited to, abdominal panniculectomy and removal of excessive skin from arms, legs or other areas of the body. Membership fees to weight control programs are also excluded.
27. Any service or treatment for complications resulting from any **non-covered procedures**.
28. Any service or supply rendered to a Participant for the diagnosis or treatment of **sexual dysfunction** (including impotence) except when Medically Necessary due to an organic disease. This includes, but is not limited to, drugs, laboratory and x-ray tests, counseling, transsexual procedures or penile prostheses necessary due to any medical condition.
29. Any charges for **elective abortions**, except for abortion performed in accordance with federal Medicaid guidelines.

30. No charge will be covered under Medical Benefits for **dental and oral surgical procedures** involving orthodontic care of the teeth, periodontal disease and preparing the mouth for the fitting of or continued use of dentures.
31. Charges not included as part of a Hospital bill for autologous **blood donation** that involves collection and storage of a patient's own blood prior to elective surgery.
32. Charges incurred for **take-home drugs** upon discharge from the Hospital.
33. **Spare items** of the nature of braces of the leg, arm, back and neck, artificial arms, legs or eyes, lenses for the eye, or hearing aids, unless needed due to physiological changes.
34. Care and treatment of **hair loss**.
35. **Exercise programs** for treatment of any condition.
36. Air conditioners, air-purification units, humidifiers, allergy-free pillows, blanket or mattress covers, electric heating units, swimming pools, orthopedic mattresses, exercising equipment, vibratory equipment, elevators or stair lifts, blood pressure instruments, stethoscopes, clinical thermometers, scales, elastic bandages or stockings, wigs, non-Prescription Drugs and medicines, first aid supplies and non-Hospital adjustable beds.
37. **Acupuncture or hypnosis**, except when performed by a Physician in lieu of anesthesia.
38. Care and treatment for **sleep apnea**, unless Medically Necessary.
39. Treatment of **dysfunctional conditions** related to the muscles of mastication, malpositions or deformities of the jaw bone(s), orthognathic deformities, or temporomandibular joint (TMJ) disorders.
40. Charges that exceed any **Benefit limitations** stated in the Medical Schedule of Benefits of this Plan document.
41. Admissions or portions thereof for **custodial care or long-term care** including:
 - A. Rest cares;
 - B. Long-term acute or chronic psychiatric care;
 - C. Care to assist a Participant in the performance of activities of daily living (including, but not limited to: walking, movement, bathing, dressing, feeding, toileting, continence, eating, food preparation and taking medication);
 - D. Care in a sanitarium;
 - E. Custodial or long-term care; or
 - F. Psychiatric or Substance Abuse residential treatment, including: residential treatment centers; therapeutic schools; wilderness/boot camps; therapeutic boarding homes; halfway houses; and therapeutic group homes.
42. **Counseling and psychotherapy services** for the following conditions are not covered:
 - A. Feeding and eating disorders in early childhood and infancy;
 - B. Tic disorders, except when related to Tourette's disorder;
 - C. Elimination disorders;
 - D. Mental disorders due to a general medical condition;
 - E. Sexual function disorders;
 - F. Sleep disorders;
 - G. Medication-induced movement disorders; or
 - H. Nicotine dependence, unless specifically listed as a covered Benefit in the Plan of Benefits or on the Medical Schedule of Benefits.
43. Medical supplies, services or charges for the diagnosis or treatment of sexual and gender identity disorders, personality disorders, learning disorders, dissociative disorders, developmental speech delay, communication disorders, developmental coordination disorders, mental retardation or vocational rehabilitation.

44. **Error.** Charges for care, supplies, treatment, and/or services that are required to treat injuries that are sustained or an illness that is contracted, including infections and complications, while the Participant was under, and due to , the care of a Provider wherein such illness, injury, infection or complication is not reasonably expected to occur. This exclusion will apply to expenses directly or indirectly resulting from the circumstances of the course of treatment that, in the opinion of the Plan Administrator, in its sole discretion, unreasonably gave rise to the expense.
45. Charges for services that are not reasonable, not Medically Necessary, are not Usual and Customary, and/or are in excess of the **Maximum Allowable Charge** (See definition of Maximum Allowable Charge for application when utilizing PPO network discounts).
46. **Foreign travel.** Care, treatment or supplies out of the U.S. if travel is for the sole purpose of obtaining medical services (unless Medically Necessary as determined by the Plan Administrator and approved in advance).
47. Charges for care, supplies, treatment, and/or services for expenses actually **incurred by other persons**.
48. Charges for care, supplies, treatment, and/or services for Injuries resulting from **negligence**, misfeasance, malfeasance, nonfeasance or malpractice on the part of any licensed Physician.
49. All charges in connection with treatments or medications where the patient either is in **non-compliance** with or is discharged from a Hospital or Skilled Nursing Facility against medical advice.
50. Care, treatment, services or supplies **not recommended and approved by a Physician**; or treatment, services or supplies when the Participant is not under the regular care of a Physician. Regular care means ongoing medical supervision or treatment which is appropriate care for the Injury or Sickness.
51. Treatments and supplies which are **not specified as covered** under this Plan.
52. Care and treatment billed by a Hospital for **non-medical emergency admissions** on a Friday or Saturday. This does not apply if surgery is performed within 24 hours of admission.
53. Charges for **Orthognathic surgery**.
54. **Subrogation, Reimbursement, and/or Third Party Responsibility.** Charge for care, supplies, treatment, and /or services of an Injury or Sickness not payable by virtue of the Plan's subrogation, reimbursement, and/or third party responsibility provisions.
55. Excision of wholly or partly unerupted **impacted teeth**.
56. **Prescription Drug Exclusions.** The following are not covered under this Plan of Benefits:
 - A. Therapeutic devices or appliances, including hypodermic needles, syringes, support garments, ostomy supplies and non-medical substances regardless of intended use;
 - B. Any over-the-counter medication, unless specified otherwise;
 - C. Prescription Drugs that have not been prescribed by a Physician;
 - D. Prescription Drugs not approved by the Food and Drug Administration;
 - E. Prescription Drugs for non-covered therapies, services, or conditions;
 - F. Prescription Drug refills in excess of the number specified on the Physician's prescription order or Prescription Drug refills dispensed more than one (1) year after the original prescription date;
 - G. Unless different time frames are specifically listed on the Schedule of Benefits more than a thirty (30) day supply for Prescription Drugs (ninety (90) day supply for Prescription Drugs obtained through a Mail Service Pharmacy);
 - H. Any type of service or handling fee (with the exception of the dispensing fee charged by the pharmacist for filling a prescription) for Prescription Drugs, including fees for the administration or injection of a Prescription Drug;
 - I. Dosages that exceed the recommended daily dosage of any Prescription Drug as described in the current Physician's Desk Reference or as recommended under the guidelines of the Pharmacy Benefit Manager, whichever is lower;

- J. Prescription Drugs administered or dispensed in a Physician's office, Skilled Nursing Facility, Hospital or any other place that is not a Pharmacy licensed to dispense Prescription Drugs in the state where it is operated;
 - K. Prescription Drugs for which there is an over-the-counter equivalent and over-the-counter supplies or supplements;
 - L. Prescription Drugs that are being prescribed for a specific medical condition that is not approved by the Food and Drug Administration for treatment of that condition (except for Prescription Drugs for the treatment of a specific type of cancer, provided the drug is recognized for treatment of that specific cancer in at least one standard, universally accepted reference compendia or is found to be safe and effective in formal clinical studies, the results of which have been published in peer-reviewed professional medical journals);
 - M. Prescription Drugs that are not consistent with the diagnosis and treatment of a Participant's illness, injury or condition, or are excessive in terms of the scope, duration, dosage or intensity of drug therapy that is needed to provide safe, adequate and appropriate care;
 - N. Prescription Drugs to enhance physical growth or athletic performance or appearance;
 - O. Prescription Drugs that are immunization agents or biological sera;
 - P. Prescription Drugs or services that require Pre-Authorization by PAI and Pre-Authorization is not obtained;
 - Q. Prescription Drugs for injury or disease that are paid by workers' compensation benefits (if a workers' compensation claim is settled, it will be considered paid by workers' compensation benefits); and
 - R. Prescription Drugs that are not Medically Necessary.
57. **Home Health Care Exclusions.** The following are excluded from coverage under the Home Health Care Benefit:
- A. Services and supplies not included in the Medical Schedule of Benefits, but not limited to, general housekeeping services and services for custodial care; and
 - B. Services of a person who ordinarily resides in the home of the Participant, or is a Participant's immediate family member (parent, Child, spouse, brother, sister, grandparent or in-law); and
 - C. Transportation services.

Notwithstanding the above exclusions, in the event that, after review of the medical records, other documentation, and case notes, the health care management medical director (or similarly titled position) of PAI, deems a plan of treatment and procedures are appropriate care for a Participant, the Plan shall deem the cost of the plan of treatment and procedures a Covered Expense.

ELIGIBILITY FOR COVERAGE

Eligibility:	
Waiting Period:	Coverage for new Employees will commence on the first day of the month following 60 days of continuous employment.
Annual Enrollment:	Month of March for a May 1 st effective date
Actively at Work: Minimum hours per week:	At least 30 full-time hours per week
Pre-Existing Condition Exclusion Period: Applies only to claims with dates of service prior to June 1, 2014	Each Participant age 19 or older may serve a twelve-month Pre-Existing Condition Exclusion Period, less any Creditable Coverage the Participant can provide. Any Participant who is a Late Enrollee will serve an eighteen-month Pre-Existing Condition Exclusion Period. See the Eligibility for Coverage section for information on qualifying for Special Enrollment.
Dependent Child, in addition to meeting the requirements contained in the Plan of Benefits; the maximum age limitation to qualify as a Dependent Child is:	An Employee may cover a Dependent Child up to age 26. Coverage will end for the Dependent Child on their 26 th birthday.
The column to the right identifies other group classifications, as defined by the Plan Sponsor, that also may participate in the Plan of Benefits:	Council Members (not subject to the 30 full-time hours per week minimum) Retirees subject to the provisions below in Item B. Note: Retirees and their dependents who are under age 65, and not eligible for Medicare, will be subject to the same benefit levels as active employees and their dependents. Note: Retirees hired after July 1, 2010 will not be eligible to participate in this Plan except through COBRA.
The column to the right identifies other group classifications, as defined by the Plan Sponsor, that may not participate in the Plan of Benefits:	Seasonal or Temporary Employees Post 65 Retirees and Medicare Eligible Individuals
Coverage for Participants will terminate the last day of the month in which employment is terminated or the end of the period for which the required premium has been paid.	

A. ELIGIBILITY

1. Every Employee who is Actively at Work and who has completed the Waiting Period on or after the Plan Sponsor Effective Date is eligible to enroll (and to enroll his or her Dependents) for coverage under this Plan of Benefits.
2. If an Employee is not Actively at Work or has not completed the Waiting Period, such Employee is eligible to enroll (and to enroll his or her Dependents) beginning on the next day that the Employee is:
 - a. Actively at Work; and
 - b. Has completed the Waiting Period.
3. Dependents are not eligible to enroll for coverage under Plan of Benefits without the sponsorship of an Employee who is enrolled under this Plan of Benefits.
4. Probationary periods and/or contribution levels will not be based on any factor that discriminates in favor of higher-wage employees as required under the ACA.

B. ELIGIBLE CLASSES OF EMPLOYEES

All Active and Retired Employees of the Plan Sponsor. Employees at Oconee County will be eligible to receive retiree coverage as follows:

1. For Retirees who leave employment prior to May 1, 2007:
 - a. The employee must have been employed with Oconee County at least five years, but less than 10 and accepted by the SC State Retirement System as disabled. Further, the retiree will be required to pay the full cost of the insurance premiums to the county at the time of retirement. If an employee is accepted as disabled with the SC Retirement System and Social Security, the employee and spouse (if covered under the county plan) must elect, and keep in force, Medicare Parts A & B. If the employee is not accepted as disabled by Social Security within 25 months, coverage under the County insurance plan will be cancelled. However, coverage under the County plan may be reinstated if accepted by Social Security as disabled within a 36 month period of the original disability claim date, relating to the original cause of disability, and coverage was maintained under COBRA for any period beyond the initial 25 months.
 - b. An employee retiring from Oconee County with at least 10 year of service with Oconee County and age 60, but less than 28 years of service with the County and the SC Retirement Service may retain the County insurance plan at the reduced premium of the County at the time of retirement, however, the employee and spouse (if covered under the county plan), must elect, and keep in force, both Medicare Parts A&B when eligible.
 - c. An employee retiring from Oconee County with 28 years of service with the County and the SC Retirement System or at least 25 years of service with Oconee County and the SC Police Officers Retirement System shall retain the County insurance benefits (employee only) at reduced cost to the employee, however, the employee and spouse (if covered under the county plan), must elect, and keep in force, both Medicare Parts A & B when eligible.
 - d. All current retirees (disabled and regular) listed before December 1, 2001, are hereby granted "grandfather status". Additionally, as of May 1, 2005 there were several retirees with Dependent Children covered under the Plan. These retiree dependents are "grandfathered" for this coverage. However, from this point forward, no other Dependent Children will be eligible for coverage, and once the Dependent Children currently covered are no longer on the Plan, they will not be eligible to become covered again as Dependents.

2. For retirees who leave employment on or after May 1, 2007:

Retirees will be eligible to continue participation with the Plan (including their spouses) under the following circumstances:

- a. The employee must have been employed with Oconee County for at least 20 years. To remain covered the retiree must pay all applicable premiums and elect Medicare Parts A & B as soon as eligible.
 - b. If disabled (as determined by Social Security and/or the SC State Retirement System) an employee may qualify with 10 years of County employment. To remain covered the retiree must elect Medicare Parts A & B as soon as eligible, but in no event longer than 29 months from the date deemed disabled by Social Security, and pay all applicable premiums.
3. Retirees hired after July 10, 2010 will not be eligible to participate in this plan except through COBRA:

Retirees who otherwise qualify for retiree benefits under the eligibility provisions of this Plan will be eligible to continue coverage until their entitlement to Medicare, either through attainment of the age of eligibility or because of disability. Spouses with coverage in effect at the time of the employee's retirement may continue to be covered as long as the retiree is eligible under the Plan and all applicable premiums are paid. The spouse will no longer be eligible once they become entitled to Medicare.

For **ALL** Retirees: Should the qualified retiree terminate coverage for any reason, or predecease the spouse, the spouse's coverage will then terminate at the end of that month that the retiree's coverage is terminated under this Plan. Spousal coverage for a retiree is effective only if the spouse is covered at the time of retirement. Should coverage on the spouse be terminated at any time after the date of retirement of the retired employee, the spouse will not be eligible for reenrollment; however COBRA continuation coverage may be available. If the retired employee elects to drop coverage, on himself or spouse, no option of reelection is available.

C. ELECTION OF COVERAGE

Any Employee may enroll for coverage under the Group Health Plan for such Employee and such Employee's Dependents by completing and filing a Membership Application with the Plan Sponsor. Dependents must be enrolled within thirty-one (31) days of the date on which they first become Dependents. Employees and Dependents also may enroll if eligible under the terms of any late enrollment or Special Enrollment procedure.

D. COMMENCEMENT OF COVERAGE

Coverage under the Group Health Plan will commence as follows:

1. Employees and Dependents eligible on the Plan Sponsor Effective Date

For Employees who are Actively at Work prior to and on the Plan Sponsor Effective Date, coverage will generally commence on the Plan of Benefits Effective Date.

2. Employees and Dependents Eligible After the Plan of Benefits Effective Date

Employees and Dependents who become eligible for coverage after the Plan of Benefits Effective Date and have elected coverage will have coverage after they have completed the Waiting Period.

3. Dependents Resulting from Marriage

Dependent(s) resulting from the marriage of an Employee will have coverage effective on the date of marriage provided they have enrolled for coverage within thirty-one (31) days after marriage and the coverage has been paid for under this Plan of Benefits.

4. Newborn Children

A newborn Child will have coverage from the date of birth provided he or she has been enrolled for coverage within thirty-one (31) days after the Child's birth and the coverage has been paid for under this Plan of Benefits.

5. Adopted Children

For an adopted Child of an Employee, coverage shall commence as follows:

a. Coverage shall be retroactive to the Child's date of birth when a decree of adoption is entered within thirty-one (31) days after the date of the Child's birth.

b. Coverage shall be retroactive to the Child's date of birth when adoption proceedings have been instituted by the Employee within thirty-one (31) days after the date of the Child's birth, and if the Employee has obtained temporary custody of the Child.

c. For an adopted Child other than a newborn, coverage shall begin when temporary custody of the Child begins. However, such coverage shall only continue for one (1) year unless a decree of adoption is entered, in which case coverage shall be extended so long as such Child is otherwise eligible for coverage under the terms of this Plan of Benefits.

6. Special Enrollment

In addition to enrollment under Eligibility for Coverage Section (E)(2-5) above, the Group Health Plan shall permit an Employee or Dependent who is not enrolled to enroll if each of the following is met:

a. The Employee or Dependent was covered under a group health Plan or had Creditable Coverage at the time coverage was previously offered to the Employee or Dependent; and

- b. The Employee stated in writing at the time of enrollment that the reason for declining enrollment was because the Employee or Dependent was covered under a group health Plan or had Creditable Coverage at that time. This requirement shall apply only if the Plan Sponsor required such a statement at the time the Employee declined coverage and provided the Employee with notice of the requirement and the consequences of the requirement at the time; and
- c. The Employee or Dependent's coverage described above:
 - i. Was under a COBRA continuation provision and the coverage under the provision was exhausted; or
 - ii. Was not under a COBRA continuation provision described in section 6(c)(i), above, and either the coverage was terminated as a result of loss of eligibility for the coverage (including as a result of legal separation, divorce, cessation of Dependent status (such as attaining the maximum age to be eligible as a Dependent Child under the Plan), death, termination of employment) or reduction in the number of hours of employment), or if the Plan Sponsor's contributions toward the coverage were terminated; or
 - iii. Was one of multiple Plans offered by a Plan Sponsor and the Employee elected a different Plan during an open enrollment period or when a Plan Sponsor terminates all similarly situated individuals; or
 - iv. Was under a HMO that no longer serves the area in which the Employee lives, works or resides; or
 - v. Was under a Plan where the Participant incurred a claim that met or exceeded a lifetime limit on all benefits. The Special Enrollment period is continued until at least thirty (30) days after a claim is denied due to the operation of the lifetime limit on all benefits;
 - vi. Under the terms of the Plan, the Employee requests the enrollment not later than thirty-one (31) days after date of exhaustion described in 6(c)(i) above, or termination of coverage or Plan Sponsor contribution described in 6(c)(ii) above. Coverage will begin no later than the first day of the first calendar month following the date the completed enrollment form is received.

The above list is not an all-inclusive list of situations when an Employee or Dependent loses eligibility. For situations other than those listed above, see the Plan Sponsor.

The coverage of the Dependent enrolled in the Special Enrollment Period will be effective:

- a. in the case of marriage, the first day of the first month beginning after the date of the completed request for enrollment is received;
- b. in the case of a Dependent's birth, as of the date of birth; or
- c. in the case of a Dependent's adoption or placement for adoption, the date of the adoption or placement for adoption.

Medicaid or State Children's Health Insurance Program Coverage

- A. The Employee or Dependent was covered under a Medicaid or State Children's Health Insurance Program Plan and coverage was terminated due to loss of eligibility; or
- B. The Employee or Dependent becomes eligible for assistance under a Medicaid or State Children's Health Insurance Program Plan; and
- C. The Employee or Dependent requests such enrollment not more than sixty (60) days after either:
 - i. the date of termination of Medicaid or State Children's Health Insurance Program coverage; or
 - ii. determination that the Employee or Dependent is eligible for such assistance.

E. DEPENDENT CHILD'S ENROLLMENT

- 1. A Dependent's eligibility for or receipt of Medicaid assistance will not be considered in enrolling that Dependent for coverage under this Plan of Benefits.
- 2. Absent the sponsorship of an Employee, Dependents are not eligible to enroll for coverage under this Plan of Benefits.

F. CHANGE IN FAMILY STATUS

The Plan permits you to change your benefit election during the Plan Year if a qualified change in family status occurs. Enrollment Application forms are available from your Human Resources Department. A qualified change in family status can occur for many reasons such as:

Type of Event	You need to...
Birth or Adoption	complete an Enrollment Application and indicate name of Dependent and date of birth or adoption.
Marriage	complete an Enrollment Application and indicate name of Spouse and date of marriage.
Divorce	complete an Enrollment Application and indicate the date of divorce and submit a copy of divorce decree.
Legal Separation	complete an Enrollment Application and indicate the date of separation and submit a copy of the separation agreement.
Death	complete an Enrollment Application and indicate the name of deceased and date of death.
Child reaches dependent age limit of 26.	complete an Enrollment Application and indicate the names of the family members who will continue to be covered.
Termination of employment	review section entitled <u>Termination of Coverage</u> in this booklet.
Loss of Spouse's employment	review section entitled <u>Special Enrollment Periods</u> . If enrolling new Plan members, complete an Enrollment Application and submit HIPAA certificate.

In order to effect a change in your Benefits, you must complete and return an Enrollment Application form to your Human Resources Department within 31 days following the qualifying event. Please note that the requested change in Benefits must be consistent with your change in family status (i.e. change from a single to family coverage due to marriage).

If you have (or expect to have) a change in family status or if you are unsure about your rights and responsibilities when applying for coverage, please contact the Human Resources Department to discuss your options and the necessary enrollment procedures.

G. PARTICIPANT CONTRIBUTIONS

The Participant is solely responsible for making all payments for any Premium.

H. DISCLOSURE OF MEDICAL INFORMATION

By accepting Benefits or payment of Covered Expenses, the Participant agrees that the Group Health Plan (and including Blue Cross on behalf of the Group Health Plan) may obtain claims information, medical records, and other information necessary for the Group Health Plan to consider a request for Pre-Authorization, a Continued Stay Review, an Emergency Admission Review, a Pre-Admission Review or to process a claim for Benefits.

TERMINATION OF THIS PLAN OF BENEFITS

A. TERMINATION OF THIS PLAN OF BENEFITS

Termination of an Employee's coverage and all of such Employee's Dependents' coverage will occur on the earliest of the following dates:

1. The date the Group Health Plan is terminated pursuant to Sections (B)-(E) below.
2. The date an Employee retires unless the Group Health Plan covers such individual as a retiree.
3. The date an Employee ceases to be eligible for coverage as set forth in the Eligibility Section.
4. The last day of the month in which an Employee is no longer Actively at Work or the end of the period for which the required premium has been paid, except that a qualified Employee (as qualified under the Family and Medical Leave Act of 1993) may be considered Actively at Work during any leave taken pursuant to the Family and Medical Leave Act of 1993.
5. In addition to terminating when an Employee's coverage terminates, a Dependent spouse's coverage terminates on the date of entry of a court order ending the marriage between the Dependent spouse and the Employee regardless of whether such order is subject to appeal.
6. In addition to terminating when an Employee's coverage terminates, a Child's coverage terminates when that individual no longer meets the definition of a Dependent under the Group Health Plan.
7. In addition to terminating when an Employee's coverage terminates, an Incapacitated Dependent's coverage terminates when that individual no longer meets the definition of an Incapacitated Dependent.
8. Death of the Employee.

B. TERMINATION FOR FAILURE TO PAY PREMIUMS

1. If a Participant fails to pay the Premium during the Grace Period, such Participant shall automatically be terminated from participation in the Group Health Plan, without prior notice to such Participant.
2. In the event of termination for failure to pay Premiums, Premiums received after termination will not automatically reinstate the Employee in participation under the Group Health Plan absent written agreement by the Plan Sponsor. If the Employee's participation in the Group Health Plan is not reinstated, the late Premium will be refunded to the Employee.

C. TERMINATION WHILE ON LEAVE

During an Employee's leave of absence that is taken pursuant to the Family and Medical Leave Act, the Plan Sponsor must maintain the same health Benefits as provided to Employees not on leave. The Employee must continue to pay his or her portion of the Premium. If Premiums are not paid by an Employee, coverage ends as of the due date of that Premium contribution.

D. TERMINATION DUE TO A RESCISSION OF COVERAGE

In the event that a Participant:

1. Performs an act, practice, or omission that constitutes fraud; or
2. Makes an intentional misrepresentation of material fact,

The Participant's coverage under this Plan of Benefits will terminate retroactively at one of the following times:

1. If event occurs upon application for participation in the Plan, the Participant's coverage will be void from the time of his/her effective date; or
2. If event occurs at any other time, the Participant's coverage will terminate retroactively to the date of the event occurrence, as outlined above.

In the event your coverage is rescinded, you will be given 30 days' advance written notice of the Rescission as well as the retroactive effective date. Any Premiums paid will be returned once the Plan Administrator deducts

the amount for any claims paid.

E. NOTICE OF TERMINATION TO PARTICIPANTS

Other than as expressly required by law, if the Group Health Plan is terminated for any reason, the Plan Sponsor is solely responsible for notifying all Participants of such termination and that coverage will not continue beyond the termination date.

F. REINSTATEMENT

The Group Health Plan in its sole discretion (and upon such terms and conditions as any stop-loss carrier or the Plan Sponsor may determine) may reinstate coverage under the Group Health Plan that has been terminated for any reason. If a Participant's coverage (and including coverage for the Participant's Dependents) for Covered Expenses under the Group Health Plan terminates while the Participant is on leave pursuant to the Family and Medical Leave Act because the Participant fails to pay such Participant's Premium, the Participant's coverage will be reinstated without new probationary periods if the Participant returns to work immediately after the leave period, re-enrolls and, within thirty-one (31) days following such return, pays all such Employee's portion of the past due amount and then current Premium.

G. PLAN SPONSOR IS AGENT OF PARTICIPANTS

By accepting Benefits, a Participant agrees that the Plan Sponsor is the Participant's agent for all purposes of any notice under the Group Health Plan. The Participant further agrees that notifications received from, or given to, the Plan Sponsor by PAI are notification to the Employees except for any notice required by law to be given to the Participants by PAI.

H. PERSONNEL POLICIES

Except as required under the Family and Medical Leave Act or the Uniformed Services Employment and Reemployment Rights Act, the Plan Sponsor's current personnel policies regarding Waiting Periods, continuation of coverage, or reinstatement of coverage shall apply during the following situations: Plan Sponsor-certified disability, leave of absence, layoff, reinstatement, hire or rehire.

I. RETURN TO WORK

An Employee who returns to work **within six (6) months** of a layoff or an approved leave of absence will retain the same insurance status as prior to the said date, provided any required contributions have been paid in full. No new eligibility Waiting Period will apply unless these conditions were still to be met at the time of layoff or leave of absence.

An Employee who returns to work **after six (6) months** of an approved leave of absence or layoff will be considered a new Employee and will be subject to all eligibility requirements, including all requirements relating to the Effective Date of coverage (except as provided under the provision entitled "status change").

J. STATUS CHANGE

If an Employee or Dependent has a status change while covered under this Plan of Benefits (i.e. Employee to Dependent, COBRA to active) and no interruption in coverage has occurred, the Plan of Benefits will allow continuity of coverage with respect to any Waiting Period.

WOMEN'S HEALTH AND CANCER RIGHTS ACT OF 1998

In the case of a Participant who is receiving Covered Expenses in connection with a mastectomy, the Group Health Plan will pay Covered Expenses for each of the following (if requested by such Participant):

- A. Reconstruction of the breast on which the mastectomy has been performed;
- B. Surgery and reconstruction of the other breast to produce a symmetrical appearance;
- C. Prosthesis and physical complications at all stages of mastectomy, including lymphedemas.

The Plan of Benefits' Benefit Year Deductible and Co-payment will apply to these Benefits.

FAMILY AND MEDICAL LEAVE ACT ("FMLA")

The Group Health Plan must comply with FMLA as outlined in the regulations issued by the U.S. Department of Labor. During any leave taken under the FMLA, the Plan Sponsor will maintain coverage under this Plan of Benefits on the same basis as coverage would have been provided if the Employee had been continuously employed during the entire leave period.

In general, eligible Employees may be entitled to:

Twelve workweeks of leave in a 12-month period for:

- the birth of a Child and to care for the newborn Child within one year of birth;
- the placement with the Employee of a Child for adoption or foster care and to care for the newly placed Child within one year of placement;
- to care for the Employee's spouse, Child, or parent who has a serious health condition;
- a serious health condition that makes the Employee unable to perform the essential functions of his or her job;
- any qualifying exigency arising out of the fact that the Employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;" or

Twenty-six workweeks of leave in a single 12-month period to care for a covered service member with a serious injury or illness of a service member spouse, son, daughter, parent, or next of kin to the Employee (military caregiver leave).

CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT OF 1985

The Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”) requires that Plan Sponsors allow the following categories of eligible people continue coverage under the Group Health Plan after such individuals would ordinarily not be eligible.

You also may have other options available when you lose this coverage. For example, you may be eligible to enroll into an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. (For more information about the Marketplace, visit www.HealthCare.gov). Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally does not accept late enrollees.

If you decide to continue this coverage, it is available for a period of up to 18, 29 or 36 months, depending on the circumstances:

- A. 18 months for Employees whose working hours are reduced – during a non-FMLA leave of absence or when an Employee changes from full-time to part-time – and any family members who also lose coverage for this reason;
- B. 18 months for Employees who voluntarily quit work and any family members who also lose coverage for this reason;
- C. 18 months for Employees who are part of a layoff and any family members who also lose coverage for this reason;
- D. 18 months for Employees who are fired, unless the firing is due to gross misconduct of the Employee, and any family members who also lose coverage for this reason;
- E. 29 months for Employees and all covered Dependents who are determined to be disabled under the Social Security Act before or during the first sixty (60) days after termination of employment or reduction of hours of employment. Notice of the Social Security Disability determination must be given to the Plan Sponsor within 60 days of the determination of disability and before the end of the first 18 months of continuation of coverage. However, if the determination was prior to termination, the Notice can be provided with COBRA election form in order to secure the extension;
- F. 36 months for Employees’ widows or widowers and their Dependent Children;
- G. 36 months for separated (in states where legal separation is recognized) or divorced husbands or wives of the Employee and their Dependent Children;
- H. 36 months for Dependent Children who lose coverage under the Plan of Benefits because they no longer meet the Plan’s definition of a Dependent Child;
- I. 36 months for Dependents who are not eligible for Medicare when the Employee is eligible for Medicare and no longer has coverage with the Plan Sponsor;
- J. For Plans providing coverage for retired Employees and their Dependents, a special rule applies for such persons who would lose coverage due to the Plan Sponsor filing for Title 11 Bankruptcy. (Loss of coverage includes a substantial reduction of coverage within a year before or after the bankruptcy filing.) Upon occurrence of such an event, retired Employees and their eligible Dependents may continue their coverage under the Plan of Benefits until the date of death of the retiree. If a retiree dies while on this special continued coverage, surviving Dependents may elect to continue coverage for up to 36 additional months.

Except for items E, G, and H, above, the Plan Administrator is responsible for getting the proper form(s) to the Participant so continuation of coverage can be applied for.

For items E, G, and H, the Participant is responsible for notifying the Plan Administrator within sixty (60) days that the qualifying event has occurred. The notice must be given in writing to the Plan Administrator and should contain the following information: (1) name of benefit Plan, (2) covered Employee’s name, (3) your name and address, and (4) the type of qualifying event and the date it occurred. Upon receipt of notice, the Plan Sponsor will then forward the COBRA application form to the Participant or the appropriate Dependent.

The Participant or the appropriate Dependent must complete a COBRA application form and return it to the Plan Administrator no later than 60 days (called the election period) from the later of: (1) the date the Participants coverage ends, or (2) the date the Participant receives notice of the right to apply for continuation coverage.

An application by the Participant or their spouse for continuation of coverage also applies to any other family members who also lose coverage for the same reason. However, each family member losing coverage for the same reason is entitled to make a separate application for continuation of coverage. If there is a choice among types of coverage under the Plan of Benefits, each family member can make a separate selection from the available types of coverage.

During an 18-month continuation of coverage period, some persons may have another situation occur to them from among items B, C, D, and F through I. They will be entitled to continuation of coverage for an overall total of up to 36 months. For items G and H, the Participant must notify the Plan Administrator within 60 days that the situation has occurred.

Premiums for continuation of coverage should be paid to the Plan Administrator or their designated party. The Plan Administrator has the right to require you to pay the entire Premium, even if active employees pay only part of the Premium. The Plan Administrator also has the right to charge and keep an extra two percent administration fee each month. For disabled employees who have applied for the 29-month COBRA continuation period, the Plan Administrator has the right to charge 150% of the applicable Premium each month for the 19th month through the 29th month of coverage.

For those Participants electing COBRA continuation of coverage, the first Premium payment must be postmarked and mailed to the Plan Administrator by the 45th day after the Participant elects continuation coverage. Thereafter, Premium payments are due on the first of each month. There is a 31-day grace period for payment of the monthly Premiums.

COBRA Continuation of Coverage ends earlier than the maximum continuation period under the following circumstances:

- A. When Premiums are not paid on time.
- B. When the Participant who has continuation of coverage becomes covered under another group health Plan or Medicare, after the date of the COBRA election, through employment or otherwise.
- C. When a disabled person covered under the extended 29-month COBRA continuation period has been determined by the Social Security Administration to be no longer disabled, coverage ends for the disabled person and any covered family members on the later of 30 days after the determination or 18 months. (Notification must be given to the Company within 30 days of final determination.)
- D. The termination of the Group Health Plan.

Uniformed Services Employment and Re-employment Rights Act (USERRA)

- A. In any case in which an Employee or any of such Employee's Dependents has coverage under the Plan of Benefits, and such Employee is not Actively at Work by reason of active duty service in the uniformed services, the Employee may elect to continue coverage under the Plan of Benefits as provided in this section. The maximum period of coverage of the Employee and such Employee's Dependents under such an election shall be the lesser of:
- i The twenty-four (24) month period beginning on the date on which the Employee's absence from being Actively at Work by reason of active duty service in the uniformed services begins; or
 - ii The day after the date on which the Employee fails to apply for or return to a position of employment, as determined under USERRA.
- The continuation of coverage period under USERRA will be counted toward any continuation of coverage period available under COBRA.
- B. An Employee who elects to continue coverage under this section of the Group Health Plan must pay one hundred and two percent (102%) such Employee's normal Premium. Except that, in the case of an Employee who performs service in the uniformed services for less than thirty-one (31) days, such Employee will pay the normal contribution for the thirty-one (31) days.
- C. An Employee who is qualified for re-employment under the provisions of USERRA will be eligible for reinstatement of coverage under the Group Health Plan upon re-employment. Except as otherwise provided in this Article upon re-employment and reinstatement of coverage no new exclusion or Probationary Period will be imposed in connection with the reinstatement of such coverage if an exclusion or Waiting Period normally would have been imposed. This Article applies to the Employee who is re-employed and to a Dependent who is eligible for coverage under the Group Health Plan by reason of the reinstatement of the coverage of such Employee.
- D. This Section shall not apply to the coverage of any illness or injury determined by the Secretary of Veterans Affairs to have been incurred in, or aggravated during, performance of service in the uniformed services.

National Defense Authorization Act—Military Leave Entitlements

- A. Permits a "spouse, son, daughter, parent or next of "kin" to take up to 26 workweeks of leave to care for a "member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy and is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness".
- B. Permits an Employee to take FMLA leave for "any qualifying exigency (as the Secretary of Labor shall, by regulation, determine) arising out of the fact that the spouse, or a son, daughter, or parent of the Employee is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces in support of a contingency operation".

SUBROGATION / RIGHT OF REIMBURSEMENT

In the event Benefits are provided to or on behalf of a Participant under the terms of this Plan of Benefits, the Participant agrees, as a condition of receiving Benefits under the Plan of Benefits, to transfer to the Group Health Plan all rights to recover damages in full for such Benefits when the injury or illness occurs through the act or omission of another person, firm, corporation, or organization. The Group Health Plan shall be subrogated, at its expense, to the rights of recovery of such Participant against any such liable third party.

If, however, the Participant receives a settlement, judgment, or other payment relating to an injury or illness from another person, firm, corporation, organization or business entity for the injury or illness, the Participant agrees to reimburse the Group Health Plan in full, and in first priority, for Benefits paid by the Group Health Plan relating to the injury or illness. The Group Health Plan's right of recovery applies regardless of whether the recovery, or a portion thereof, is specifically designated as payment for, but not limited to, medical Benefits, pain and suffering, lost wages, other specified damages, or whether the Participant has been made whole or fully compensated for his/her injuries.

The Group Health Plan's right of full recovery may be from the third party, any liability or other insurance covering the third party, the insured's own uninsured motorist insurance, underinsured motorist insurance, any medical payments (Med-Pay), no fault, personal injury protection (PIP), malpractice, or any other insurance coverages that are paid or payable.

The Group Health Plan will not pay attorney's fees, costs, or other expenses associated with a claim or lawsuit without the expressed written authorization of the Group Health Plan.

The Participant shall not do anything to hinder the Group Health Plan's right of subrogation and/or reimbursement. The Participant shall cooperate with the Group Health Plan and execute all instruments and do all things necessary to protect and secure the Group Health Plan's right of subrogation and/or reimbursement, including assert a claim or lawsuit against the third party or any insurance coverages to which the Participant may be entitled. Failure to cooperate with the Group Health Plan will entitle the Group Health Plan to withhold Benefits due the Participant under the Plan of Benefits document. Failure to reimburse the Group Health Plan as required will entitle the Group Health Plan to deny future Benefit payments for all Participants under this policy until the subrogation/reimbursement amount has been paid in full.

It is further agreed that the Participant will sign a written agreement to repay the Group Health Plan in full out of any money that the Participant receives from a negligent person or organization. If the Participant fails to sign such an agreement, the Group Health Plan reserves the right to withhold payment of the Participant's claims, which relate to the negligence of another person or organization, until such time as the Participant signs the agreement to repay.

WORKERS' COMPENSATION PROVISION

This policy does not provide benefits for diagnosis, treatment or other service for any injury or illness that is sustained by a Participant that arises out of, in connection with, or as the result of any work for wage or profit when coverage under any Workers' Compensation Act or similar law is required or is otherwise available for the Participant. Benefits will not be provided under this Plan if coverage under the Workers' Compensation Act or similar law would have been available to the Participant but the Participant elects exemption from available Workers' Compensation coverage; waives entitlement to Workers' Compensation benefits for which he/she is eligible; fails to timely file a claim for Workers' Compensation benefits; or seeks treatment for the injury or illness from a provider that is not authorized by the Participant's Plan Sponsor.

If the Group Health Plan, or its designee, including PAI (hereinafter referred to as "the Plan") pays Benefits for an injury or illness and the Plan determines the Participant also received Workers' Compensation benefits by means of a settlement, judgment, or other payment for the same injury or illness, Participant shall reimburse the Plan in full all Benefits paid by the Plan relating to the injury or illness.

The Plan's right of recovery will be applied even if: the Workers' Compensation benefits are in dispute or are made by means of a compromised, doubtful and disputed, clincher or other settlement; no final determination is made that the injury or illness was sustained in the course of or resulted from the Participant's employment; the amount of Workers' Compensation benefits due to medical or health care is not agreed upon or defined by the Participant or the Workers' Compensation carrier; or the medical or health care benefits are specifically excluded from the Workers' Compensation settlement or compromise.

As a condition of receiving Benefits under this Plan of Benefits, the Participant agrees to notify the Plan of any Workers' Compensation claim he/she may make and agrees to reimburse the Plan as described herein. The Participant shall not do anything to hinder the Plan's right of recovery. The Participant shall cooperate with the Plan, execute all documents, and do all things necessary to protect and secure the Plan's right of recovery, including assert a claim or lawsuit against the Workers' Compensation carrier or any other insurance coverages to which the Participant may be entitled. Failure to cooperate with the Plan will entitle the Plan to withhold Benefits due the Participant under this Plan of Benefits. Failure to reimburse the Plan as required under this Section will entitle the Plan to invoke the Workers' Compensation Exclusion and deny payment for all claims relating to the injury or illness and/or deny future Benefit payments for any such Participant until the reimbursement amount has been paid in full.

COORDINATION OF BENEFITS

Coordination of benefits rules apply when a Participant is covered by this Plan of Benefits and also covered by any other Plan or Plans. When more than one coverage exists, one Plan normally pays its benefits in full and the other Plan pays a reduced benefit. This Plan of Benefits will always pay either its Benefits in full or a reduced amount that, when added to the benefits payable by the other Plan or Plans, will not exceed 100% of Allowed Amounts. Only the amount paid by the Plan of Benefits will be included for purposes of determining the maximums in the Schedule of Benefits. Through the coordination of benefits, a Participant or Dependent will not receive more than the Allowed Amounts for a loss.

The coordination of benefits provision applies whether or not a claim is filed under the other Plan or Plans. The Participant agrees to provide authorization to this Plan of Benefits to obtain information as to benefits or services available from any other Plan or Plans, or to recover overpayments. All Benefits contained in the Plan of Benefits are subject to this provision.

When this Plan of Benefits is primary, Benefits are determined before those of the other Plan. The benefits of the other Plan are not considered. When this Plan of Benefits is secondary, Benefits are determined after those of the other Plan. Benefits may be reduced because of the other Plan's benefits. When there are more than two Plans, this Plan of Benefits may be primary as to one and may be secondary as to another.

ORDER OF DETERMINATION

If a Participant covered hereunder is also covered for comparable benefits or services under another Plan that is the Primary Plan, Benefits applicable under this Plan of Benefits will be reduced so that, for benefits incurred, benefits available under all Plans shall not exceed the Allowed Amounts of such benefits.

This Plan of Benefits determines its order of Benefits using the first of the following that applies:

- A. **General** - A Plan that does not coordinate with other Plans is always the Primary Plan;
- B. **Non-Dependent/Dependent** - The benefits of the Plan that covers the person as an Employee (other than a Dependent) is the Primary Plan; the Plan that covers the person as a Dependent is the Secondary Plan;
- C. **Dependent Child/Parents Not Separated or Divorced** - Except as stated in (D) below, when this Plan of Benefits and another Plan cover the same Child as a Dependent of different parents:
 1. The Primary Plan is the Plan of the parent whose birthday (month and day) falls earlier in the year. The Secondary Plan is the Plan of the parent whose birthday falls later in the year; but
 2. If both parents have the same birthday, the benefits of the Plan that covered the parent the longer time is the Primary Plan; the Plan that covered the parent the shorter time is the Secondary Plan;
 3. If the other Plan does not have the birthday rule, but has the gender rule and if, as a result, the Plans do not agree on the order of benefits, the rule in the other Plan will determine the order of benefits.
- D. **Dependent Child/Separated or Divorced Parents** - If two or more Plans cover a person as a Dependent Child of divorced or separated parents, benefits for the Child are determined in this order:
 1. First, the Plan of the parent with custody of the Child;
 2. Then, the Plan of the spouse of the parent with custody;
 3. Finally, the Plan of the parent without custody of the Child.

However, if the specific terms of a court decree state that one parent is responsible for the health care expenses of the Child, then that parent's Plan is the Primary Plan. If a court decree exists stating that the parents shall share joint custody, without stating that one of the parents is financially responsible for the health care of the Child, the order of liability will be determined according to the rules for Dependent Children whose parents are not separated or divorced. Anyone who legally adopts the Child will assume natural parent status.

- E. **Active/Inactive Employee** - The Primary Plan is the Plan that covers the person as an Employee who is neither laid off nor retired (or as that Employee's Dependent). The Secondary Plan is the Plan that covers that person as

a laid off or retired Employee (or as that Employee's Dependent). If the other Plan does not have this rule, and if, as result the Plans do not agree on the order of benefits, this rule does not apply.

- F. **Longer/Shorter Length of Coverage** - If none of the above rules determines the order of benefits, the Primary Plan is the Plan that covered an Employee longer. The Secondary Plan is the Plan that covered that person the shorter time.
- G. In the case of a Plan that contains order of benefit determination rules that declare that Plan to be excess to or **always secondary to all other Plans**, this Plan of Benefits will coordinate benefits as follows:
1. If this Plan of Benefits is Primary, it will pay or provide Benefits on a Primary basis;
 2. If this Plan of Benefits is secondary, it will pay or provide Benefits first, but the amount of Benefits payable will be determined as if this Plan of Benefits were the Secondary Plan. The liability of this Plan of Benefits will be limited to such payment;
 3. If the Plan does not furnish the information needed by this Plan of Benefits to determine Benefits within a reasonable time after such information is requested, this Plan of Benefits shall assume that the benefits of the other Plan are the same as those provided under this Plan of Benefits, and shall pay Benefits accordingly. When information becomes available as to the actual benefits of the other Plan, any Benefit payment made under this Plan of Benefits will be adjusted accordingly.

H. **Right To Coordination of Benefits Information**

The Plan Administrator and PAI have the right:

1. To obtain or share information with any insurance company or other organization regarding coordination of benefits without the claimant's consent; and
2. To require that the claimant provide the Plan Administrator with information on such other Plans so that this provision may be implemented;
3. To pay over the amount due under this Plan of Benefits to an insurer or other organization if this is necessary, in the Plan Administrator or PAI's opinion, to satisfy the terms of this provision.

I. **Facility of Payment**

Whenever payments that should have been made under this Plan of Benefits in accordance with this provision have been made under any other Plan or Plans, the Plan Administrator will have the right, exercisable alone and in its sole discretion, to pay to any insurance company or other organizations or person making such other payments any amount it will determine in order to satisfy the intent of this provision, and amount so paid will be deemed to be Benefits paid under this Plan of Benefits and to the extent of such payment, the Plan Administrator will be fully discharged from liability under this Plan of Benefits. The Benefits that are payable will be charged against any applicable Maximum Payment or Benefit of this Plan of Benefits rather than the amount payable in the absence of this provision.

J. **Medicare**

Individuals Age 65 or Older

If you are a Participant and are age 65 or older, this Plan is the primary payer. Medicare will be the secondary payer.

If you are a retiree and are age 65 or older and are eligible to participate in this Plan, Medicare will be the primary payer and this Plan will pay secondary.

If you are not a Participant and are age 65 or older, Medicare will be your only medical coverage.

Disabled Participants*

If you are a Participant who is disabled, this Plan is the primary payer and Medicare is the secondary payer.

*This applies for Plans with 100 or more employees. (If the Plan has less than 100 employees, Medicare is primary for disabled individuals).

End-Stage Renal Disease

If you have End-Stage Renal Disease and are a Participant, this Plan is the primary payer and Medicare is the secondary payer for the first 30 months of eligibility or entitlement to Medicare. After 30 months, Medicare will be the primary payer, and this Plan will be the secondary payer.

COBRA - Age 65 or Older or Disabled

If you are age 65 or older or disabled, and covered by Medicare and COBRA, Medicare will be the primary payer and the COBRA coverage will pay secondary.

Coordination:

When Medicare is primary and the Plan is secondary, Medicare (Parts A and B) will be considered a Plan for the purposes of coordination of benefits. The Plan will coordinate benefits with Medicare whether or not the Participant or their Dependents is/are actually receiving Medicare benefits.

ERISA RIGHTS

As a Participant in this Group Health Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”) provided the Plan Sponsor is subject to ERISA regulations. ERISA provides that all Participants shall be entitled to:

Receive Information about Your Plan and Benefits

Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as work sites and union halls, all documents governing the Group Health Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (“EBSA”).

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Group Health Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary Plan description. The Plan Administrator may assess a reasonable charge for the copies.

Receive, upon request, a summary of the Group Health Plan’s annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.

Continue Group Health Plan Coverage

Continue health care coverage for yourself and your Dependents if there is a loss of coverage under the Group Health Plan as a result of a Qualifying Event. You or your Dependents may have to pay for such continuation coverage. You should review the documents governing COBRA continuation coverage rights.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Participants, ERISA imposes duties upon the people who are responsible for the operation of an employee welfare benefit plan. The people who administer an employee welfare benefit plan are called “fiduciaries” and have a duty to do so prudently and in the interest of the Participants. The Plan Sponsor is the fiduciary of the Group Health Plan.

Enforce Your Rights

If your claim for a Benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within thirty (30) days, you may file suit in federal court. In such case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for Benefits that is denied or ignored, in whole or in part, you may file suit in state or federal court. In addition, if you disagree with the Plan Administrator’s decision or lack thereof concerning the qualified status of a domestic relations order or a Medical Child Support Order, you may file suit in federal court. If Plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

No one, including your Plan Sponsor, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Benefit or exercising your rights under ERISA.

Assistance with Your Questions

If you have any questions about the Group Health Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in the telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

DISCLOSURE OF PROTECTED HEALTH INFORMATION TO PLAN SPONSOR

The Group Health Plan will disclose (or require PAI to disclose) Participant's PHI to the Plan Sponsor only to permit the Plan Sponsor to carry out Plan administration functions for the Group Health Plan not inconsistent with the requirements of HIPAA. Any disclosure to and use by the Plan Sponsor will be subject to and consistent with the provisions of the sections below.

1. Disclosure of Protected Health Information to Plan Sponsor.
 - a. The Group Health Plan and any health insurance issuer or business associate servicing the Group Health Plan will disclose PHI to the Plan Sponsor only to permit the Plan Sponsor to carry out Plan administration functions for the Group Health Plan not inconsistent with the requirements of the HIPAA and its implementing regulations, as amended. Any disclosure to and use by the Plan Sponsor of PHI will be subject to and consistent with the provisions of paragraphs 2 and 3 of this section.
 - b. Neither the Group Health Plan nor any health insurance issuer or business associate servicing the Plan of Benefits will disclose Participant's PHI to the Plan Sponsor unless the disclosures are explained in the Notice of Privacy Practices distributed to the Participants.
 - c. Neither the Group Health Plan nor any health insurance issuer or business associate servicing the Plan of Benefits will disclose Participant's PHI to the Plan Sponsor for the purpose of employment-related actions or decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor.
2. Restrictions on Plan Sponsor's Use and Disclosure of Protected Health Information.
 - a. The Plan Sponsor will neither use nor further disclose Participant's PHI, except as permitted or required by the Plan documents, as amended, or required by law.
 - b. The Plan Sponsor will ensure that any agent, including any subcontractor, to whom it provides Participant's PHI, agrees to the restrictions and conditions of the Plan of Benefits, with respect to PHI.
 - c. The Plan Sponsor will not use or disclose Participant PHI for employment-related actions or decisions or in connection with any other benefit or employee benefit plan of the Plan Sponsor.
 - d. The Plan Sponsor will report to the Group Health Plan any use or disclosure of Participant PHI that is inconsistent with the uses and disclosures allowed under this section promptly upon learning of such inconsistent use or disclosure.
 - e. The Plan Sponsor will make PHI available to the Participant who is the subject of the information in accordance with HIPAA.
 - f. The Plan Sponsor will make PHI available for amendment, and will on notice amend Participant PHI, in accordance with HIPAA.
 - g. The Plan Sponsor will track disclosures it may make of Participant PHI so that it can make available the information required for the Group Health Plan to provide an accounting of disclosures in accordance with HIPAA.
 - h. The Plan Sponsor will make available its internal practices, books, and records, relating to its use and disclosure of Participants' PHI, to the Group Health Plan and to the U.S. Department of Health and Human Services to determine compliance with HIPAA.
 - i. The Plan Sponsor will, if feasible, return or destroy all Participant PHI, in whatever form or medium (including in any electronic medium under the Plan Sponsor's custody or control), received from the Group Health Plan, including all copies of and any data or compilations derived from and allowing identification of any Participant who is the subject of the PHI, when the Participants' PHI is no longer needed for the Plan administration functions for which the disclosure was made. If it is not feasible to return or destroy all Participant PHI, the Plan Sponsor will limit the use or disclosure of any Participant PHI it cannot feasibly return or destroy to those purposes that make the return or destruction of the information infeasible.

3. Adequate Separation Between the Plan Sponsor and the Group Health Plan.

- a. Certain classes of employees or other workforce members under the control of the Plan Sponsor may be given access to Participant PHI received from the Group Health Plan or business associate servicing the Group Health Plan:
- b. These employees will have access to PHI only to perform the Plan administration functions that the Plan Sponsor provides for the Group Health Plan.
- c. These employees will be subject to disciplinary action and sanctions, including termination of employment or affiliation with the Plan Sponsor, for any use or disclosure of Participant PHI in breach or violation of or noncompliance with the provisions of this section of the Plan of Benefits. The Plan Sponsor will promptly report such breach, violation or noncompliance to the Group Health Plan, and will cooperate with the Group Health Plan to correct the breach, violation or noncompliance, to impose appropriate disciplinary action or sanctions on each employee or other workforce member causing the breach, violation or noncompliance, and to mitigate any deleterious effect of the breach, violation or noncompliance on any Participant, the privacy of whose PHI may have been compromised by the breach, violation or noncompliance.
- d. Plan Sponsor shall ensure that the separation required by the above provisions will be supported by reasonable and appropriate security measures.

4. Plan Sponsor Obligations to the security of Electronic Protected Health Information (“ePHI”):

Where ePHI will be created, received, maintained or transmitted to or by the Plan Sponsor on behalf of the Group Health Plan, the Plan Sponsor shall reasonably safeguard the ePHI as follows:

- a. Plan Sponsor will implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI that the Plan Sponsor creates, receives, maintains or transmits on behalf of the Group Health Plan. Plan Sponsor will ensure that any agent, including a subcontractor, to whom it provides ePHI agrees to implement reasonable and appropriate security measures to protect this information;
- b. The Plan Sponsor shall report any security incident of which it becomes aware to the Group Health Plan as provided below.
 - i. In determining how and how often Plan Sponsor shall report security incidents to Group Health Plan, both Plan Sponsor and Group Health Plan agree that unsuccessful attempts at unauthorized access or system interference occur frequently and that there is no significant benefit for data security from requiring the documentation and reporting of such unsuccessful intrusion attempts. In addition, both parties agree that the cost of documenting and reporting such unsuccessful attempts as they occur outweigh any potential benefit gained from reporting them. Consequently, both Plan Sponsor and Group Health Plan agree that this Agreement shall constitute the documentation, notice and written report of any such unsuccessful attempts at unauthorized access or system interference as required above and by 45 C.F.R. Part 164, Subpart C, and that no further notice or report of such attempts will be required. By way of example (and not limitation in any way), the Parties consider the following to be illustrative (but not exhaustive) of unsuccessful security incidents when they do not result in unauthorized access, use, disclosure, modification, or destruction of ePHI or interference with an information system:
 - Pings on a Party’s firewall,
 - Port scans,
 - Attempts to log on to a system or enter a database with an invalid password or username,
 - Denial-of-service attacks that do not result in a server being taken off-line, and
 - Malware (e.g., worms, viruses)

- ii. Plan Sponsor shall, however, separately report to Group Health Plan (i) any successful unauthorized access, use, disclosure, modification, or destruction of the Group Health Plan's ePHI of which Plan Sponsor becomes aware if such security incident either (a) results in a breach of confidentiality; (b) results in a breach of integrity but only if such breach results in a significant, unauthorized alteration or destruction of Group Health Plan's ePHI; or (c) results in a breach of availability of Group Health Plan's ePHI, but only if said breach results in a significant interruption to normal business operations. Such reports will be provided in writing within ten (10) business days after Plan Sponsor becomes aware of the impact of such security incident upon Group Health Plan's ePHI.

GENERAL INFORMATION

Whereas Plan Sponsor establishes this Group Health Plan and the applicable Benefits, rights and privileges that shall pertain to participating employees, hereinafter referred to as “Employees” and the eligible Dependents of such Employees, as herein defined, for which Benefits are provided through a fund established by the Plan Sponsor and hereinafter referred to as the “Plan of Benefits”:

ADMINISTRATIVE SERVICES ONLY

PAI provides administrative claims payment services only and does not assume any financial risk or obligation with respect to claims. The Group Health Plan is a self-funded health Plan, and the Plan Sponsor assumes all financial risk and obligation with respect to claims.

CLERICAL ERRORS

Clerical errors by PAI or the Plan Sponsor will not cause a denial of Benefits that should otherwise have been granted, nor will clerical errors extend Benefits that should otherwise have ended.

GOVERNING LAW

The Group Health Plan may be governed by and subject to ERISA and any other applicable federal law. If ERISA or another federal law does not apply, the Group Health Plan is governed by and subject to the laws of the State of South Carolina. If federal law conflicts with any state law, then such federal law shall govern. If any provision of the Group Health Plan conflicts with such law, the Group Health Plan shall automatically be amended solely as required to comply with such state or federal law.

IDENTIFICATION CARD

A Participant must present their Identification Card prior to receiving Benefits.

Having an Identification Card creates no right to Benefits or other services. To be entitled to Benefits, the cardholder must be a Participant whose Premium has been paid. Any person receiving Covered Expenses to which the person is not entitled will be responsible for the charges.

INFORMATION AND RECORDS

PAI and the Plan Sponsor are entitled to obtain such medical and Hospital records as may reasonably be required from any Provider incident to the treatment, payment and health-care operations for the administration of the Benefits hereunder and the attending Physician’s certification as to the Medical Necessity for care or treatment.

LEGAL ACTIONS

No action at law or in equity can be brought under the Group Health Plan until such Participant has exhausted the administrative process (including the exhaustion of all appeals) as described in this booklet. No such action may be brought after the expiration of any applicable period prescribed by law.

MISSTATEMENT OF AGE

If age is a factor in determining eligibility or amount of coverage and there has been a misstatement of age, the coverage or amounts of Benefits, or both, for which the person is covered shall be adjusted in accordance with the covered individual’s true age. Any such misstatement of age shall neither continue coverage otherwise validly terminated, nor terminate coverage otherwise validly in force. Contributions and Benefits will be adjusted on the contribution due date next following the date of the discovery of such misstatement.

NEGLIGENCE OR MALPRACTICE

PAI and the Plan Sponsor do not practice medicine. Any medical treatment, service or Medical Supplies rendered to or supplied to any Participant by a Provider is rendered or supplied by such Provider and not by PAI or the Plan Sponsor. PAI and the Plan Sponsor are not liable for any improper or negligent act, inaction or act of malfeasance of any Provider in rendering such medical treatment, service, Medical Supplies or medication.

NOTICES

Except as otherwise provided in this Plan of Benefits, any notice under the Group Health Plan may be given by United States mail, postage paid and addressed:

1. To PAI:
Planned Administrators, Inc.
Post Office Box 6927
Columbia, South Carolina 29260
2. To a Participant: To the last known name and address listed for the Employee on the membership application. Participants are responsible for notifying PAI of any name or address changes within thirty-one (31) days of the change.
3. To the Plan Sponsor: To the name and address last given to PAI. The Plan Sponsor is responsible for notifying PAI and Participants of any name or address change within thirty-one (31) days of the change.

NO WAIVER OF RIGHTS

On occasion, PAI (on behalf of the Group Health Plan) or the Plan Sponsor may, at their discretion, choose not to enforce all of the terms and conditions of this Plan of Benefits. Such a decision does not mean the Group Health Plan or the Plan Sponsor waives or gives up any rights under this Plan of Benefits in the future.

OTHER INSURANCE

Each Participant must provide the Group Health Plan (and its designee, including PAI) and the Plan Sponsor with information regarding all other Health Insurance Coverage to which such Participant is entitled.

PAYMENT OF CLAIMS

Except for the Participant's Provider, a Participant is expressly prohibited from assigning any right to payment of Covered Expenses or any payment related to Benefits. The Group Health Plan may pay Covered Expenses directly to the Employee or to the Non-Participating Provider upon receipt of due proof of loss for services provided by a Non-Participating Provider. Where a Participant has received Benefits from a Participating Provider or Contracting Provider, the Group Health Plan will pay Covered Expenses directly to such Participating Provider or Contracting Provider.

PHYSICAL EXAMINATION

The Group Health Plan has the right to examine, at their own expense, a Participant whose injury or sickness is the basis of a claim (whether Pre-Service, Post-Service, Concurrent or Urgent Care). Such physical examination may be made as often as the Group Health Plan (through its designee, including PAI) may reasonably require while such claim for Benefits or request for Pre-Authorization is pending.

PLAN AMENDMENTS

Upon thirty (30) days prior written notice, the Plan Sponsor may unilaterally amend the Group Health Plan. Increases in the Benefits provided or decreases in the Premium are effective without such prior notice. Notice of an amendment will be effective when addressed to the Plan Sponsor. PAI has no responsibility to provide individual notices to each Participant when an amendment to the Group Health Plan has been made.

PLAN IS NOT A CONTRACT

This Plan of Benefits constitutes the entire Group Health Plan. The Plan of Benefits will not be deemed to constitute a contract of employment or give any employee of the Plan Sponsor the right to be retained in the service of the Plan Sponsor or to interfere with the right of the Plan Sponsor to discharge or otherwise terminate the employment of any employee.

PLAN INTERPRETATION

The Plan Administrator has full discretionary authority to interpret and apply all Plan of Benefits provisions, including, but not limited to, all issues concerning eligibility and determination of Benefits. The Plan Administrator may contract with an independent administrative firm to process claims, maintain Group Health Plan data, and perform other Group Health Plan-connected services; however, final authority to construe and apply the provisions

of the Plan of Benefits rests exclusively with the Plan Administrator. Decisions of the Plan Administrator, made in good faith, shall be final and binding.

REPLACEMENT COVERAGE

If the Group Health Plan replaced the Plan Sponsor's prior Plan, all eligible persons who were validly covered under that Plan on its termination date will be covered on the Plan of Benefits Effective Date of the Group Health Plan, provided such persons are enrolled for coverage as stated in the Eligibility for Coverage Section.

TERMINATION OF PLAN

The Plan Administrator reserves the right at any time to terminate the Group Health Plan by a written instrument to that effect. All previous contributions by the Plan Administrator shall continue to be issued for the purpose of paying Benefits under the provisions of this Plan of Benefits with respect to claims arising before such termination, or shall be used for the purpose of providing similar health Benefits to covered Employees, until all contributions are exhausted.

ADMINISTRATIVE INFORMATION

TYPE OF ADMINISTRATION

The Plan is a self-funded group health and disability Plan and the administration is provided through a Third Party Claims Administrator. The funding for the benefits is derived from the funds of the Employer and contributions made by covered Employees. The Plan is not insured.

PLAN NAME

Oconee County Employee Health Plan

PLAN NUMBER: 501-9030512

TAX ID NUMBER: 57-6000391

PLAN EFFECTIVE DATE: 5/1/2014

PLAN YEAR ENDS: April 30

EMPLOYER INFORMATION

Oconee County
415 South Pine Street
Walhalla, SC 29691
(864) 638-4244

PLAN ADMINISTRATOR

Oconee County
415 South Pine Street
Walhalla, SC 29691
(864) 638-4244

NAMED FIDUCIARY

Oconee County
415 South Pine Street
Walhalla, SC 29691
(864) 638-4244

AGENT FOR SERVICE OF LEGAL PROCESS

Oconee County
415 South Pine Street
Walhalla, SC 29691
(864) 638-4244

CLAIMS ADMINISTRATOR

Planned Administrators, Inc.
P.O. Box 6927
Columbia, SC 29260
1-800-768-4375
www.paisc.com

DEFINITIONS

Capitalized terms that are used in this Plan of Benefits shall have the following defined meanings:

Active Employee: an Employee who is on the regular payroll of the Plan Sponsor and who has begun to perform the duties of his/her job with the Plan Sponsor on a full-time or part-time basis.

Actively at Work: a permanent, full-time employee who works at least the minimum number of hours per week and the minimum number of weeks per year (each as set forth in the ELIGIBILITY section) and who is not absent from work during the initial enrollment period because of a leave of absence or temporary layoff. An absence during the initial enrollment period due to a Health Status Related Factor will not keep an employee from qualifying for Actively at Work status.

Admission: the period of time between a Participant's entry as a registered bed-patient into a Hospital or Skilled Nursing Facility and the time the Participant leaves or is discharged.

Adverse Benefit Determination: any denial, reduction or termination of, or failure to provide or make (in whole or in part) payment for a claim for Benefits, including any such denial, reduction, termination, or failure to provide or make payment that is based on a determination of a Participant's or beneficiary's eligibility to participate in a Plan, and including a denial, reduction or termination of, or failure to provide or make payment (in whole or in part) for a Benefit that results from the application of any utilization review as well as a failure to cover an item or service for which Benefits are otherwise provided because it is determined to be Experimental or Investigational or not Medically Necessary or appropriate.

Allowed Amount: the amount the Plan Sponsor agrees to pay a Participating Provider or Non-Participating Provider as payment in full for a service, procedure, supply or equipment. For a Non-Participating Provider, (i) the Allowed Amount shall not exceed the Maximum Payment and (ii) in addition to the Member's liability for deductibles, co-payments and/or co-insurance, the Participant may be balanced billed by the Non-Participating Provider for any difference between the Allowed Amount and the billed charges.

Ambulatory Surgical Center: a licensed facility that:

1. has permanent facilities equipped and operated primarily for the purpose of performing surgical procedures on an outpatient basis; and
2. has continuous Physician services and registered professional nursing service whenever a patient is in the facility; and
3. does not provide accommodations for patients to stay overnight; and
4. is not, other than incidentally, a facility used as an office or clinic for the private practice of a Physician or oral surgeon.

Ambulatory Surgical Center includes an endoscopy center.

Benefit Year: the period of time set forth on the Schedule of Benefits. The initial Benefit Year may be more or less than twelve (12) months.

Benefit Year Deductible: the amount, if any, listed on the Schedule of Benefits that must be paid by the Participant each Benefit Year before the Group Health Plan will pay Covered Expenses. The Benefit Year Deductible is subtracted from the Allowed Amount before Coinsurance is calculated. Participants must refer to the Schedule of Benefits to determine if the Benefit Year Deductible applies to the Out-of-Pocket Maximum.

Benefits: medical services or Medical Supplies that are:

1. Medically Necessary; and
2. Pre-Authorized (when required under this Plan of Benefits or the Schedule of Benefits); and

3. Included in this Plan of Benefits; and
4. Not limited or excluded under the terms of this Plan of Benefits.

Birthing Center: any freestanding health facility, place, professional office or institution which is not a Hospital or in a Hospital, where births occur in a home-like atmosphere. This facility must be licensed and operated in accordance with the laws pertaining to Birthing Centers in the jurisdiction where the facility is located.

Brand Name Drug: a Prescription Drug that is manufactured under a registered trade name or trademark.

Calendar Year: January 1st through December 31st of the same year.

Certificate of Creditable Coverage: a document from a group health Plan or insurer that states that a Participant had prior Creditable Coverage with that group health Plan or insurer.

Child: An Employee's child, whether a natural child, adopted child, foster child, stepchild, or child for whom an Employee has custody or legal guardianship. The term "Child" also includes an Incapacitated Dependent, or a child of a divorced or divorcing Employee who, under a Qualified Medical Child Support Order, has a right to enroll under the Group Health Plan. The term "Child" does not include the spouse of an eligible child.

Under ACA and the Health Care and Education Reconciliation Act, "Child" does not include an individual who is eligible for other employer-sponsored coverage if the Group Health Plan is a grandfathered Plan for Plan years beginning before January 1, 2014.

Clean Claim: one that can be processed in accordance with the terms of this document without obtaining additional information from the service Provider or third party. It is a claim which has no defect or impropriety. A defect or impropriety shall include a lack of required sustaining documentation as set forth and in accordance with this document, or a particular circumstance requiring special treatment which prevents timely payment as set forth in this document, and only as permitted by this document, from being made. A Clean Claim does not include claims under investigation for fraud and abuse or claims under review for Medical Necessity and Reasonableness, or fees under review for Usual and Customariness, or any other matter that may prevent the charge(s) from being covered expenses in accordance with the terms of this document.

Filing a Clean Claim—A Provider submits a Clean Claim by providing the required data elements on the standard claims forms, along with any attachments and additional elements or revisions to data elements, of which the Provider has knowledge. The Plan Administrator may require attachments or other information in addition to these standard forms (as noted elsewhere in this document and at other times prior to claim submittal) to ensure charges constitutes covered expenses as defined by and in accordance with the terms of this document. The paper claim form or electronic file record must include all required data elements and must be complete, legible, and accurate. A claim will not be considered to be a Clean Claim if the Plan Participant has failed to submit required forms or additional information to the Plan as well.

COBRA: The Consolidated Omnibus Budget Reconciliation Act of 1985, as amendment.

Coinsurance: the sharing of Covered Expenses between the Participant and the Group Health Plan. After the Participant's Benefit Year Deductible requirement is met, the Group Health Plan will pay the percentage of Allowed Amounts as set forth on the Schedule of Benefits. The Participant is responsible for the remaining percentage of the Allowed Amount. Coinsurance is calculated after any applicable Benefit Year Deductible or Co-payment is subtracted from the Allowed Amount based upon the network charge or lesser charge of the Provider.

For Prescription Drug Benefits, Coinsurance means the amount payable by the Participant, calculated as follows:

1. The percentage listed on the Schedule of Benefits; multiplied by
2. The amount listed in the Participating Provider's schedule of allowance for that item calculated at the time of sale;
3. Without regard to any Credit or allowance that may be received by PAI.

Concurrent Care Claim: an ongoing course of treatment to be provided over a period of time or number of treatments.

Continued Stay Review: the review that must be obtained by a Participant (or the Participant's representative) regarding an extension of an Admission to determine if an Admission for longer than the time that was originally Pre-Authorized is Medically Necessary (when required).

Co-payment: the amount specified on the Schedule of Benefits that the Participant must pay directly to the Provider each time the Participant receives Benefits.

Cosmetic Dentistry: unnecessary dental procedures ("cosmetic" dental procedures may be covered if necessary due to an accident while covered under this Plan).

Cosmetic Surgery: medically unnecessary surgical procedures, usually, but not limited to plastic surgery directed toward preserving beauty or correction scars, burns or disfigurements ("cosmetic" procedures may be covered if necessary due to a disfiguring procedure while covered under this plan).

Covered Charge(s): those Medically Necessary services or supplies that are covered under this Plan.

Covered Expenses: the amount payable by the Group Health Plan for Benefits. The amount of Covered Expenses payable for Benefits is determined as set forth in this Plan of Benefits and at the percentages set forth in the Schedule of Benefits. Covered Expenses are subject to the limitations and requirements set forth in the Plan of Benefits and on the Schedule of Benefits. Covered Expenses will not exceed the Allowed Amount.

Credit: financial credits (including rebates and/or other amounts) to PAI directly from drug manufacturers or other Providers through a Pharmacy Benefit Manager (PBM). Credits are used to help stabilize overall rates and to offset expenses and may not be payable to Plan Sponsor or Participants.

Reimbursements to a Participating Pharmacy, or discounted prices charged at Pharmacies, are not affected by these credits. Any Coinsurance that a Participant must pay for Prescription Drugs is based on the Allowed Amount at the Pharmacy and does not change due to receipt of any Credit received by PAI. Co-payments are not affected by any Credit.

Creditable Coverage: benefits or coverage provided under any of the following (each capitalized term as defined under HIPAA unless defined in this Plan of Benefits):

1. A group health Plan;
2. Health Insurance Coverage;
3. Medicare: Part A or Part B, Title XVIII of the Social Security Act;
4. Medicaid: Title XIX of the Social Security Act, other than coverage consisting solely of benefits under Section 1928;
5. Title 10 United States Code Chapter 55 (i.e. medical and dental care for members and certain former members of the uniformed forces and their Dependents);
6. A medical care program of the Indian Health Service or of a tribal organization;
7. A state health benefits risk pool, including South Carolina Health Insurance Pool (SCHIP);
8. A state Children's Health Insurance Program (S-CHIP);
9. A health Plan offered under Chapter 89 of Title 5, United States Code (Federal Employees Health Benefits Act);
10. A public health Plan, including that of the U.S. Federal Government as well as that of a foreign country or its political subdivision; or
11. A health benefit Plan under Section 5(e) of 22 United States Code 2504(e), the Peace Corps Act.

Creditable Coverage does not include coverage consisting solely of Excepted Benefits (as defined within the definition of Health Insurance Coverage).

Custodial Care: care (including room and board needed to provide that care) that is given principally for personal hygiene or for assistance in daily activities and can, according to generally accepted medical standards, be performed by persons who have no medical training. Examples of Custodial Care are help in walking and getting out of bed; assistance in bathing, dressing, feeding, or supervision over medication which could normally be self-administered.

Dependent: an individual who is:

1. An Employee's spouse (NOT to include an individual of the same sex as the Employee); or
2. A Child under the age set forth in the Eligibility for Coverage section; or
3. An Incapacitated Dependent.

The following persons are excluded as Dependents:

1. Other individuals living in the covered Employee's home, but are not eligible as defined;
2. The divorced former spouse of the Employee;
3. Any person who is on active duty in any military service of any country; or
4. Any person who is covered under the Plan as an Employee.

Detoxification: a Hospital service providing treatment to diminish or remove from a Patient's body the toxic effects of chemical substances, such as alcohol or drugs, usually as an initial step in the treatment of a chemical-dependent person.

Discount Services: services (including discounts on services) that are not Benefits but may be offered to Participants from time to time as a result of being a Participant.

Durable Medical Equipment: equipment that:

1. Can stand repeated use; and
2. Is Medically Necessary; and
3. Is customarily used for the treatment of a Participant's illness, injury, disease or disorder; and
4. Is appropriate for use in the home; and
5. Is not useful to a Participant in the absence of illness or injury; and
6. Does not include appliances that are provided solely for the Participant's comfort or convenience; and
7. Is a standard, nonluxury item (as determined by the Group Health Plan); and
8. Is ordered by a medical doctor, oral surgeon, podiatrist or osteopath.

Prosthetic Devices, Orthopedic Devices and Orthotic Devices are considered Durable Medical Equipment. Items such as air conditioners, dehumidifiers, whirlpool baths, and other equipment that have nontherapeutic uses are not considered Durable Medical Equipment.

Emergency Admission Review: the review that must be obtained by a Participant (or the Participant's representative) within twenty-four (24) hours of or by the end of the first working day after the commencement of an Admission to a Hospital to treat an Emergency Medical Condition.

Emergency Medical Condition: a medical condition manifesting itself by acute symptoms of sufficient severity, including severe pain, such that a prudent layperson who possesses an average knowledge of health and medicine could reasonably expect the absence of immediate medical attention to result in:

1. Placing the health of the Participant, or with respect to a pregnant Participant, the health of the Participant or her unborn child, in serious jeopardy; or
2. Serious impairment to bodily functions; or
3. Serious dysfunction of any bodily organ or part.

Employee: any employee of the Employer (also known as Plan Sponsor) who is eligible for coverage as provided in the eligibility section of this Plan of Benefits, and who is so designated to PAI by the Employer (also known as Plan Sponsor).

Employer: the entity providing this Plan of Benefits, also known as Plan Sponsor.

Employer Effective Date: the date PAI begins to provide services under this Plan of Benefits, also known as Plan Sponsor Effective Date.

Enrollment Date: the date of enrollment in the Group Health Plan or the first day of the Waiting Period for enrollment, whichever is earlier.

ERISA: The Employee Retirement income Security Act of 1974, as amended.

Experimental or Investigational: surgical procedures or medical procedures, supplies, devices or drugs that, at the time provided, or sought to be provided, are in the judgment of PAI not recognized as conforming to generally accepted medical practice, or the procedure, drug or device:

1. Has not received required final approval to market from appropriate government bodies; or
2. Is one about which the peer-reviewed medical literature does not permit conclusions concerning its effect on health outcomes; or
3. Is not demonstrated to be as beneficial as established alternatives; or
4. Has not been demonstrated to improve net health outcomes; or
5. Is one in which the improvement claimed is not demonstrated to be obtainable outside the experimental or investigational setting.

Excepted Benefits: benefits or coverage that does not constitute Creditable Coverage:

1. Coverage only for accident, or disability income insurance, or any combination thereof;
2. Coverage issued as a supplement to liability insurance;
3. Liability insurance, including general liability insurance and automobile liability insurance;
4. Workers' compensation or similar insurance;
5. Automobile medical payment insurance;
6. Credit-only insurance;
7. Coverage for on-site medical clinics;
8. Other similar insurance coverage specified in regulations, under which benefits for medical care are secondary or incidental to other insurance benefits.

If offered separately:

1. Limited scope dental or vision benefits;
2. Benefits for long-term care, nursing home care, Home Health Care, community-based care, or any combination thereof;
3. Such other similar, limited benefits as specified in regulations.

If offered as independent, non-coordinated benefits:

1. Coverage only for a specified disease or illness;

2. Hospital indemnity or other fixed indemnity insurance.

If offered as a separate insurance policy:

1. Medicare supplemental health insurance (as defined under Section 1882(g)(1) of the Social Security Act);
2. Coverage supplemental to the coverage provided under Chapter 55 of Title 10 of the United States Code;
3. Similar supplemental coverage under a group health Plan.

Family Unit: the covered Employee or Retiree and the family members who are covered as Dependents under the Plan.

Formulary: a list of prescription medications compiled by the third party payor of safe, effective therapeutic drugs specifically covered by this Plan.

Foster Child: an unmarried child under the limiting age shown in the Eligibility for Coverage section of this Plan for whom a covered Employee has assumed a legal obligation. All of the following conditions must be met:

1. the child is being raised as the covered Employee's;
2. the child depends on the covered Employee for primary support;
3. the child lives in the home of the covered Employee; and
4. the covered Employee may legally claim the child as a federal income tax deduction.

A covered Foster Child is not a child temporarily living in the covered Employee's home; one placed in the covered Employee's home by a social service agency which retains control of the child; or whose natural parent(s) may exercise or share parental responsibility and control.

Generic Drug: a Prescription Drug that has a chemical structure that is identical to and has the same bioequivalence as a Brand Name Drug but is not manufactured under a registered brand name or trademark or sold under a brand name. The Pharmacy Benefit Manager has the discretion to determine if a Prescription Drug is a Generic Drug.

Genetic Information: information about genes, gene products (messenger RNA and transplanted protein) or genetic characteristics derived from a Participant or family member of the Participant. Genetic Information includes information regarding carrier status and information derived from laboratory tests that identify mutations in specific genes or chromosomes, physical medical examinations, family histories, and direct analysis of genes or chromosomes. However, Genetic Information shall not include routine physical measurements, chemical, blood, and urine analyses unless conducted to diagnose a genetic characteristic; tests for abuse of drugs; and tests for the presence of human immunodeficiency virus.

Grace Period: a period of time as determined by the Plan Sponsor that allows for the Participant to pay any Premium due.

Group Health Plan: an employee welfare benefit plan adopted by the Plan Sponsor to the extent that such Plan provides health benefits to employees or their dependents, as defined under the terms of such Group Health Plan, directly or through insurance, reimbursement or otherwise. This Plan of Benefits is a Group Health Plan.

Health Insurance Coverage: benefits consisting of medical care (provided directly, through insurance or reimbursement, or otherwise) under any Hospital or medical service policy or certificate, Hospital or medical service Plan contract, or health maintenance organization contract offered by a health insurance issuer. Health Insurance Coverage includes group health insurance coverage, individual health insurance coverage, and short-term, limited-duration insurance.

Health Status Related Factor: information about a Participant's health, including health status, medical conditions (including both physical and mental illnesses), claims experience, receipt of health care, medical history, Genetic Information, evidence of insurability (including conditions arising out of acts of domestic violence), or disability.

HIPAA: the Health Insurance Portability and Accountability Act of 1996, as amended.

Home Health Care Agency: an agency or organization licensed by the appropriate state regulatory agency to provide Home Health Care.

Home Health Care Plan: must meet these tests: it must be a formal written plan made by the patient's attending Physician which is reviewed at least every 30 days; it must state the diagnosis; it must certify that the Home Health Care is in place of Hospital confinement; and it must specify the type and extent of Home Health Care required for the treatment of the patient.

Home Health Care Services and Supplies: part-time or intermittent nursing care, health aide services, or physical, occupational, or speech therapy provided or supervised by a Home Health Agency and provided to a homebound Participant in such Participant's private residence.

Hospice Agency: an organization where its main function is to provide Hospice Care Services and Supplies and it is licensed by the state in which it is located, if licensing is required.

Hospice Care Plan: a plan of terminal patient care that is established and conducted by a Hospice Agency and supervised by a Physician.

Hospice Care Services and Supplies: those provided through a Hospice Agency and under a Hospice Care Plan and include inpatient care in a Hospice Unit or other licensed facility, home care, and family counseling during the bereavement period.

Hospice Unit: a facility or separate Hospital Unit that provides treatment under a Hospice Care Plan and admits at least two unrelated persons who are expected to die within six months.

Hospital: a short-term, acute-care facility licensed as a hospital by the state in which it operates. A Hospital is engaged primarily in providing medical, surgical, or acute behavioral health diagnosis and treatment of injured or sick persons, by or under the supervision of a staff of licensed Physicians, and continuous twenty-four (24) hour-a-day services by licensed, registered, graduate nurses physically present and on duty. The term Hospital does not include Long Term Acute Care Hospitals, chronic care institutions or facilities that principally provide custodial, rehabilitative or long-term care, whether or not such institutions or facilities are affiliated with or are part of a Hospital. A Hospital may participate in a teaching program. This means medical students, interns, or residents participating in a teaching program may treat Participants.

Identification Card: the card issued by PAI to a Participant that contains the Participant's identification number.

Incapacitated Dependent: a Dependent who is incapable of financial self-sufficiency by reason of mental or physical disability.

Independent Review Organization: An external review organization approved by the South Carolina Department of Insurance and accredited by a nationally recognized private accrediting organization, and not affiliated with the health carrier.

Illness: a bodily disorder, disease, physical sickness or Mental Disorder. Illness includes Pregnancy, childbirth, miscarriage or complications of Pregnancy.

Injury: an accidental physical Injury to the body caused by unexpected means.

Intensive Care Unit: a separate, clearly designated service area which is maintained within a Hospital solely for the care and treatment of patients who are critically ill. This also includes what is referred to as a "coronary care unit" or an "acute care unit". It has: facilities for special nursing care not available in regular rooms and wards of the Hospital; special life saving equipment which is immediately available at all times; at least two beds for the accommodation of the critically ill; and at least one registered nurse (R.N.) in continuous and constant attendance 24 hours a day.

Late Enrollee: an Employee who enrolls under this Group Health Plan other than during:

1. The first period in which the Employee or Dependent is eligible to enroll if such initial enrollment period is a period of at least thirty (30) days; or
2. A Special Enrollment period (as set forth in the Eligibility for Coverage section).

Legal Guardian: a person recognized by a court of law as having the duty of taking care of the person and managing the property and rights of a minor child.

Lifetime: a word that appears in this Plan in reference to benefit maximums and limitations. Lifetime is understood to mean while covered under this Plan. Under no circumstances does Lifetime mean during the lifetime of a Participant.

Mail Service Pharmacy: a Pharmacy maintained by the Pharmacy Benefit Manager that fills prescriptions and sends Prescription Drugs by mail.

Maternity Management Program: the voluntary program offered by the Group Health Plan to Participants who are pregnant.

Maximum Allowable Charge: is the lesser of:

- The Usual and Customary amount,
- The allowable charge specified under the terms of the Plan,
- The negotiated rate established in a contractually arrangement with a provider, or
- The actual billed charges for the covered services.

In the event a PPO network provider is utilized, the network scheduled allowance may be utilized in lieu of the Usual and Customary charge. **This does not, however, remove the Plan Administrator's discretionary authority to decide whether a charge should be subject to Usual and Customary guidelines, regardless of the network schedule allowance. The Plan Administrator also retains the discretionary authority to decide if a charge is a Medically Necessary and Reasonable service.**

The Maximum Allowable Charge will not include any identifiable billing mistakes including, but not limited to, upcoding, duplicate charges, and charges for services not performed.

Maximum Payment: the maximum amount the Group Health Plan will pay for a particular Benefit. The Maximum Payment will not be affected by any Credit. The Maximum Payment will be one of the following:

1. The actual charge submitted to the Plan Supervisor for the service, procedure, supply or equipment by a Provider; or
2. An amount based upon the reimbursement rates established by the Plan Sponsor in its Benefits Checklist; or
3. An amount that has been agreed upon in writing by a Provider and the network used by the Plan Sponsor based upon factors including but not limited to, (i) governmental reimbursement rates applicable to the service, procedure, supply or equipment, or (ii) reimbursement for a comparable or similar service, procedure, supply or equipment, taking into consideration the degree of skill, time and complexity involved, geographic location and the circumstances giving rise to the need for the service, procedure, supply or equipment; or
4. The lowest amount of reimbursement allowed for the same or similar services, procedure, supply or equipment when provided by a Participating Provider.

Medical Care Facility: a Hospital, a facility that treats one or more specific ailments or any type of Skilled Nursing Facility.

Medical Child Support Order: any judgment, decree or order (including an approved settlement agreement) issued by a court of competent jurisdiction or a national medical support notice issued by the applicable state agency that:

1. Provides child support with respect to a child or provides for health benefit coverage to a child, is made pursuant to a state domestic relations law (including a community property law), and relates to the Plan of Benefits;
2. Enforces a law relating to medical child support described in Section 1908 of the Social Security Act (as added by section 13822 of the Omnibus Budget Reconciliation Act of 1993) with respect to a group health Plan.
3. A Medical Child Support Order must clearly specify:
 - a. The name and the last known mailing address (if any) of each participant employee and the name and mailing address of each alternate recipient covered by the order; and
 - b. A reasonable description of the type of coverage to be provided by the group health Plan to each such alternate recipient or the manner in which such type of coverage is to be determined; and
 - c. The period to which such order applies; and
 - d. Each group health Plan to which such order applies.
4. If the Medical Child Support Order is a national medical support notice, the order must also include:
 - a. The name of the issuing agency; and
 - b. The name and mailing address of an official or agency that has been substituted for the mailing address of any alternate recipient; and
 - c. The identification of the underlying Medical Child Support Order.
5. A Medical Child Support Order meets the requirement of this definition only if such order does not require a group health Plan to provide any type or form of the requirements of a law relating to medical child support described in Section 1908 of the Social Security Act (as added by section of 13822 of the Omnibus Budget Reconciliation Act of 1993).

Medical Emergency: a sudden onset of a condition with acute symptoms requiring immediate medical care and includes such conditions as heart attacks, cardiovascular accidents, poisonings, loss of consciousness or respiration, convulsions or other such acute medical conditions.

Medical Non-Emergency Care: care which can safely and adequately be provided other than in a Hospital.

Medically Necessary/Medical Necessity/Medical Care Necessity: health care services that a Physician, exercising prudent clinical judgment, would provide to a patient for the purpose of preventing, evaluating, diagnosing or treating an illness, injury, disease or its symptoms, and that are:

1. in accordance with generally accepted standards of medical practice;
2. clinically appropriate, in terms of type, frequency, extent, site and duration, and considered effective for the patient's illness, injury or disease; and
3. not primarily for the convenience of the patient, Physician or other health care provider, and not more costly than an alternative service or sequence of services at least as likely to produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of that patient's illness, injury or disease.

For the purposes of this definition, "generally accepted standards of medical practice" means standards that are based on credible scientific evidence published in peer-reviewed medical literature generally recognized by the relevant medical community, Physician Specialty Society recommendations and the views of Physicians practicing in relevant clinical areas and any other relevant factors.

Medical Record Review: in the event that the Plan, based upon a medical record review and audit, determines that a different treatment or different quantity of a drug or supply was provided which is not supported in the billing, then the plan Administrator may determine the Maximum Allowable Charge according to the medical record review and audit results.

Medical Supplies: supplies that are:

1. Medically Necessary; and

2. Prescribed by a Physician acting within the scope of his or her license (or are provided to a Participant in a Physician's office); and
3. Are not available on an over-the-counter basis (unless such supplies are provided to a Participant in a Physician's office and should not (in PAI's discretion) be included as part of the treatment received by the Participant); and
4. Are not prescribed in connection with any treatment or benefit that is excluded under this Plan of Benefits.

Medicare: the Health Insurance For The Aged and Disabled program under Title XVIII of the Social Security Act, as amended.

Mental Health Conditions: certain psychiatric disorders or conditions defined in the most current *Diagnostic and Statistical Manual of Mental Disorders* published by the American Psychiatric Association and are not otherwise excluded by the terms and conditions of this Plan of Benefits. The conditions as mandated by the State of South Carolina are:

1. Bipolar Disorder;
2. Major Depressive Disorder;
3. Obsessive Compulsive Disorder;
4. Paranoid and Other Psychotic Disorder;
5. Schizoaffective Disorder;
6. Schizophrenia;
7. Anxiety Disorder;
8. Post-traumatic Stress Disorder; and
9. Depression in childhood and adolescence.

Mental Health Parity: Pursuant to the Mental Health Parity and Addiction Equity Act of 2008, this Plan applies the terms **uniformly** and enforces parity between covered health care Benefits and covered mental health and substance disorder Benefits relating to financial cost sharing restrictions and treatment duration limitations. For further details, please contact the Plan Administrator.

Mental Health Services: treatment (except Substance Abuse Services) for a condition that is defined, described or classified as a psychiatric disorder or condition in the most current *Diagnostic and Statistical Manual of Mental Disorders* published by the American Psychiatric Association and is not otherwise excluded by the terms and conditions of this Plan of Benefits.

Midwife: a person who is certified or licensed to assist women in the act of childbirth.

Milieu Therapy: type of treatment in which the patient's social environment is manipulated for his/her benefit.

Morbid Obesity: a diagnosed condition in which the body weight exceeds the medically recommended weight by either 100 pounds or is twice the medically recommended weight for a person of the same height, age and mobility as the Participant.

Natural Teeth: teeth that:

1. Are free of active or chronic clinical decay; and
2. Have at least 50% bony support; and
3. Are functional in the arch; and

4. Have not been excessively weakened by multiple dental procedures; or
5. Teeth that have been treated for one (1) or more of the conditions referenced in 1-4 above and, as a result of such treatment, have been restored to normal function.

No-fault Auto Insurance: basic reparations provision of a law providing for payments without determining fault in connection with automobile accidents.

Non-Participating Provider: any Provider who does not have a current, valid contract with one of the networks used by this Plan of Benefits.

Non-Preferred Brand Name Drug: a Prescription Drug that bears a recognized brand name of a particular manufacturer but does not appear on the list of Preferred Brand Name Drugs and has not been chosen by PAI or its designated Pharmacy Benefit Manager to be a Preferred Brand Name Drug, including any Brand Name Drug with an "A" rated Generic Drug available.

Orthognathic surgery: surgery performed on the bones of the jaws to change their positions. Orthognathic surgery is corrective facial surgery where deformities of the jaw exist. It may be indicated for functional, cosmetic, or health reasons. It is surgery commonly done on the jaws in conjunction with orthodontic treatment, which straightens the teeth.

Orthopedic Device: any rigid or semirigid leg, arm, back or neck brace and casting materials that are used directly for the purpose of supporting a weak or deformed body member or restricting or eliminating motion in a diseased or injured part of the body.

Orthotic Device: any device used to mechanically assist, restrict, or control function of a moving part of the Participant's body.

Other Plan: includes, but is not limited to:

1. Any primary payer besides the Plan;
2. Any other group health plan;
3. Any other coverage or policy covering the Participant;
4. Any first party insurance through medical payment coverage, personal injury protection, no-fault coverage, uninsured or underinsured motorist coverage;
5. Any policy of insurance from any insurance company or guarantor of a responsible party;
6. Any policy of insurance from any insurance company or guarantor of a third party;
7. Worker's compensation or other liability insurance company; or
8. Any other source, including but not limited to crime victim restitution funds, any medical, disability or other benefit payments, and school insurance coverage.

Outpatient Care and/or Services: treatment including services, supplies and medicines provided and used at a Hospital under the direction of a Physician to a person not admitted as a registered bed patient; or services rendered in a Physician's office, laboratory or X-ray facility, and Ambulatory Surgical Center, or the patient's home.

Out-of-Pocket Maximum: the maximum amount (if listed on the Schedule of Benefits) of otherwise Covered Expenses incurred during a Benefit Year that a Participant will be required to pay. The Out-of-Pocket Maximum is Coinsurance payable by the Participant. Co-payments and Benefit Year Deductibles may not apply toward the Out-of-Pocket Maximum (as set forth on the Schedule of Benefits).

Over-the-Counter Drug: a drug that does not require a prescription.

Paid Claim: for contractual purpose of this Plan, means a claim will be deemed Paid on the date a check is cut for the services rendered.

Partial Hospitalization: an outpatient program specifically designed for the diagnosis or active treatment of a Mental Disorder or Substance Abuse when there is a reasonable expectation for improvement or when it is necessary

to maintain a patient's functional level and prevent relapse; this program shall be administered in a psychiatric facility which is accredited by the Joint Commission on Accreditation of Health Care Organizations and shall be licensed to provide partial hospitalization services, if required, by the state in which the facility is providing these services. Treatment lasts less than 24 hours, but more than four hours a day and no charge is made for room and board.

Participant: an Employee or Dependent who has enrolled (and qualifies for coverage) under this Plan of Benefits. A Participant may also include individuals who meet the criteria under the "other eligible group classifications" as defined in the Eligibility section of this document.

Participant Effective Date: the date on which a Participant is covered for Benefits under the terms of this Plan of Benefits.

Participating Provider: a Physician, Hospital or other Provider who has a signed contract with one of the networks used by this Plan of Benefits and who has agreed to provide Benefits to a Participant and submit claims to PAI and to accept the Allowed Amount as payment in full for Benefits. The participating status of a Provider may change.

Pharmacy: a licensed establishment where Prescription Drugs are filled and dispensed by a pharmacist licensed under the laws of the state where the pharmacist practices.

Physician: a person who is:

1. Not an:
 - a. Intern; or
 - b. Resident; or
 - c. In-house physician; and
2. Duly licensed by the appropriate state regulatory agency as a:
 - a. Medical doctor; or
 - b. Oral surgeon; or
 - c. Osteopath; or
 - d. Podiatrist; or
 - e. Chiropractor; or
 - f. Optometrist; or
 - g. Psychologist with a doctoral degree in psychology; and
3. Legally entitled to practice within the scope of his or her license; and
4. Customarily bills for his or her services.

Physician Services: the following services, performed by a Physician within the scope of his or her license, training and specialty and within the scope of generally acceptable medical standards as determined by PAI:

1. Office visits, which are for the purpose of seeking or receiving care for an illness or injury; or
2. Basic diagnostic services and machine tests;
3. Physician Services includes the following services when performed by a medical doctor, osteopath, podiatrist or oral surgeon, but specifically excluding such services when performed by a chiropractor, optometrist, or licensed psychologist with a doctoral degree:
 - a. Benefits rendered to a Participant in a Hospital or Skilled Nursing Facility; or
 - b. Benefits rendered in a Participant's home; or
 - c. Surgical Services; or

- d. Anesthesia services, including the administration of general or spinal block anesthesia; or
- e. Radiological examinations; or
- f. Laboratory tests; or
- g. Maternity services, including consultation, prenatal care, conditions directly related to pregnancy, delivery and postpartum care, and delivery of one or more infants. Physician Services also include maternity services performed by certified nurse midwives.

Plan: any program that provides benefits or services for medical or dental care or treatment including:

1. Individual or group coverage, whether insured or self-insured. This includes, but is not limited to, prepayment, group practice or individual practice coverage; and
2. Coverage under a governmental Plan or coverage required or provided by law. This does not include a state Plan under Medicaid (Title XIX, Grants to States for Medical Assistance Programs, of the United States Social Security Act, as amended).

Each contract or other arrangement for coverage is a separate Plan for purposes of this Plan of Benefits. If a Plan has two (2) or more parts and the coordination of benefits rules apply only to one (1) of the parts, each part is considered a separate Plan.

Plan Administrator: the entity charged with the administration of the Plan of Benefits. The Plan Sponsor is the Plan Administrator of this Plan of Benefits.

Plan of Benefits: This Plan of Benefits including, the membership application, the Schedule of Benefits, and all endorsements, amendments, riders or addendums.

Plan of Benefits Effective Date: 12:01 AM on the date listed on the Schedule of Benefits.

Plan Sponsor: also known as the Employer.

Plan Year: the 12-month period beginning on either the effective date of the Plan or on the day following the end of the first Plan Year which is a short Plan Year.

Post-Service Claim: any claim that is not a Pre-Service Claim.

Pre-Admission Review: the review that must be obtained by a Participant (or the Participant's representative) prior to all Admissions that are not related to an Emergency Medical Condition.

Pre-Authorized/Pre-Authorization: the approval of Benefits based on Medical Necessity prior to the rendering of such Benefits to a Participant. Pre-Authorization means only that the Benefit is Medically Necessary. Pre-Authorization is not a guarantee of payment or a verification that Benefits will be paid or are available to the Participant. Notwithstanding Pre-Authorization, payment for Benefits is subject to a Participant's eligibility and all other limitations and exclusions contained in this Plan of Benefits. A Participant's entitlement to Benefits is not determined until the Participant's claim is processed.

Pre-Existing Condition(s): a physical or mental condition, regardless of the cause, for which medical advice, diagnosis, care or treatment was received or recommended during the six (6) month period preceding the Enrollment Date, if applicable. Genetic Information may not be treated as a Pre-Existing Condition in the absence of a diagnosis of the specific condition related to the Genetic Information. Pre-Existing Condition applies only to Participants age 19 or older for claims with dates of service prior to June 1, 2014.

Preferred Brand Drug: a Prescription Drug that bears a recognized brand name of a particular manufacturer and appears on the list of Preferred Brand Drugs.

Preferred Brand Name Drug: a Prescription Drug that has been reviewed for cost effectiveness, clinical efficacy and quality that is preferred by the Pharmacy Benefit Manager for dispensing to Participants. Preferred Brand Name Drugs are subject to periodic review and modification by PAI, or its designated Pharmacy Benefit Manager, and include Brand Name Drugs and Generic Drugs.

Pregnancy: childbirth and conditions associated with Pregnancy, including complications.

Premium: the monthly amount paid to the Plan Sponsor by the Participant for coverage under this Plan of Benefits. Payment of Premiums by the Participant constitutes acceptance by the Participant of the terms of this Plan of Benefits.

Prescription Drugs: a drug or medicine that is:

1. Required to be labeled that it has been approved by the Food and Drug Administration; and
2. Bears the legend “Caution: Federal Law prohibits dispensing without a prescription” or “Rx Only” prior to being dispensed or delivered, or labeled in a similar manner; or
3. Insulin.

Additionally, to qualify as a Prescription Drug, the drug must:

1. Be ordered by a medical doctor or oral surgeon as a prescription; and
2. Not be entirely consumed at the time and place where the prescription is dispensed; and
3. Be purchased for use outside a Hospital.

Prescription Drugs also include the following, which otherwise may not meet the definition of Prescription Drugs:

1. DESI drugs – These drugs are determined by the FDA (Food and Drug Administration) as lacking substantial evidence of effectiveness. The DESI drugs do not have studies to back up the medications’ uses, but since they have been used and accepted for many years without any safety problems, they continue to be used in today’s marketplace.
2. Controlled substance 5 (CV) OTC’s are covered. (Examples: Robitussin AC syrup and Naldecon-CX) Federal law designates these medications as OTC. However, depending on certain state Pharmacy laws, the medications may be considered prescription medications and are, therefore, all covered.
3. Single entity vitamins – These vitamins have indications in addition to their use as nutritional supplements. For this reason, Plan supervisor recommends covering these medications. Single entity vitamins are used for the treatment of specific vitamin deficiency diseases. Some examples include: vitamin B12 (cyanocobalamin) for the treatment of pernicious anemia and degeneration of the nervous system; vitamin K (phytonadione) for the treatment of hypoprothrombinemia or hemorrhage; and folic acid for the treatment of megaloblastic and macrocytic anemias.

Prescription Drug Co-payment: the amount payable, if any, set forth on the Schedule of Benefits, by the Participant for each Prescription Drug filled or refilled. This amount will not be applied to the Benefit Year Deductible or the Out-of-Pocket Maximum.

Pre-Service Claim: any claim or request for a Benefit where prior authorization or approval must be obtained from BlueCross Medical Review Department before receiving the medical care, service or supply.

Primary Plan: a Plan whose benefits must be determined without taking into consideration the existence of another Plan.

Prior to Effective Date or After Termination Date: dates occurring before a Participant gains eligibility from the Plan, or dates occurring after a Participant loses eligibility from the Plan, as well as charges incurred prior to the effective date of coverage under the Plan or after coverage is terminate, unless Extension of Benefits applies.

Protected Health Information (PHI): Protected Health Information as that term is defined under HIPAA.

Prosthetic Device: any device that replaces all or part of a missing body organ or body member, except a wig, hairpiece or any other artificial substitute for scalp hair.

Provider: any person or entity licensed by the appropriate state regulatory agency and legally engaged within the scope of such person or entity's license in the practice of any of the following:

- ◆ Medicine
- ◆ Dentistry
- ◆ Optometry
- ◆ Podiatry
- ◆ Chiropractic Services
- ◆ Physical Therapy
- ◆ Behavioral Health
- ◆ Oral Surgery
- ◆ Speech Therapy
- ◆ Occupational Therapy

Provider includes a long-term-care Hospital, a Hospital, a rehabilitation facility, Skilled Nursing Facility, and nurses practicing in expanded roles (such as pediatric nurse practitioners, family practice nurse practitioners and certified nurse midwives) when supervised by a medical doctor or oral surgeon. The term Provider does not include physical trainers, lay midwives or masseuses.

Qualified Medical Child Support Order (QMCSO): a Medical Child Support Order that:

1. Creates or recognizes the existence of an Alternate Recipient's right to enroll under this Plan of Benefits; or
2. Assigns to an Alternate Recipient the right to enroll under this Plan of Benefits.

Qualifying Event: for continuation of coverage purposes, a Qualifying Event is any one of the following:

1. Termination of the Employee's employment (other than for gross misconduct) or reduction of hours worked that renders the Employee no longer Actively at Work and therefore ineligible for coverage under the Plan of Benefits;
2. Death of the Employee;
3. Divorce or legal separation of the Employee from his or her spouse;
4. A Child ceasing to qualify as a Dependent under this Plan of Benefits.
5. Entitlement to Medicare by an Employee, or by a parent of a Child;
6. A proceeding in bankruptcy under Title 11 of the United States Code with respect to an Employer from whose employment an Employee retired at any time.

Reasonable and/or Reasonableness: in the administrator's discretion, services or supplies, or fees for services or supplies which are necessary for the care and treatment of illness or injury not caused by the treating Provider. Determination that fee(s) or services are reasonable will be made by the Plan Administrator, taking into consideration unusual circumstances or complications requiring additional time, skill and experience in connection with a particular service or supply; industry standards and practices as they relate to similar scenarios; and the cause of injury or illness necessitating the service(s) and/or charge(s).

This determination will consider, but will not be limited to, the findings and assessments of the following entities: (a) The national Medical Associations, Societies, and organizations; and (b) The Food and Drug Administration. To be Reasonable, service(s) and/or fee(s) must be in compliance with generally accepted billing practices for unbundling or multiple procedures. Services, supplies, care and/or treatment that results from errors in medical care that are clearly identifiable, preventable, and serious in their consequence for patients, are not Reasonable. The Plan Administrator retains discretionary authority to determine whether service(s) and/or fee(s) are Reasonable based upon information presented to the Plan Administrator. A finding of Provider negligence and/or malpractice is not required for service(s) and/or fee(s) to be considered not Reasonable.

Charge(s) and/or service(s) are not considered to be Reasonable, and as such are not eligible for payment (exceed the Maximum Allowable Charge), when they result from Provider error(s) and/or facility-acquired conditions deemed "reasonably preventable" through the use of evidence-based guidelines, taking into consideration but not limited to CMS guidelines.

The Plan reserves for itself and parties acting on behalf of the right to review charges processed and/or paid by the Plan, to identify charge(s) and/or service(s) that are not Reasonable and therefore not eligible for payment by the Plan.

Rescission: a cancellation or discontinuance of coverage that has retroactive effect. A cancellation or discontinuance of coverage is not a Rescission if the cancellation or discontinuance of coverage:

1. Has only a prospective effect; or
2. Is effective retroactively to the extent it is attributable to a failure to timely pay required premiums or contributions toward the cost of coverage.

A Rescission retroactively canceling coverage is permitted if an individual performs an act, practice or omission that constitutes fraud or if the individual makes an intentional misrepresentation of material fact, as prohibited by the terms of the Plan or coverage.

Retired Employee: a former Active Employee of the Plan Sponsor who was retired while employed by the Plan Sponsor under the formal written plan of the Employer and elects to contribute to the Plan the contribution required from the Retired Employee.

Schedule of Benefits: the pages of this Plan of Benefits so titled that specify the coverage provided and the applicable Co-payments, Coinsurance, Benefit Year Deductibles and Benefit limitations.

Second Opinion: an opinion from a Physician regarding a service recommended by another Physician before the service is performed, to determine whether the proposed service is Medically Necessary and covered under the terms of this Plan of Benefits.

Secondary Plan: the Plan that has secondary responsibility for paying a Participant's claim as determined through the coordination of benefits provisions of this Plan of Benefits.

Sickness: For a covered Employee and covered Spouse: Illness, disease or Pregnancy.

For a covered Dependent other than Spouse: Illness or disease.

Skilled Nursing Facility: a facility that fully meets all of these tests:

1. It is licensed to provide professional nursing services on an inpatient basis to person convalescing from Injury or Sickness. The service must be rendered by a registered nurse (R.N.) or by a licensed practical nurse (L.P.N.) under the direction of a registered nurse. Services to help restore patients to self-care in essential daily living activities must be provided.
2. Its services are provided for compensation and under the full-time supervision of a Physician.
3. It provides 24 hour per day nursing services by licensed nurses, under the direction of a full-time registered nurse.
4. It maintains a complete medical record on each patient.
5. It has an effective utilization review plan.
6. It is not, other than incidentally, a place for rest, the aged, drug addicts, alcoholics, mentally challenged, Custodial or education care or care of Mental Disorders.
7. It is approved and licensed by Medicare.

This term also applies to charges incurred in a facility referring to itself as an extended care facility, convalescent nursing home, rehabilitation hospital, long-term acute care facility or any other similar nomenclature.

Special Enrollment: the time period during which an Employee or eligible Dependent who is not enrolled for coverage under this Plan of Benefits may enroll for coverage due to the involuntary loss of other coverage or under circumstances described in the Eligibility For Coverage section of this Plan of Benefits.

Specialist: a Physician who specializes in a particular branch of medicine.

Specialty Drugs: Prescription Drugs that treat a complex clinical condition and/or require special handling such as refrigeration. They generally require complex clinical monitoring, training and expertise. Specialty Drugs include, but are not limited to, infusible Specialty Drugs for chronic diseases, injectable and self-injectable drugs for acute and chronic diseases, and specialty oral drugs. Specialty Drugs are used to treat acute and chronic disease states (e.g. growth deficiencies, hemophilia, multiple sclerosis, rheumatoid arthritis, Gaucher's Disease, hepatitis, cancer, organ transplantation, Alpha 1-antitrypsin disease and immune deficiencies).

Spinal Manipulation/Chiropractic Care: skeletal adjustments, manipulation or other treatment in connection with the detection and correction by manual or mechanical means of structural imbalance or subluxation in the human body. Such treatment is done by a Physician to remove nerve interference resulting from, or related to, distortion, misalignment or subluxation of, or in, the vertebral column.

Substance Abuse: the continued use, abuse and/or dependence on legal or illegal substance(s), despite significant consequences or marked problems associated with the use (as defined, described or classified in the most current version of *Diagnostic and Statistical Manual of Mental Disorders* published by the American Psychiatric Association).

Substance Abuse Services: services or treatment relating to Substance Abuse.

Totally Disabled: means the complete inability of the Participant to perform the important daily duties of the Participant's occupation, for which the Participant is reasonably suited by education, training or experience. As applied to a Participant who is a Dependent, the term means the Dependent is prevented solely because of a non-occupational injury or non-occupational disease from engaging in all of the normal activities of a person in good health and of like age. The Participant must provide a Physician's statement of disability upon periodic request by the Group Health Plan.

Transplant: The transfer of organs or tissues, including bone marrow, stem cells and cord blood, from human to human. Transplants are covered only at facilities approved by PAI in writing and include only those procedures that otherwise are not excluded by this Plan of Benefits. Pre-Authorization is required. Transplant Physician Charges are subject to the Benefit Year Deductible.

Transplant Benefit Period: the period of time that for Transplant of:

1. an organ, the period that begins one day prior to the Admission date for Transplant and continues for a 12-month period. Anti-rejection drugs are not subject to the Transplant Benefit Period; or
2. bone marrow, the period that begins one day prior to the date marrow ablative therapy begins, or one day prior to the day the preparative regimen for non-myeloablative Transplant begins and continues for a twelve (12) month period. Mobilization therapy and stem-cell harvest are also included. Anti-rejection drugs are not subject to the Transplant Benefit Period.

Urgent Care: treatment required in order to treat an unexpected illness or injury that is life-threatening and required in order to prevent a significant deterioration of the Participant's health if treatment were delayed.

Urgent Care Claim: any claim for medical care or treatment where making a determination under other than normal time frames could seriously jeopardize the Participant's life or health or the Participant's ability to regain maximum function; or, in the opinion of a medical doctor or oral surgeon with knowledge of the Participant's medical condition, would subject the Participant to severe pain that could not be managed adequately without the care or treatment that is the subject of the claim.

Usual and Customary (U & C): Only Usual and Customary charges are covered expenses. When determining whether an expense is Usual and Customary, the Plan Administrator will take into consideration the fee(s) which the provider most frequently charges the majority of patients for the service or supply, and the prevailing range of fees charged in the same "area" by provider of similar training and experience for the service or supply. The term(s) "same geographic locale" and/or "area" shall be defined as a metropolitan area, county, or such greater area as is

necessary to obtain a representative cross-section of providers, person or organizations rendering such treatment, services, or supplies for which a specific charge is made. To be Usual and Customary, fee(s) must be in compliance with generally accepted billing practices for unbundling or multiple procedures.

The term “Customary” refers to the form and substance of a service, supply, or treatment provided in accordance with generally accepted standards of medical practice to one individual, which is appropriate for the care or treatment of the same sex, comparable age and who receive such services or supplies within the same geographic locale.

The term “Usual and Customary” does not necessarily mean the actual charge made nor the specific service or supply furnished to a Participant by a provider of services or supplies, such as a physician, therapist, nurse, hospital, or pharmacist. The Plan Administrator will determine what the Usual and Customary charge is, for any procedure, service, or supply, and has the discretionary authority to decide whether a specific procedure, service or supply is Usual and Customary.

Usual and Customary charges may alternatively be determined and established by the Plan using normative data such as Medicare cost to charge ratios, average wholesale price (AWP) for prescriptions and/or manufacturer’s retail pricing (MRP) for supplies and devices. In the event a PPO network provider is utilized, the network scheduled allowance may be utilized in lieu of the Usual and Customary Charge. This does not, however, remove the Plan Administrator’s discretionary authority to decide whether a charge is Usual and Customary.

Waiting Period: a period of continuous employment with the Plan Sponsor that an Employee must complete before becoming eligible to enroll in the Plan of Benefits.

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Oconee County
Employee Medical Benefits Plan
Effective Date: May 1, 2014

Plan Document Signature Page

Employer hereby amends and restates by this Plan Document an employee welfare benefit plan. It is intended that this Plan Document will serve to describe the nature, funding and benefits of the Plan.



By

OCCONEE COUNTY ADMINISTRATOR

Title

T. SCOTT MOULDER

Typed/Printed Name

6/18/14
Date



Oconee County
Plan Sponsor
OconeeCountyPD2014

pa

Post Office Box 6927, AG-970
Columbia, South Carolina 29260

p 800 | 768 | 4375
f 803 | 462 | 6818

**Oconee County Ordinance 2016-24
EXHIBIT A**

**MODIFICATIONS TO THE OCONEE COUNTY HEALTH INSURANCE
PLAN - RETIREE HEALTH INSURANCE PLAN PROVISIONS**

THESE RETIREE HEALTH INSURANCE PLAN (THE “PLAN”) PROVISIONS ARE SUBJECT TO CHANGE, AND THE COUNTY’S ABILITY TO FUND THIS BENEFIT CAN BE IMPACTED BY FISCAL CHALLENGES AND LEGISLATIVE CHANGES. DUE TO THE RISK OF UNKNOWN CIRCUMSTANCES, THIS PLAN, AS DESCRIBED HEREIN, MAY BE DEEMED UNSUSTAINABLE AT SOME FUTURE TIME. THE RETIREE HEALTH INSURANCE GUIDELINES DESCRIBED HEREIN, OR OTHERWISE, ARE DISCRETIONARY ON THE PART OF THE COUNTY AND THE EMPLOYEE AND DO NOT CREATE ANY EXPRESS OR IMPLIED CONTRACT OF THIS BENEFIT BEING PROVIDED IN THE FUTURE OR IN ANY PARTICULAR AMOUNT AT ANY PARTICULAR TIME. NO PAST PRACTICES OR PROCEDURES, PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, FORM ANY EXPRESS OR IMPLIED AGREEMENT TO CONTINUE SUCH PRACTICES OR PROCEDURES. IT IS EXPLICITLY STATED AND RECOGNIZED BY THE COUNTY AND EVERY EMPLOYEE OR OTHER PERSON ACCEPTING BENEFITS UNDER THE PLAN THAT ALL EMPLOYMENT IN OCONEE COUNTY (EXCEPT FOR THE OCONEE COUNTY ADMINISTRATOR) IS “AT WILL” AND THAT NO OCONEE COUNTY EMPLOYEE (EXCEPT FOR THE OCONEE COUNTY ADMINISTRATOR) HAS AN EMPLOYMENT AGREEMENT OR CONTRACT, AND THAT ALL PROVISIONS OF ANY AND ALL EMPLOYMENT BENEFITS, INCLUDING, WITHOUT LIMITATION, THOSE DESCRIBED IN THIS PLAN ARE ALWAYS SUBJECT TO ANNUAL APPROPRIATION BY THE OCONEE COUNTY COUNCIL, WHICH IS NEVER GUARANTEED AND NEVER WILL BE GUARANTEED.

1. To the extent there are any inconsistencies between the provisions contained herein and the provisions of “ATTACHMENT C” to Ordinance 2016-01, the provisions herein supersede and replace such provisions, which are hereby revoked and repealed.
2. Oconee County (the “County”) acting by and through the Oconee County Council (“County Council”) currently pays a percentage of the total cost of health benefits for certain retirees of Oconee County and desires to share cost increases of such benefits with current and future retirees who are qualified by twenty (20) or more years of consecutive full-time employment with Oconee County.
3. All current retirees will continue with their current retiree health insurance / plan benefits, with no changes at this time; however, such benefits are subject to change in the future.
4. **Grandfathered Employees:**
 - a. “Grandfathered Employees” are those employees of Oconee County who had at least twenty (20) consecutive years of full-time employment for Oconee County as of December 31, 2013.
 - b. Upon retirement, Grandfathered Employees will remain on the Oconee County Health Care Plan, under the same terms and conditions as when they were

actively employed, until age 65 or when they become Medicare eligible, whichever occurs first. Spouses of Grandfathered Employees are eligible for the same coverage as Grandfathered Employees, provided the spouse is on the Grandfathered Employee's County Health Care Plan at the time of his or her retirement.

- c. Once a retired Grandfathered Employee reaches age 65, he or she is required to enroll in Medicare parts A & B in order to receive the Subsidy, as defined and described in Section 4.d. below,
- d. The Subsidy:
 - i. The County desires to contribute a monthly subsidy to all Grandfathered Employees upon retirement, when they reach 65 years of age or when they become Medicare eligible, whichever occurs first.
 - ii. Current Oconee County paid health benefit coverage for Grandfathered Employees under the Oconee County Employee Health Care Plan shall cease when the Grandfathered Employee retires (becoming a "Grandfathered Retiree") and reaches age 65 or becomes Medicare eligible, whichever occurs first. Discontinuance of County paid health benefit coverage for spouses of Grandfathered Employees / Retirees will also occur when the spouse reaches age 65 or becomes Medicare eligible, whichever occurs first. Effective January 1, 2016 the County began contributing a monthly subsidy of \$158 per Grandfathered Retiree, or \$316 per month if married and the spouse is covered. This subsidy is solely for the purpose of assisting the Grandfathered Retiree and spouse, if applicable, in purchasing a Medicare supplemental insurance plan.
 - iii. Increases to the cost of the Oconee County Employee Health Care Plan will depend upon actual costs; increases to the Subsidy will change annually by the lower of CPI (Consumer Price Index) or 3% per year. The CPI increase will be determined using September over September time frame
 - iv. Grandfathered Employees / Retirees may choose to decline coverage under the Plan at any time, but they will not be allowed to re-enroll in the Plan in the future, (with the exception of 2 prior grandfathered employees with special circumstances).

5. **"Non-grandfathered Employees"** are those employees hired prior to July 1, 2005, who complete 20 years of consecutive employment for Oconee County but who do not qualify as Grandfathered Employees.

- a. Non-grandfathered Employees will remain eligible for Oconee County Employee Health Care Plan benefits upon their retirement, subject to the conditions stated therein, and otherwise provided by law.
- b. Spouses of Non-grandfathered Employees will not be eligible for Oconee County Employee Health Care Plan coverage upon retirement of the Non-grandfathered Employee.
- c. Once a Non-grandfathered Employee retires and attains the age of 65 or becomes Medicare eligible, whichever occurs first, Oconee County Employee Health Care Plan Coverage will cease.
- d. No Subsidy will be provided Non-grandfathered Employees or their spouses.

6. For all groups (Grandfathered and Non-grandfathered), identified in these guidelines, only actual Oconee County employment time is considered for the purpose of determining contributions by Oconee County. No purchased service time of any kind will be considered for any group for purposes of retiree health benefits from Oconee County.
7. Employees hired after June 30, 2005 are ineligible for both retiree health care coverage and the Subsidy

Summary:

Grandfathered Employees

- Must have 20 consecutive years of County employment as of December 31, 2013.
- Retiree and Spouse will remain on the Oconee County Health Care Plan until they reach age 65 or become Medicare eligible, whichever occurs first.
- At age 65 or upon Medicare eligibility, (whichever occurs first) a subsidy in the amount of \$158 for Retiree or \$316 for Retiree/Spouse will be offered in calendar year 2016. Subsidy increases over time by the lesser of 3% per year or the prevailing CPI rate increase each year.

Non-Grandfathered Employees

- Must have 20 consecutive years County employment and hired before July 1, 2005.
- If retired prior to age 65, Retiree will remain on the Oconee County Health Care Plan until the retiree reaches age 65 or becomes Medicare eligible, whichever occurs first.
- No coverage will be provided for spouse upon retirement of the Non-Grandfathered Employee.
- No Subsidy will be provided Non-grandfathered Employees or their spouses.

Employees hired on or after July 1, 2005

- Oconee County provides no retiree health care coverage or Subsidy.

Current Retirees

- Will continue with the current retiree health insurance / Plan benefits being received, with no changes at this time; however, the Plan is subject to change in the future.

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2017-02**

AN ORDINANCE TO ESTABLISH THE BUDGET FOR THE SCHOOL DISTRICT OF OCONEE COUNTY (the "School District") AND TO PROVIDE FOR THE LEVY OF TAXES FOR THE OPERATIONS OF THE SCHOOL DISTRICT OF OCONEE COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

BE IT ORDAINED by the County Council for Oconee County, South Carolina, (the "County Council"), in accordance with the general law of the State of South Carolina and the Acts and Joint Resolutions of the South Carolina General Assembly, as follows:

SECTION 1

The following amounts are hereby approved for budget purposes and appropriated for the 2017-2018 fiscal year for the School District of Oconee County:

School Operations	\$ 65,797,636
School Debt	\$ 17,098,280
Total School District	<u>\$ 82,895,916</u>

SECTION 2

A tax of sufficient millage to fund the aforesated appropriations for the School District of Oconee County Budget for the fiscal year beginning July 1, 2017 and ending June 30, 2018 is hereby directed to be levied upon all taxable property in Oconee County and duly collected.

SECTION 3

The Auditor of Oconee County is hereby requested to recommend to the Oconee County Council, for approval by Oconee County Council, a sufficient millage levy and the Treasurer of Oconee County is herein directed to collect sufficient millage on all taxable property in Oconee County on which school taxes may be levied to provide for the aforesated operations appropriations and direct expenditures of the School District of Oconee County for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

SECTION 4

In accordance with the Constitution and general law of the State of South Carolina, and the Acts and Joint Resolutions of the South Carolina General Assembly, the Auditor of Oconee County shall set the millage levy for the debt service requirements of the School District and the Treasurer of Oconee County shall collect sufficient millage on all taxable property in Oconee County on which school taxes may be levied to provide for the debt service requirements of the School District of Oconee County for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

SECTION 5

If any clause, phrase, sentence, paragraph, appropriation, or section of this Ordinance shall be held invalid for any reason, it shall not affect the validity of this Ordinance as a whole or the remaining clauses, phrases, sentences, paragraphs, appropriations, or sections hereof, which are hereby declared separable.

SECTION 6

All other orders, resolutions, and ordinances of Oconee County, inconsistent herewith, are, to the extent of such inconsistency only, hereby revoked, rescinded and repealed.

SECTION 7

This Ordinance shall become effective upon approval on third reading and enforced from and after July 1, 2017.

Adopted in meeting duly assembled this ___ day of June, 2017.

OCONEE COUNTY, SOUTH CAROLINA

Edda Cammick
Chairwoman, Oconee County Council

ATTEST

Katie Smith
Clerk to County Council

First Reading (Title Only): May 16th, 2017
Second Reading: June 6th, 2017
Public Hearing: June 13th, 2017
Public Hearing: June 20th, 2017
Third Reading: June 20th, 2017

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2017-03**

AN ORDINANCE TO PROVIDE FOR THE LEVY OF TAXES FOR THE KEOWEE FIRE SPECIAL TAX DISTRICT AND TO ESTABLISH THE BUDGET FOR THE KEOWEE FIRE SPECIAL TAX DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

BE IT ORDAINED by the County Council for Oconee County, South Carolina, (the "County Council"), in accordance with the general law of the State of South Carolina, including, without limitation, Section 4-9-30, South Carolina Code, 1976, as amended and the Acts and Joint Resolutions of the South Carolina General Assembly, as follows:

SECTION 1

For the fiscal year beginning July 1, 2017 and ending June 30, 2018, \$702,700 is hereby appropriated for fire protection services in the Keowee Fire Special Tax District.

SECTION 2

A tax of sufficient millage, not to exceed 14.5 mills, to fund the aforestated appropriations for the Keowee Fire Special Tax District for the fiscal year beginning July 1, 2017 and ending June 30, 2018, after crediting against such appropriations all other unrestricted revenue anticipated to accrue to Keowee Fire Special Tax District and any fund balance budgeted to be used during said fiscal year, is hereby directed to be levied on all taxable property, eligible to be lawfully taxed for such purposes, in the Keowee Fire Special Tax District.

SECTION 3

The Auditor of Oconee County is hereby requested to recommend to the Oconee County Council, for approval by Oconee County Council, a sufficient millage levy and the Treasurer of Oconee County is herein directed to collect sufficient millage on taxable property in the Keowee Fire Special Tax District to provide for the aforestated appropriations and direct expenditures of that Special Tax District for the fiscal year beginning July 1, 2017 and ending June 30, 2018.

SECTION 4

If any clause, phrase, sentence, paragraph, appropriation, or section of this Ordinance shall be held invalid for any reason, it shall not affect the validity of this Ordinance as a whole or the remaining clauses, phrases, sentences, paragraphs, appropriations, or sections hereof, which are hereby declared separable.

SECTION 5

All other orders, resolutions, and ordinances of Oconee County, inconsistent herewith, are, to the extent of such inconsistency only, hereby revoked, rescinded and repealed.

SECTION 6

This Ordinance shall become effective upon approval on third reading and enforced from and after July 1, 2017.

Adopted in meeting duly assembled this ____ day of June, 2017.

OCONEE COUNTY, SOUTH CAROLINA

Edda Cammick,
Chairwoman, Oconee County Council

ATTEST

Katie Smith
Clerk to County Council

First Reading (Title Only): May 16th, 2017
Second Reading: June 6th, 2017
Public Hearing: June 13th, 2017
Public Hearing: June 20th, 2017
Third Reading: June 20th, 2017

Kewoae Fire - Tax District 17
2016 - 2017 Budget

Account #	Account	Final 2017-18
Revenue		
3010	County Contributions	45,000.00
3020	County Equipment Money	15,000.00
3030	Real / Personal Property Tax	605,000.00
3031	Vehicle Tax	46,000.00
3036	Homestead Tax	28,000.00
3037	Execution Tax	20,000.00
3038	Motor Carrier Tax	3,700.00
3040	Duke Energy Payment	53,000.00
3047	Lock Boxes	550.00
3050	Interest Income	900.00
3060	Grants	0.00
Total Revenue		817,150.00
Expense		
Payroll		
6050	Salaries	405,000.00
Sub - Total Payroll		405,000.00
Payroll Taxes / Benefits		
6100	Employer Payroll Tax	30,000.00
6105	Worker's Comp	19,260.00
6110	Group Health Ins.	28,000.00
6117	Disability Insurance	6,100.00
6120	Pension Contribution	64,500.00
Sub - Total Taxes / Benefits		147,860.00
Other Employee Expense		
6155	Employee Mileage	500.00
6160	Uniforms / Clothing	2,500.00
6165	Empl Physical Exams	1,000.00
6176	Educational Tuition	1,800.00
6180	Commission Expenses	250.00
Sub - Total Other Employee Expenses		6,050.00
Total Employee Expense		558,910.00
Facility Expense		
6200	Buildings / Grounds	9,550.00
6205	Building Lease	10.00
6210	Alarm systems	2,500.00
6219	Water/Sewer - HQ	2,500.00
6621	Water / Sewer - #2	500.00

20 Fund
Emergency Services
Protection District

*702,700
County Funds
(Taxes)

RECEIVED

06/02/17

11:50 am

Jackie Price

**Kewoee Fire - Tax District 17
2016 - 2017 Budget**

2 of 3

Account #	Account	Final
6224	Electricity - HQ	7,800.00
6225	Electricity - #1 Annex	900.00
6226	Electricity - Sub	1,500.00
6227	Propane - HQ	1,500.00
6228	Propane - #2	500.00
6230	Telephone Service	2,000.00
6235	Cellular Service	6,000.00
6242	Website	1,000.00
6245	Trash Pickup	180.00
6255	Bond Payment - Principal	95,000.00
6256	Bond Payment - Interest	19,796.00
Total Facility Expense		151,236.00
Equipment Expense		
6301	Boat Expense	2,000.00
6305	Vehicle Repair / Main	10,000.00
6310	Fuel / Lubricants	10,000.00
6320	Office Equip. Lease	400.00
6330	Office Equipment	1,200.00
6331	Lock Boxes	1,400.00
6335	Comm. Equip	2,000.00
6340	Equipment Testing	6,300.00
6345	Protective Gear	4,000.00
6347	Nozzles / Hoses	2,000.00
6350	Other Equip / Tools	2,000.00
6351	County Equipment	3,000.00
6352	Medical Equipment	3,000.00
6353	SCBA Lease	18,600.00
Total Equipment Expense		65,900.00
Supplies and Services		
6400	Genl Ofc Supplies	1,200.00
6415	Cleaning Supplies	1,250.00
6420	Sales and Use Tax	350.00
6455	Postage / shipping	500.00
6460	Accounting Services	4,200.00
6465	Audit	8,400.00
6470	Legal	0.00
Sub - Total Supplies and Services		15,900.00
Insurance		
6517	Facility / Liability	2,000.00
6518	Umbrella	

Kawoos Fire - Tax District 17
2016 - 2017 Budget

3 of 3

ACCOUNT #	Account	Final
Sub - Total Insurance		18,000.00
Training and Education		
6600	Dues / Subscriptions	2,500.00
6605	Seminars / Meetings/ Conferences	10,000.00
6619	In-House Meetings	1,000.00
6625	Reference Materials	1,000.00
6631	Medical Training	4,000.00
6632	Public Education	1,000.00
Sub - Total Training and Education		19,500.00
Miscellaneous Expenses		
6634	Awards	1,500.00
6635	Other	0.00
6637	Newspaper Ads	100.00
6636	Grant Matching funds	0.00
Sub - Total Miscellaneous Expense		1,600.00
Reserves		
6656	Capital Reserve	30,000.00
Operating Contingency		
6550	Contingency	0.00
Total		30,000.00
Total Expense		861,046.00
Total Revenue		817,150.00

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2017-09**

**AN ORDINANCE AMENDING CHAPTER 32 OF THE OCONEE
COUNTY CODE OF ORDINANCES IN CERTAIN LIMITED
REGARDS AND PARTICULARS PERTAINING TO SIGN
CONTROL, 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 its governing body, the Oconee County Council (the “County Council”), has adopted multiple ordinances for the effective, efficient governance of the County, which, subsequent to adoption, are codified in the Oconee County Code of Ordinances (the “Code of Ordinances”), as amended, from time to time; and

WHEREAS, the County, acting by and through the County Council, is authorized by Section 4-9-30(9) and Chapter 29 of Title 6 of the South Carolina Code, 1976, as amended, among other sources, to impose land use restrictions and development standards in the unincorporated areas of the County; and,

WHEREAS, Chapter 32 of the Code of Ordinances contains terms, provisions and procedures applicable to performance standards in the County; and

WHEREAS, County Council recognizes that there is a need to revise the law of the County to meet the changing needs of the County and that there is a need to amend, specifically, certain sections of Chapter 32 of the Code of Ordinances involving signs and billboards; and

WHEREAS, County Council has therefore determined to modify Chapters 32 of the Code of Ordinances, and to affirm and preserve all other provisions of the Code of Ordinances not specifically or by implication amended hereby.

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

1. Article 8 of Chapter 32 of the Code of Ordinances, entitled *SIGN CONTROL*, is hereby revised, rewritten, and amended to read as set forth in Attachment A, which is attached hereto and hereby incorporated by reference as fully as if set forth verbatim herein.

2. County Council hereby declares and establishes its legislative intent that Attachment A, hereto, as may be amended from time to time, amend Article 8 of Chapter 32 of the Code or Ordinances of the land use performance standards of the County, from and after its adoption, states its intent to so adopt Attachment A, and directs that a public hearing thereon be undertaken by County Council or the Oconee County Planning Commission, in accord with and

as required by Section 6-29-760 and by Section 4-9-130, South Carolina Code, 1976, as amended.

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

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

5. All other terms, provisions, and parts of the Code of Ordinances, and specifically, but without exception, the remainder of Article 8 of Chapter 32, not amended hereby, directly or by implication, shall remain in full force and effect.

6. This Ordinance shall take effect and be in full force and effect from and after third reading and enactment by County Council, and will apply to all land use and zoning processes initiated after first (1st) reading hereof. All processes actually initiated by submitting a properly and legally completed petition to the County, at a minimum, prior to first (1st) reading of this ordinance and the establishment of the pending ordinance doctrine thereby, shall be completed under the zoning and performance standard rules and regulations of Chapters 32 of the Code of Ordinances, as in effect prior to final adoption of this ordinance.

ORDAINED in meeting, duly assembled, this ____ day of _____, 2017.

ATTEST:

Katie Smith,
Clerk to Oconee County Council

Edda Cammick
Chair, Oconee County Council

First Reading: June 6, 2017
Second Reading: June 20, 2017
Third Reading: _____
Public Hearing: _____

ATTACHMENT A
To Ordinance 2017-09

ARTICLE VIII. - SIGN CONTROL

Sec. 32-515. - Title.

This article shall be known as the "Sign Control Ordinance of Oconee County, South Carolina."

Sec. 32-516. - Purpose.

It is the purpose of this article to establish regulations for the safe and orderly placement, for all signage to which this article applies in the unincorporated areas of the county; also, this article shall establish penalties such as are necessary to discourage the violations of these standards, and to establish appropriate fees to offset costs associated with implementation.

Sec. 32-517. - Authority.

This article is adopted pursuant to the provisions of S.C. Code 1976 § 4-9-30. Personnel employed by the county administrator as code enforcement officers and personnel employed by the Sheriff of the county shall be vested with the authority to enforce and administer signage control within the county.

Sec. 32-518. - Jurisdiction.

The regulations set forth in this article shall be applicable within the unincorporated areas of the county. All billboards and signs to which this article applies which are constructed in the unincorporated areas of the county after the date of adoption of these standards shall be permitted under these regulations. Billboards and signs existing at the time of adoption of these standards shall be considered exempt, with the exception of any structure considered abandoned, disassembled, or otherwise removed from a site.

Sec. 32-519. - Terms and definitions.

Except where specifically defined herein, all words used in this article shall carry their customary meanings. Words used in the present tense include the future tense; the singular number includes the plural. The word "shall" is mandatory.

Abandoned billboard or sign means a billboard or sign which is not being maintained as required by S.C. Code § 57-25-110, *et seq.*, and the regulations promulgated pursuant thereto, or which is overgrown by trees or other vegetation not on the road right of way, or which has an obsolete advertising message or no advertising message for a period of six months. Any public service signage shall not be considered abandoned under this definition

Billboard means any advertising structure that directs persons to a different location from where the billboard is located or which is otherwise "off-premises" but makes no reference to a location. The sign area of a billboard ranges anywhere from 50 square feet to 672 square feet.

Existing billboard means for the purposes of these regulations any billboard either erected within the boundaries of the county prior to adoption of this article, or duly permitted by an agency of the county subsequent to adoption of this article.

Four-lane road means any public road or highway consisting of four or more travel lanes.

Sign means any sign structure or combination of sign structure and message in the form of an outdoor sign, display, device, figure, painting, drawing, message, plaque, poster, , advertising structure, advertisement, logo, symbol or other form which is designated, intended or used to advertise or inform in relation to the premises on which it is located, any part of the message or informative contents of which is visible from the main traveled way. The term does not include official traffic control signs, official markers, nor specific information panels erected, caused to be erected, or approved by the South Carolina Department of Transportation.

Sign area means the entire face of a sign or billboard, including the advertising surface and any framing, trim, or molding, but not including the supporting structure.

Sign permit means any permit, other than a building permit, obtained by an applicant from the county for the purpose of the construction or maintenance of a sign or billboard or a permit obtained for any temporary or political sign as defined by this article.

Stacked signs or billboards means any structure so configured to present two or more sign areas at different elevations and/or presenting two or more sign areas facing in the same direction.

Two-lane road means any public road or highway consisting of two travel lanes allowing traffic to flow in opposite directions. Such roads may or may not also have at various locations turning lanes, medians, islands, or other traffic control features designed to enhance the safe and efficient utilization of the thoroughfare.

Sec. 32-520. - Requirements for billboards and other commercial signs.

- (a) Unless exempted hereby, all signs and billboards erected in the unincorporated areas of Oconee County shall be permitted under the provisions of this article.
- (b) No billboard shall be erected within 1,300 feet of an existing billboard located on the same road. This distance shall be measured as the shortest route of ordinary pedestrian or vehicular travel along the public thorough fare from the location of an existing billboard to the proposed site.
- (c) Signs with a sign area greater than or equal to 50 square feet, but less than or equal to 75 square feet, shall be permitted on two lane roads No billboards or signs with a sign area greater than 75 square feet shall be permitted on two lane roads.
- (d) No sign shall contain more than 75 feet of sign area per sign face. This excludes building-mounted signs and structures considered billboards as defined by this chapter, which may contain up to 672 square feet of sign area.
- (e) No billboard shall be located along any federal, state, or county designated scenic highways or roadways.
- (f) Signs and billboards permitted under these regulations shall impose no obvious hazards to any drivers, pedestrians, bicyclists, or other users of any public road in the unincorporated areas of Oconee County. as such, the following materials shall be submitted to the Community Development Director or his/her designee at the time of application:
 - (1) A completed application form;
 - (2) A detailed site plan prepared and stamped by a surveyor licensed by the State of South Carolina, noting the proposed location of the structure, and verification that the new sign or billboard meets with all location requirements set forth in this article;

- (3) A set of construction plans, to include all proposed lighting features. All plans submitted shall be stamped by appropriate professionals licensed by the State of South Carolina;
- (4) Appropriate fees.
- (g) No stacked billboards shall be permitted within the unincorporated areas of Oconee County.
- (h) An abandoned billboard or sign, as defined by this article, shall be removed by the owner thereof or the owner of the property upon which the billboard or sign is located within 45 days of notification by an the county building official that the billboard or sign is deemed abandoned. The billboard or sign owner and/or the property owner may appeal the county's designation of the billboard or sign as abandoned under this article to the magistrate's court of the county during the 45-day period to remove the billboard or sign. If the property owner files a timely appeal, the time period for removing the billboard or sign shall be tolled until the magistrate's court renders a decision. In the event that an abandoned billboard or sign is removed, the billboard or sign owner and/or the property owner shall have the right to replace it with a new billboard or sign of the same size and height and for the same location for a period of six months from the date of removal.

Sec. 32-521. - Exemptions.

Any sign or billboard with a sign or billboard area less than 50 square feet shall be exempted from these regulations.

Sec. 32-522. - Fees.

Fees shall be established for the cost of a sign permit by county council from time to time.

Sec. 32-523. - Permits.

Upon satisfactory completion of all requirements set forth in this article, the owner/agent shall be issued a land use permit by the Community Development Director or his/her designee for construction of the billboard or sign. The land use permit shall be valid for six months from the date of issue; the owner/agent may be granted a one-time six-month extension, provided a written request is submitted to the planning director no later than seven working days prior to the original expiration date. Request for extension shall include documentation of efforts to obtain other necessary permits and permissions needed to begin construction, specifically noting reason for extension request. Extensions shall be granted only to those projects that were delayed through no fault of the owner/agent of the billboard or sign. The land use permit issued by the planning director shall in no way be construed to be a building permit needed to begin construction of a sign. No building permit, or other county-issued permit, certification or approval, shall be issued for a billboard or sign prior to the issuance of the land use permit.

Sec. 32-524. - Penalties.

Any person or entity violating the regulations set forth in this article is guilty of a misdemeanor and may be fined up to \$500.00 dollars or imprisoned for 30 days or both.

Secs. 32-525—32-600. - Reserved.

ARTICLE VIII. - SIGN CONTROL

Sec. 32-515. - Title

This article shall be known as the "Sign Control Ordinance of Oconee County, South Carolina."

Sec. 32-516. - Purpose

It is the purpose of this article to establish regulations for the safe and orderly placement, for all ~~billboard~~ signage to which this article applies in the unincorporated areas of the county; also, this article shall establish penalties such as are necessary to discourage the violations of these standards, and to establish appropriate fees to offset costs associated with implementation.

Sec. 32-517. - Authority

This article is adopted pursuant to the provisions of S.C. Code 1976 § 4-9-30. Personnel employed by the county administrator as code enforcement officers and personnel employed by the Sheriff of the county shall be vested with the authority to enforce and administer signage control within the county, ~~in accordance with the provisions of S.C. Code 1976 § 44-67-10 et seq and all rules and regulations adopted hereunder and the same are incorporated herein by reference as if fully set forth verbatim and as may be amended from time to time.~~

~~(Ord. No. 2007-09, § 2(2), 8-21-2007)~~

Sec. 32-518. - Jurisdiction

The regulations set forth in this article shall be applicable within the unincorporated areas of the county. All ~~billboards and signs to which this article applies which are billboards~~ constructed in the unincorporated areas of the county after the date of adoption of these standards shall be permitted under these regulations. ~~Billboards~~ Billboards and signs existing at the time of adoption of these standards shall be considered exempt, with the exception of any structure considered abandoned, disassembled, or otherwise removed from a site.

~~(Ord. No. 2007-09, § 3, 8-21-2007)~~

Sec. 32-519. - Terms and definitions

Except where specifically defined herein, all words used in this article shall carry their customary meanings. Words used in the present tense include the future tense; the singular number includes the plural. The word "shall" is mandatory.

~~Abandoned billboard or sign~~ means a billboard or sign which is not being maintained as required by S.C. Code ~~of Laws~~ § 57-26-110, et seq., and the regulations promulgated pursuant thereto, or which is overgrown by trees or other vegetation not on the road right of way, or which has an obsolete advertising message or no advertising message for a period of six months. Any public service signage shall not be considered abandoned under this definition

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Billboard means any advertising structure that directs persons to a different location from where the billboard is located or which is otherwise "off-premises" but makes no reference to a location means large format outdoor advertising displays or signs intended for viewing from extended distances. Billboards include but are not limited to 30-sheet posters, eight-sheet posters, vinyl-wrapped posters, bulletins, wall murals, and stadium/arena signage as defined by the Outdoor Advertising Association of America. Typically the sign area of a billboard ranges anywhere from 50 square feet to 672 square feet.

Existing billboard means for the purposes of these regulations, an 'existing billboard' shall be defined as any billboard either erected within the boundaries of the county prior to adoption of this article, or duly permitted by an agency of the county subsequent to adoption of this article.

Four-lane road means any public road or highway consisting of four or more travel lanes, allowing traffic to flow in opposite directions, or a public road or highway consisting of two or more one-way travel lanes.

Sign means any sign structure or combination of sign structure and message in the form of an outdoor sign, display, device, figure, painting, drawing, message, plaque, poster, billboard, advertising structure, advertisement, logo, symbol or other form which is designated, intended or used to advertise or inform in relation to the premises on which it is located, any part of the message or informative contents of which is visible from the main traveled way. The term does not include official traffic control signs, official markers, nor specific information panels erected, caused to be erected, or approved by the South Carolina Department of Transportation.

Sign area means the entire face of a sign or billboard, including the advertising surface and any framing, trim, or molding, but not including the supporting structure.

Sign permit means any permit, other than a building permit, obtained by an applicant from the county for the purpose of the construction or maintenance of a sign or billboard or a permit obtained for any temporary or political sign as defined by this article.

Stacked signs or billboards means any billboard structure so configured to present two or more sign areas at different elevations and/or presenting two or more sign areas facing in the same direction.

Two-lane road means any public road or highway consisting of two travel lanes allowing traffic to flow in opposite directions. Such roads may or may not also have at various locations turning lanes, medians, islands, or other traffic control features designed to enhance the safe and efficient utilization of the thoroughfare.

(Ord. No. 2007-09, § 4, 8-21-2007)

Sec. 32-520. - Requirements for billboards and other commercial signs.

- (a) Unless exempted hereby, all signs and billboards erected in the unincorporated areas of Oconee County shall be permitted under the provisions of this article.
- (b) No billboard visible (other than in an incidental manner) from a four-lane road located within the unincorporated areas of the county, shall be erected within 1,300 feet of an existing billboard located on the same road. This distance shall be measured as the shortest route of ordinary pedestrian or vehicular travel along the public through fare from the location of an existing billboard to the proposed site.
- (c) Billboards Signs with a sign area greater than or equal to 50 square feet, but less than or equal to 75 square feet, shall be permitted on two lane roads, provided said billboard signs are located no less than 1,300 feet from any existing or permitted billboards. No billboards or signs with a sign area greater than 75 square feet shall be permitted on two lane roads.
- (d) No sign shall contain more than 75 feet of sign area per sign face. This excludes building-mounted signs and structures considered billboards as defined by this chapter, which may contain up to 672 square feet of sign area.

(de) No billboard shall be located along any federal, state, or county designated scenic highways or roadways.

(ef) Signs and billboards permitted under these regulations shall impose no obvious hazards to any drivers, pedestrians, bicyclists, or other users of any public road in the unincorporated areas of Oconee County, as such, the following materials shall be submitted to the Community Development Director or his/her designee planning director at the time of application:

- (1) A completed application form;
- (2) A detailed site plan prepared and stamped by a surveyor licensed by the State of South Carolina, noting the proposed location of the structure, and verification that the new sign or billboard meets with all location requirements set forth in this article;
- (3) A set of construction plans, to include all proposed lighting features. All plans submitted shall be stamped by appropriate professionals licensed by the State of South Carolina;
- (4) Appropriate fees.

(eg) No stacked billboards shall be permitted within the unincorporated areas of Oconee County.

(fh) An abandoned billboard or sign, as defined by this article, shall be removed by the owner hereof the sign or the owner of the property upon which the billboard or sign is located within 45 days of notification by an the county building official that the billboard or sign is deemed an abandoned sign. The billboard or sign owner and/or the property owner may appeal the county's designation of the billboard or sign as an abandoned sign under this article to the magistrate's court of the county during the 45-day period to remove the billboard or sign. If the property owner files a timely appeal, the time period for removing the billboard or sign shall be tolled until the magistrate's court renders a decision. In the event that an abandoned billboard or sign is removed, the billboard or sign owner and/or the property owner shall have the right to replace it the sign with a new billboard or sign of the same size and height and for the same location for a period of six months from the date of removal.

~~(Ord. No. 2007-09, § 5, 8-21-2007)~~

Sec. 32-521. - Exemptions.

Any sign or billboard with a sign or billboard area less than 50 square feet shall be exempted from these regulations.

~~(Ord. No. 2007-09, § 6, 8-21-2007)~~

Sec. 32-522. - Fees.

Fees shall be established for the cost of a sign permit by ~~resolution of the~~ county council from time to time.

~~(Ord. No. 2007-09, § 7, 8-21-2007)~~

Sec. 32-523. - Permits.

Upon satisfactory completion of all requirements set forth in this article, the owner/agent shall be issued a land use permit by the Community Development Director or his/her designee planning director for construction of the billboard or sign. The land use permit shall be valid for six months from the date of issue; the owner/agent may be granted a one-time six-month extension, provided a written request is submitted to the planning director no later than seven working days prior to the original expiration date. Request for extension shall include documentation of efforts to obtain other necessary permits and

permissions needed to begin construction, specifically noting reason for extension request. Extensions shall be granted only to those projects that were delayed through no fault of the owner/agent of the billboard or sign. The land use permit issued by the planning director shall in no way be construed to be a building permit needed to begin construction of a sign. No building permit, or other county-issued permit, certification or approval, shall be issued for a billboard or ~~commercial~~ sign prior to the issuance of the land use permit.

(Ord. No. 2007-09, § 8, 8-21-2007)

Sec. 32-524. - Penalties.

Any person or entity violating the regulations set forth in this article is guilty of a misdemeanor and may be fined up to \$500.00 dollars or imprisoned for 30 days or both.

(Ord. No. 2007-09, § 9, 8-21-2007)

Secs. 32-525—32-600. - Reserved.

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE**

ORDINANCE 2017-14

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT FOR THE DESIGN, CONSTRUCTION, AND OPERATION OF THE OCONEE COUNTY WORKFORCE DEVELOPMENT CENTER, AND FURTHER, AUTHORIZING THE TRANSFER OF THE LAND UPON WHICH THE OCONEE COUNTY WORKFORCE DEVELOPMENT CENTER WILL BE LOCATED; AND OTHER MATTERS RELATED THERETO.

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

WHEREAS, the County currently desires to execute and enter into a Contract for the Design, Construction, and Operation of the Oconee County Workforce Development Center (the “Contract”) with the School District of Oconee County (“SDOC”) and Tri-County Technical College (“TCTC”); and

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

WHEREAS, Oconee County is the owner of that certain tract of land situate in Oconee County, commonly known as the Oconee Industry and Technology Park (“OITP”), TMS No.: 221-00-01-001; and

WHEREAS, it is contemplated by the Contract that a portion of the OITP, as shown on Exhibits “B” and “C” (the “Project Site”) will be transferred from the County to the SDOC.

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

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

Section 2. Project Site Transfer Approved. The transfer of the Project Site, consistent with the terms of the Contract, is hereby approved, and the County Administrator is hereby authorized and directed to execute and deliver a deed and/or such other conveyance documents, and to take all other steps as are necessary and appropriate to transfer the Project Site to the SDOC.

Section 3. Related Documents and Instruments; Future Acts. The County Administrator is hereby authorized to negotiate such documents and instruments which may be necessary or incidental to the Contract and the Project Site transfer and to execute and deliver any such documents and instruments on behalf of the County.

Section 4. Severability. Should any term, provision, or content of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such determination shall have no effect on the remainder of this Ordinance.

Section 5. General Repeal. All ordinances, orders, resolutions, and actions, specifically including proposed Ordinance 2016-30, of the Oconee County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and superseded.

Section 6. Effective Date. This Ordinance shall become effective and be in full force and effect from and after public hearing and third reading in accordance with the Code of Ordinances of Oconee County, South Carolina.

ORDAINED in meeting, duly assembled, this ____ day of _____, 2017.

ATTEST:

Clerk to Oconee County Council
Katie Smith

Edda Cammick
Chair, Oconee County Council

First Reading: June 6, 2017
Second Reading: June 20, 2017
Third Reading: _____
Public Hearing: _____

EXHIBIT A

Attached.

EXHIBIT B

Attached.

EXHIBIT C

Attached.

Exhibit A

STATE OF SOUTH CAROLINA)
)
COUNTY OF OCONEE)
) CONTRACT FOR THE DESIGN,
) CONSTRUCTION, AND OPERATION OF THE
) OCONEE COUNTY WORKFORCE
) DEVELOPMENT CENTER

This contract for the Design, Construction, and Operation of the Oconee County Workforce Development Center (“Agreement”) is made and entered into this _____ day of July, 2017, by and among Tri-County Technical College (“TCTC”), Oconee County (“County”), and the School District of Oconee County (“SDOC”) (collectively, “Parties”).

RECITALS

1. The purpose of this Agreement is to memorialize and make more definite and certain the Parties’ prior understandings and agreements in relation to the design, construction, and operation of a Workforce Development Center in Oconee County.

2. The Parties desire to construct and operate the Workforce Development Center pursuant to the terms and conditions outlined herein, and as the same may be modified, added to, and/or amended from time to time, in order to better prepare the students of the Workforce Development Center for workforce placement and to foster economic development in Oconee County.

3. The Parties have previously entered into Memoranda of Understanding, dated (1) June 16, 2015, fully-executed copy attached hereto as Exhibit A, (2) December 15, 2016, attached hereto as Exhibit B, and (3) June 8, 2016, fully-executed copy attached hereto as Exhibit C. These memoranda have generally outlined the Parties’ desire to construct the Workforce Development Center, to allocate responsibility for and contributions to pre-design efforts and costs, and to allow for cooperative purchasing, and the construction of the Workforce Development Center.

4. The Workforce Development Center will be located within the Oconee Industry and Technology Park.

5. The Parties desire to set forth and bind one another to certain obligations in order to effect the proper and efficient planning, design, construction, and operation of the Workforce Development Center.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the Parties agree as follows:

ARTICLE I
DEFINITIONS

Section 1.0 Definitions. Unless the context shall clearly indicate some other meaning, the terms defined in this section shall have, for all purposes of this Agreement, the meanings hereinafter specified, with the definitions equally applicable to both the singular and plural forms and vice versa. The term:

“County” shall mean Oconee County, South Carolina.

“County Council” shall mean the County Council of Oconee County, South Carolina.

“Improvements” shall mean all improvements to the OITP (defined below), including buildings, building additions, roads, sewer lines, and infrastructure, together with any and all additions, fixtures, accessions, replacements, and substitutions thereto or therefor used or to be used for the Project;

“Infrastructure” shall mean all infrastructure serving the Project, as more specifically described herein.

“OITP” shall mean the Oconee Industry and Technology Park.

“Property” shall mean that parcel of land situate in the OITP, as shown on Exhibit D, attached hereto, upon which the Project will be constructed.

“Project” shall mean the Oconee County Workforce Development Center, and shall generally consist of those improvements as depicted on Exhibit D.

“SDOC” shall mean the School District of Oconee County.

“State” shall mean the State of South Carolina.

“TCTC” shall mean Tri-County Technical College.

ARTICLE II
GENERAL REPRESENTATIONS, WARRANTIES, AND AGREEMENTS

Section 2.1. Representations, Warranties, and Agreements of the SDOC.

(a) It is a body politic and corporate and is authorized to enter into this Agreement.

(b) It will not be in default in any of its obligations (contractual or otherwise), including any violation of any applicable debt limit(s), as a result of entering into and performing under this Agreement.

(c) Unless stated otherwise herein, it agrees to be bound by the terms and obligations contained within the memoranda of understanding attached hereto as Exhibits A, B, and C, including but not limited to: (1) its agreement to procure and administer predesign and Construction Manager at Risk services and make financial contributions for such services as stated in Exhibit B; and (2) to manage and administer all contracts associated with the Project, and to make additional financial and other contributions to and for the design and construction of the Project as outlined in Exhibit C and as defined more specifically herein.

(d) To the extent within its control and as permitted by law, it has made or will make binding budgetary appropriations, of sufficient amounts and with sufficient detail, in order to carry out its obligations herein, provided, however, none of SDOC’s obligations are intended to, nor shall they ever, constitute an indebtedness of SDOC, the state, or any other political subdivision of the State.

Section 2.2. Representations, Warranties, and Agreements of TCTC.

(a) It is a body politic and corporate and is authorized to enter into this Agreement.

(b) It will not be in default in any of its obligations (contractual or otherwise), including any violation of any applicable debt limit(s), as a result of entering into and performing under this Agreement.

(c) Unless stated otherwise herein, it agrees to be bound by the terms and obligations contained within the memoranda of understanding attached hereto as Exhibits A, B, and C, including but not limited to: (1) its agreement to make financial contributions for predesign services as stated in Exhibit B; and (2) to make additional financial and other contributions to and for the design and construction of the Project as outlined in Exhibit C and as defined more specifically herein.

(d) To the extent within its control and as permitted by law, it has made or will make budgetary appropriations of the funds provided by the State of South Carolina (“State”) for the Project to carry out TCTC’s obligations herein, provided, however, none of TCTC’s obligations are intended to, nor shall they ever, constitute an indebtedness of TCTC or the State or any other political subdivision of the State.

Section 2.3. Representations, Warranties, and Agreements of the County:

- (a) It is a body politic and corporate and is authorized to enter into this Agreement.
- (b) It will not be in default in any of its obligations (contractual or otherwise), including any violation of any applicable debt limit(s), as a result of entering into and performing under this Agreement.
- (c) Unless stated otherwise herein, it agrees to (i) perform the work as shown on Exhibit E attached hereto and incorporated herein. As shown on Exhibit E, the County's work includes certain land preparation (primarily mass grading, which does not include finish pad grading or preparation), infrastructure costs (including a road, curbs, drainage and a stormwater facility located outside of the Property but within the OITP), intersection improvements at Highway 11 (contingent on LAR grant funding), internal utilities (water and sewer, excluding taps to the respective buildings), and civil design and site work relating to the foregoing, all in connection with the Oconee County Workforce Development Center (to be undertaken in partnership among the County, Tri-County Technical College, and the School District of Oconee County, South Carolina) and the Oconee Industry and Technology Park; and (ii) be bound by the terms and obligations contained within the memoranda of understanding attached hereto as Exhibits A, B, and C, including: (A) It has fulfilled its obligations under the terms of Exhibits B and C as relate to design and/or construction costs; (B) it agrees to contribute and/or pay for the site work and Infrastructure costs of the project as stated above; (C) it agrees to transfer the Property to the SDOC under the terms and conditions contained herein; (D) its contributions for site work and infrastructure, along with the transfer of the Property, are the County's sole remaining obligations for the design and construction of the Project.

ARTICLE III
THE PROJECT

Section 3.1. Identification of the Project. The Project shall consist of those Improvements as generally depicted on Exhibit D.

Section 3.2. Location of the Project. The Project shall be located within the OITP as generally shown on Exhibit D.

Section 3.3. Project Site Preparation. Prior to commencement of any construction, the County shall provide for the work described in Section 2.3(c), above.

Section 3.4. Design and Construction of the Project. The SDOC shall bear primary responsibility for designing and constructing, subject to full compliance with all local, state, and federal building codes, industry standards, manufacturer requirements, and procurement laws, the Project. The SDOC will confer with TCTC and the County during the design and construction of the Project and prior to construction will obtain the approval of TCTC and the County as to the final pre-construction design materials and specifications, which approval will not be unreasonably withheld. Subsequently, the SDOC will obtain prior approval from TCTC and the County as to any planned changes in design or construction affecting TCTC's or the County's portions of the Project, and where practicable the parties will confirm such approvals in writing.

Except as set forth in section 2.3(c) and 3.3 of this Agreement, all costs related to design, construction, and operation of the Project shall be borne by, and the sole responsibility of the SDOC and TCTC, as those Parties shall agree by subsequent agreement ("Construction, Lease and Operations Agreement"), the substantially final form of which is attached to this Agreement as Exhibit F, subject to review, revision, and approval, as described in the succeeding sentence. The Parties do not have any rights or obligations under this Agreement unless and until TCTC has received all review by and approvals from all appropriate governmental bodies, for example, Commission on Higher Education, Joint Bond Review Committee, State Fiscal Accountability Authority, regarding the construction, lease and operation of the Project and the form of the "Construction, Lease and Operations Agreement."

The County's contribution to the Project is limited to site improvements, Infrastructure, and the transfer of the Property to the SDOC. The County and the SDOC agree that TCTC's obligations under this Agreement with respect to the costs associated with designing and constructing the Project are limited by the amount of the State appropriation (\$7,250,000) for those purposes, and TCTC is not obligated to spend any additional funds for those purposes.

Section 3.5. Ownership of the Property. Contingent upon all conditions precedent being fulfilled by the SDOC and TCTC, as stated herein and with specific reference being made to the completion of approved design plans and specifications and satisfactory financial assurances, the County will transfer the Property to the SDOC prior to construction of the Project. Such transfer will be by limited warranty deed, in a form mutually agreeable to the Parties, and specifically subject to a reversionary interest reserved to the County as follows: If the Property ceases to be used and operated as a Workforce Development Center or otherwise as an educational facility operated by the SDOC of a similar nature and scale as the Project, that has for its primary purpose the provision of technical education and work-based learning, as well as the stimulation and support of economic development then the County shall have the right, upon notice to the SDOC and TCTC, to re-enter upon the Property and re-take possession thereof, in which event fee simple title to the Property, including all improvements thereon, shall revert to the County upon exercise of such right of re-entry. The County shall be entitled to reimbursement of all attorney fees and costs from the SDOC if litigation is necessary to enforce the County's reversionary interest. Any transfer by the SDOC to TCTC, or any other entity of all or a portion of the Property shall also be subject all conditions stated in this Agreement, including the County's reversionary interest, which shall run with the land. The County acknowledges the SDOC and TCTC intend to enter a lease or other similar arrangement with respect to TCTC's right to occupy and use the Project, as described in section 3.4 of this Agreement. The Parties agree that if TCTC terminates or discontinues its lease and use of the Project, such action will not trigger the reversionary clause so long as the SDOC continues to operate an educational facility on the property as described above.

Section 3.6. Infrastructure serving the Project.

(a) It is understood by the Parties that the County is incurring or has incurred bonded indebtedness, by way of 2016 general obligation bonds ("Bond Program"), in order to provide for the site improvements and Infrastructure serving the Project.

(b) It is further understood that funds received through the Bond Program, which are generally allocable to the Project, are not solely purposed to serve the Project, but they will also be used to effect site improvements and provide Infrastructure throughout the OITP, among other uses.

(c) It is agreed that if the County is unable to secure all funds it anticipates from the Bond Program that would be allocable to the Project, then the Parties are released from their obligations under this Agreement.

(d) The site improvements and Infrastructure that the County commits to contribute to the Project, subject to the conditions above, are generally shown on Exhibit E, attached hereto and incorporated herein by reference.

Section 3.7. Commencement and Completion of Development and Construction.

(a) The Parties agree that time is of the essence in fulfilling the terms of this Agreement.

(b) Thus, the Parties shall proceed to discharge their obligations herein expeditiously and in accordance with their budgetary appropriations and capital improvement plans.

Section 3.8. Compliance with Permits and Laws. The Project shall be designed and constructed in accordance with all terms and conditions of the permit(s) issued in relation thereto, and in conformity with all industry standards, manufacturer requirements, and any and all local, state, and federal laws.

Section 3.9. Operation of the Project. The Project will be operated by the SDOC. As between the

County and the SDOC, the SDOC shall be responsible for all costs associated with operating the Project. As between the SDOC and TCTC, the relative share of the costs associated with operating the Project shall be set forth in the Construction, Lease and Operations Agreement.

Section 3.10. Damage to or Destruction of Project - Insurance. In the event the Project is damaged or destroyed, in whole or in part, so as to make it unusable for the purposes intended, the SDOC agrees, subject to available insurance proceeds being available, to rebuild the Project in substantially the same form as it was original constructed, within two years from the date of damage or destruction. In the event that the Project is not reconstructed for any reason, the SDOC agrees to clean up all of the debris and to leave the Property in substantially the same condition as when title is transferred from the County to the SDOC and to transfer the Property back to the County consistent with the County's reversionary rights as described in section 3.5 of this Agreement. The SDOC agrees to carry property damage insurance on the Project in an amount sufficient to cover all replacement costs with the County and TCTC named as additional insureds or loss payees, as their respective interests may appear, on the policy.

Section 3.11. Obligation to Rebuild - Use of Insurance Proceeds. In the event the Project is damaged or destroyed, the proceeds of any insurance shall be deposited with an escrow agent which is acceptable to the Parties until arrangements can be made to repair or rebuild the Project. In the event the SDOC does not, for any reason, repair and/or reconstruct the Project or clean up all debris, leaving the project in the condition described in section 3.10 of this Agreement, then the County shall have the right to use such amount of the escrowed proceeds as necessary for the cleanup and removal of debris and/or the reconstruction of the Project.

ARTICLE IV DEFAULT

Section 4.1. Defaults. Each of the following events shall be a default and a breach of this Agreement and constitute an "Event of Default":

(a) Abandonment. Abandonment of the Project, where such abandonment continues for a period of 90 days after notice thereof by either Party to a non-defaulting party. Such abandonment shall not include any time that the Project is vacated due to a casualty.

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

(c) Insolvency or Dissolution. An assignment by the SDOC and/or TCTC for the benefit of creditors, or the filing of a voluntary or involuntary petition by or against the SDOC and/or TCTC under any law for the purpose of adjudicating the SDOC and/or TCTC as bankrupt or insolvent; or for extending time for payment, adjustment or satisfaction of the SDOC's and/or TCTC's liabilities; or reorganization, dissolution, or rearrangement on account of, or to prevent bankruptcy or insolvency.

(d) Transfer of Interest. Any transfer, sale, conveyance, assignment, subletting, hypothecation, encumbrance or pledge of a Party's interest in the Project whether voluntary, involuntary, or otherwise by operation of law, without the written consent of the other Parties.

(e) Failure to Effect Site Improvements and/or Construct Infrastructure. Failure by the County to effect the site improvements and/or construct Infrastructure as described in this Agreement.

(f) Failure to Transfer Property. Failure by the County to transfer the Property after the happening of all conditions precedent thereto.

(g) Failure to Construct the Project. Failure by the SDOC and TCTC to design or construct the Project on the

Property consistent with the design plans specifications as agreed to in writing by the Parties.

(h) Failure to Operate the Project. The failure to use and/or operate the Property / Project as a Workforce Development Center.

(i) Performance Under this Agreement. Failure to observe or perform any of a Party's covenants, conditions, other agreements under this Agreement; or the breach of any warranties, representations, or obligations made in the Agreement.

Section 4.2. Notice and Right to Cure. Upon the occurrence of any Default, as delineated in Section 4.1 or breach of any other provision of this Agreement by a Party hereto, unless a shorter time is stated in this Agreement, the defaulting Party shall have 90 days to cure the default after written notice is given by a non-defaulting Party, specifying the nature of the default; provided, however, that if after exercise of due diligence and its best efforts to cure such default, the defaulting Party is unable to do so within the ninety (90) day period, then the cure period may be extended, upon written agreement by the non-defaulting Party, or Parties, for a such reasonable time as may be deemed necessary to cure the default.

Section 4.3. Remedies. If any default shall continue uncured by a Party hereto, the non-defaulting Party may exercise any one or all of the following remedies in addition to all other rights and remedies provided by law or equity, from time to time, to which the non-defaulting Party may resort cumulatively or in the alternative:

(a) Enforce the terms of this Agreement, including the County's reversionary rights, or to seek injunctive relief, including a temporary restraining order, preliminary injunction, and specific performance without showing or proving any actual damage sustained and shall not thereby be deemed to have elected its remedies.

(b) Receive reimbursement from the defaulting Party for all expenses incurred by the non-defaulting Party in connection with the performance of the non-defaulting Party's obligations under this Agreement, including attorney fees and costs incurred in enforcing the terms of this Agreement.

(c) Pursue any other remedies available under the laws of the State of South Carolina.

(d) Remedies Cumulative. All the remedies hereinbefore given to the Parties and all rights and remedies given to them at law and in equity shall be cumulative and concurrent. It is agreed between the Parties to this Agreement that no adequate remedy at law is available in the event of a breach or threatened breach of this Agreement and the Parties are therefore entitled to injunctive relief, including specific performance, for any such actual or threatened breach.

ARTICLE V GENERAL PROVISIONS

Section 5.1. Conditions and Covenants. All of the provisions of this Agreement shall be deemed as running with the land, and construed to be "conditions" as well as "covenants" as though the words specifically expressing or imparting covenants and conditions were used in each separate provision.

Section 5.2. No Waiver of Breach. No failure by any Party to insist upon the strict performance by the another Party of any covenant, agreement, term, or condition of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of such covenant, agreement, term, or condition. No waiver of any breach shall affect or alter this Agreement, but each and every covenant, condition, agreement, and term of this Agreement continue in full force and effect with respect to any other then existing or subsequent breach.

Section 5.3. Unavoidable Delay - Force Majeure. If a Party shall be delayed or prevented from the

performance of any act required by this Agreement by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws, regulations, or other cause, without fault and beyond the reasonable control of the Party obligated (financial inability excepted), performance of such act shall be excused for the period of the delay; and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

Section 5.4. Notices. Unless otherwise specifically provided in this Agreement or by law, any and all notices or other communications required or permitted by this Agreement or by law to be served on, given to, or delivered to any Party to this Agreement shall be in writing and shall be deemed duly served, given, delivered, and received when personally delivered (including confirmed overnight delivery service to the Party to whom it is directed), or in lieu of such personal delivery, when 3 business days have elapsed following deposit thereof in the United States mail, first-class postage prepaid, certified, return receipt requested, addressed to:

Oconee County: Oconee County, South Carolina
c/o Oconee County Administrator
415 South Pine Street
Walhalla, South Carolina 29691

with a copy to (does not constitute notice):
Oconee County Attorney
415 South Pine Street
Walhalla, South Carolina 29691

School District of
Oconee County: School District of Oconee County
c/o Superintendent
414 South Pine Street
Walhalla, South Carolina 29691

with a copy to (does not constitute notice):
Halligan Mahoney & Williams
c/o Allen D. Smith
P.O. Box 11367
Columbia, South Carolina 29211

Tri-County Technical College: Tri-County Technical College
c/o Vice President for Business Affairs
Post Office Box 587
Piedmont, South Carolina 29670

with a copy to (does not constitute notice):
Parker Poe Adams & Bernstein LLP
c/o Michael E. Kozlarek, Esquire
110 East Court Street, Suite 200
Greenville, South Carolina 29601

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

Section 5.5. Captions. Captions in this Agreement are inserted for convenience of reference only and do not define, describe, or limit the scope or the intent of this Agreement or any of the terms hereof.

Section 5.6. Waiver; Amendment. No modification, waiver, amendment, discharge, or change of this

Agreement shall be valid unless the same is in writing and signed by the Party against which the enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

Section 5.7. Time. Time is of the essence of each obligation of each Party hereunder.

Section 5.8. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of South Carolina, without regard to conflict of law principles.

Section 5.9. Binding Effect. Subject to any provision of this Agreement that may prohibit or curtail assignment of any rights hereunder, this Agreement shall bind and inure to the benefit of the respective heirs, assigns, personal representatives, and successors of the Parties hereto.

Section 5.10. Execution of Other Instruments. Each Party agrees that it shall, upon the other's request, take any and all steps, and execute, acknowledge and deliver to the other Party any and all further instruments necessary or expedient to effectuate the purpose of this Agreement.

Section 5.11. Severability. If any term, provision, covenant, or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable or is otherwise challenged and determined to be invalid, illegal, or incapable of being enforced as a result of any rule of law or public policy issued by an administrative or judicial forum that is not subject to further appeal or is not actually appealed, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated. In such event or if an opinion of counsel is provided to the effect that this Agreement is not so enforceable, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible and to comply with applicable law, regulations or published governmental interpretations thereof, in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

Section 5.12. Counterparts. This Agreement may be executed by scanned signature, facsimile, or electronic means, in one or more counterparts, each of which shall be deemed an original and when taken together will constitute one instrument.

Section 5.13. Dispute Resolution; Waiver of Trial by Jury.

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

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

Section 5.14. Approval and Authority. This Agreement is subject to approval by the governing body of

each Party and will take effect upon its execution by all Parties after such approval.

**[ONE SIGNATURE PAGE AND SIX EXHIBITS FOLLOW]
[REMAINDER OF PAGE INTENTIONALLY BLANK]**

SIGNATURE PAGE:
CONTRACT FOR THE DESIGN, CONSTRUCTION, AND
OPERATION OF THE OCONEE COUNTY WORKFORCE DEVELOPMENT CENTER
EXHIBITS A-F FOLLOW

TRI-COUNTY TECHNICAL COLLEGE

By: _____

Names: _____

Its: _____

OCONEE COUNTY, SOUTH CAROLINA

By: _____

Names: _____

Its: _____

SCHOOL DISTRICT OF OCONEE COUNTY

By: _____

Names: _____

Its: _____

EXHIBIT A
MEMORANDUM OF UNDERSTANDING, DATED JUNE 16, 2015

EXHIBIT B
MEMORANDUM OF UNDERSTANDING, DATED DECEMBER 15, 2016

EXHIBIT C
MEMORANDUM OF UNDERSTANDING, DATED JUNE 8, 2016

EXHIBIT D
PROPERTY AND PROJECT DEPICTION

EXHIBIT E
COUNTY COMMITTED SITE IMPROVEMENTS AND INFRASTRUCTURE

EXHIBIT F
[SUBSTANTIALLY FINAL FORM OF]
CONSTRUCTION, LEASE AND OPERATIONS AGREEMENT

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is made and entered into as of July _____, 2017 (“**Effective Date**”), between School District of Oconee County (“**Landlord**”), and Tri-County Technical College (“**Tenant**”).

WITNESSETH:

In consideration of the mutual covenants and agreements contained herein, the parties hereto agree for themselves, their successors and assigns, as follows:

LANDLORD PROPERTY. Subject to certain reversionary rights of Oconee County, South Carolina (“County”), Landlord owns certain real estate consisting of land, buildings and other improvements, and fixtures, together with all rights, appurtenances, easements, and privileges thereto, located in Oconee County, South Carolina, as more particularly depicted in **Exhibit A** attached hereto and incorporated herein by reference (“**Landlord Property**”).

LEASED PREMISES AND TERM. Landlord, in consideration of the rents, covenants, and agreements hereinafter reserved and contained to be paid and performed by Tenant, hereby demises and lets unto Tenant that certain real estate consisting of land, buildings and other improvements, and fixtures, together with all rights, appurtenances, easements, and privileges thereto, located in Oconee County, South Carolina, as more particularly depicted in **Exhibit B** attached hereto and incorporated herein by reference (“**Leased Premises**”), for a term commencing on the Effective Date and, unless sooner terminated as provided in this Lease, extending for an term expiring on the date which is fifty years after the Effective Date (as the same may be extended, “**Term**”).

This Lease, at the option of Tenant, exercised by written notice to Landlord given 180 days prior to the expiration of the Term or any extension period herein referred to (excluding the last extension period) may be extended for five successive periods of ten years each upon the terms and conditions set forth in this Lease; provided, however, Tenant is not in default hereunder at the time of giving such notice and at the time any such extension period commences.

CONSTRUCTION OF PROPERTY. Except as set forth in, and subject to, Contract for the Design, Construction, and Operation of the Oconee County Workforce Development Center, dated July [], 2017, among the County, Landlord, and Tenant (“Tri-Party Agreement”), all costs related to design, construction, and operation of the Project (as defined in the Tri-Party Agreement) shall be borne by, and the sole responsibility of Landlord and Tenant. Except for the costs of those portions of the Project to be paid by the County under the Tri-Party Agreement, which shall be borne by the County, Landlord and Tenant shall fairly apportion the costs of design, construction, and operation of the Project according to the ultimate intended use of the Project—that is, (a) the costs of those portions of the Project to be used by Landlord shall be borne by Landlord, (b) the costs of those portions of the Project to be used by Tenant shall be borne by Tenant, and (c) the costs of the those portions of the Project to be used in common by Landlord and Tenant shall be borne by Tenant based on the percentage of the estimated square footage of buildings making up a part of Leased Premises relative to the total square footage of all buildings on Landlord’s Property, with Landlord bearing the remainder.

1. **RENT.** Commencing on the Effective Date, Tenant shall pay and Landlord shall accept as rent (“**Rent**”) for Leased Premises the sum of \$1.00 for the entirety of the Term. Rent shall be paid to Landlord without demand and without setoff or reduction on or before the tenth day after the Effective

Date at the offices of Landlord specified herein, or at such other address as Landlord may designate to Tenant by Notice in the manner hereinafter provided.

2. **USE OF LEASED PREMISES.** Tenant covenants and agrees that Leased Premises shall be used solely for those, as permitted in Tri-Party Agreement, and for no other purpose without the prior written approval of Landlord ("**Permitted Use**").

3. **TAXES.** The parties do not expect any taxes will be due with respect to Leased Premises. The parties shall cooperate regarding a party's effort to apply for, achieve, and maintain any appropriate tax-exemptions, abatements, or reductions. To the extent any taxes are or become due and payable, the parties shall act according to the following.

(a) Tenant shall pay promptly when due or make reimbursement to Landlord for all taxes imposed upon the Rent, this Lease, and Tenant's operation, including, without limitation, all sales taxes, value added taxes, documentary taxes, stamp taxes, and other taxes assessed upon the consideration to be received by Landlord for this Lease.

(b) Tenant covenants and agrees to pay throughout the Term of this Lease, or at Landlord's election reimburse Landlord for all levies, real estate taxes, ad valorem taxes, water and sewer charges, and similar charges, including fees in lieu of taxes pursuant to an agreement with any applicable governmental authority, and to make all payments on account of special or general assessments (all of which are referred to in this Lease as "**taxes**" or "**tax**") which are levied or assessed against Leased Premises and/or the buildings and improvements thereon, or any part thereof, or any taxable interest therein, and which become payable during the Term as aforesaid, whether such taxes are ordinary or extraordinary, when they shall respectively become due and payable, to the end that Landlord shall receive the Rent free and clear of all taxes which become payable during the Term of this Lease. For purposes of determining the taxes associated with Leased Premises, Tenant shall pay a proportionate share of the total taxes associated with Landlord's Property based on the percentage of the square footage of buildings making up a part of Leased Premises relative to the total square footage of all buildings on Landlord's Property.

4. **IMPROVEMENTS.** Leased Premises are leased and Tenant accepts the same in their "as is" condition. Landlord shall have no obligation to build or make any improvements thereon or thereto whatsoever.

5. **UTILITIES:** Tenant shall pay, prior to delinquency, all electricity, heat, water, sewer, trash removal, and all other utility charges and costs of any kind for utilities used or consumed at Leased Premises. Landlord is not responsible for any interruptions or curtailments in utility services unless caused in whole or in part by Landlord.

6. **INSURANCE.** Tenant shall obtain, on or before the earlier of the Effective Date or Tenant's entering Leased Premises for any purpose, and keep in force at all times thereafter during the Term of this Lease, the following insurance coverages with respect to Leased Premises:

(a) Commercial general liability insurance, with contractual liability broad form liability endorsement insuring against any and all liability for injury to or death of a person or persons and for damage to property occasioned by or arising out of any construction work being done on Leased Premises, or arising out of the use or occupancy of Leased Premises, or in any way occasioned by or arising out of the activities of Tenant, its agents, contractors, employees, guests, invitees, or licensees in Leased Premises, the limits of such policy or policies to be in amounts not less than \$1,000,000.00 for each occurrence combined single limit and an aggregate of not less than \$2,000,000.00. Such insurance shall, in addition, extend to any liability of Tenant arising out of the indemnities provided for in this Lease. All-risk or "special form" property insurance in an amount adequate to cover loss of the replacement value of all personal property, decorations, trade fixtures, furnishing, equipment, alterations,

and all other contents located or placed therein.

(b) Workmen's compensation insurance covering all persons employed directly or indirectly in connection with any work performed by Tenant or any repair or alteration authorized by this Lease or consented to by Landlord and all employees and agents of Tenant with respect to whom death or bodily injury claims could be asserted against Landlord or Tenant, as required by applicable law.

(c) Tenant shall reimburse Landlord, within ten days of written demand, for all premiums incurred by Landlord in connection with such hazard insurance as Landlord shall deem appropriate for Leased Premises.

(d) Such other types of insurance in form and amount which Landlord shall reasonably deem to be prudent for Tenant to carry.

(e) All of the aforesaid insurance (except for Workmen's Compensation Insurance) shall be written in the name of Tenant with Landlord (and any designee(s) of Landlord) named as an additional insured and shall be written by whatever company or South Carolina governmental entity Tenant shall select. All such insurance shall contain endorsements that (i) such insurance may not be cancelled or amended with respect to Landlord (or its designees) except upon thirty days' prior written notice to Landlord (and such designees) by the insurance company and (ii) Tenant shall be solely responsible for payment of premiums and Landlord (or its designees) shall not be required to pay any premium for such insurance. The minimum limits of the commercial general liability policy of insurance shall in no way limit or diminish Tenant's liability hereunder. Tenant shall deliver to Landlord at least fifteen days prior to the time such insurance is first required to be carried by Tenant, and thereafter at least fifteen days prior to the expiration of such policy, either a duplicate original or a certificate of insurance on all policies procured by Tenant in compliance with its obligations hereunder, together with evidence satisfactory to Landlord of the payment of the premiums therefor. If Tenant fails to obtain and provide any or all of the aforesaid insurance, then Landlord may, but shall not be required to, purchase such insurance on behalf of Tenant and add the cost of such insurance as additional Rent due under this Lease. Tenant agrees, at its own expense, to comply with all rules and regulations of the fire insurance rating organization having jurisdiction.

7. WAIVER OF SUBROGATION. Landlord and Tenant hereby release each other and each party's officers, directors, employees, and agents from liability or responsibility for any loss or damage to their respective property covered by insurance policies, or which would have been covered by insurance if the party had complied with the terms and provisions of this Lease. This release shall apply to Landlord and Tenant and anyone claiming through or under Landlord or Tenant, by way of subrogation or otherwise, even if the occurrence was caused by the fault or negligence of Landlord or Tenant or anyone under their control. Each of Landlord and Tenant shall cause any property damage insurance which it maintains in respect to Leased Premises to contain a provision whereby the insurer waives any rights of subrogation against the other party.

8. REPAIRS. During the Term hereof, Tenant agrees to perform all construction, repairs, replacements, maintenance, and reconstruction, whether foreseeable or unforeseen, ordinary or extraordinary, structural or non-structural of the buildings and other improvements now or hereafter located on Leased Premises and all additions thereto or alterations thereof at Tenant's sole cost and expense. Tenant will not suffer or permit any waste or neglect of Leased Premises and will take such steps as often as may be necessary to keep the buildings, appurtenances, and other improvements on Leased Premises in a first-class and modern condition. Tenant shall keep Leased Premises in good order and condition and a good state of repair at all times, including without limitation, keeping same in a clean and sanitary condition, promptly removing all rubbish, litter, and surface waters, and resurfacing, marking and repairing of all parking areas, walkways, and landscaping.

9. **ALTERATIONS AND IMPROVEMENTS.** Tenant shall not make any alterations or improvements to Leased Premises without the prior written consent of Landlord.

10. **DAMAGE OR DESTRUCTION.** Tenant agrees that no damage or destruction to any buildings or improvements by fire, windstorm, or any other casualty shall entitle Tenant to surrender possession of Leased Premises or to terminate this Lease, or to violate any of its provisions, or to cause the abatement or rebate in the Rent then due or thereafter becoming due under the terms hereof. In the event all or any portion of the buildings or improvements on Leased Premises shall be damaged or destroyed, Tenant, at its sole cost and expense, shall promptly repair, restore, and rebuild same to the condition as existed immediately prior to such damage or destruction within one year from the date of such casualty. If Tenant shall be in default at any time while there remains outstanding any obligation from any insurance company to pay for the damage or any part thereof, then the claim against the insurance company shall be deemed immediately to become the absolute and unconditional property of Landlord. Upon curing of any such default all funds shall be paid to Tenant.

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

12. **ASSIGNMENT OR SUBLETTING.** Tenant shall make no assignment or subletting without the prior written consent of Landlord, and upon such terms and conditions as Landlord may approve. Any assignment or Lease of Leased Premises shall not release or relieve Tenant from any obligations of this Lease. Any assignee of Tenant pursuant to an assignment consented to by Landlord shall assume Tenant's obligations hereunder and shall deliver to Landlord an assignment and assumption agreement in form satisfactory to Landlord within ten days after the effective date of the assignment.

13. **FINANCING: SUBORDINATION OF TENANTS INTEREST.** Tenant agrees that this Lease and all of Tenant's right, title, and interest in and to this Lease and Leased Premises is subject and subordinate to any mortgage, deed of trust, or other security instrument which Landlord may now or hereafter place upon all or any portion of Leased Premises (each, "**Mortgage**") and to all renewals, modifications, amendments, and extensions thereof and to all the terms and provisions thereof. This provision is self-operative. Tenant agrees, however, to promptly execute any document or instrument which may be requested by Landlord or any mortgagee or lender holding a Mortgage (each, "**Mortgagee**") evidencing such subordination.

14. **ESTOPPEL CERTIFICATE.** Tenant shall, from time to time within ten days after Landlord's demand, execute and deliver to Landlord and/or Landlord's designee an estoppel certificate in a form acceptable to Landlord and/or Landlord's designee certifying (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as so modified), (b) the dates to which rent and other charges payable under this Lease have been paid, (c) that Landlord is not in default under this Lease (or if Tenant alleges a default, then (i) stating the nature of such alleged default, and (ii) the date of written notice provided to Landlord stating such default), and (d) such other matters as Landlord and/or such designee may require. If Tenant fails to execute and deliver to Landlord and/or Landlord's designee any such estoppel certificate within ten days after Landlord's demand, then Tenant shall be automatically deemed to have approved such estoppel certificate in the form submitted to Tenant and all the matters set forth therein.

EXHIBIT F-4

15. HAZARDOUS MATERIALS

(a) Throughout the Term, Tenant and Tenant's employees, agents, invitees, licensees, and contractors shall not cause, permit, or allow any substances, chemicals, materials, or pollutants (whether solid, liquid, or gaseous) deemed to be toxic or hazardous or the manufacture, storage, transport, or disposal of which is regulated, governed, restricted, or prohibited by any federal, state, or local agency or authority, or under any federal, state, or local law, ordinance, rule, or regulation related to the environment, health, or safety (collectively, "**Environmental Laws**"), including, without limitation, any oil, gasoline, petroleum, petroleum by-products, hazardous substances, toxic substances, hazardous waste, asbestos, or asbestos containing materials (collectively, "**Hazardous Materials**"), to be handled, placed, stored, dumped, released, manufactured, used, transported, or located on, in, under, or about Leased Premises. Notwithstanding the foregoing paragraph, Tenant shall not be prohibited from handling, placing, storing, using and transporting Hazardous Materials that are required to be used by Tenant, as described in paragraph 3, above "Use of Leased Premises," so long as such materials are handled, used, stored and transported in accordance with applicable laws and regulations.

(b) Tenant shall give Landlord immediate written notice of any problem, spill, discharge, threatened discharge, or discovery of any Hazardous Materials on or about Leased Premises or claim thereof.

16. DEFAULT. Tenant shall be in default hereunder if (a) Tenant fails to pay when due Rent and any other sums due under this Lease; (b) Tenant fails to observe and perform any of the other terms, covenants, and/or conditions of this Lease and such default shall continue for more than thirty days after written notice from Landlord to Tenant; (c) Tenant fails to pay when due the Rent and any other sums payable under this Lease three or more times in any period of twelve consecutive months; or (d) Leased Premises shall be abandoned (as defined below) or vacated for a period of more than fifteen consecutive days during the Term.

In the event of any default by Tenant, Landlord may (i) cure Tenant's default at Tenant's cost and expense, and/or (ii) re-enter Leased Premises and remove all persons and all or any property therefrom by any suitable action or proceeding at law, without being liable for any prosecution therefor or damages therefrom, and repossess and enjoy Leased Premises with all buildings, additions, alterations, and improvements, and Landlord may, at its option, repair, alter, remodel, and/or change the character of the improvements on Leased Premises as it may deem fit, and/or (iii) at any time relet Leased Premises or any part or parts thereof, as the agent of Tenant or in Landlord's own right, and/or (iv) terminate this Lease upon not less than five days' written notice to Tenant. The exercise by Landlord of any right granted in this section shall not relieve Tenant from the obligation to make all rental payments and to fulfill all other covenants required by this Lease at the time and in the manner provided herein and if Landlord so desires all current and future rent and other monetary obligations due hereunder less the fair rental value of Leased Premises (adjusted to reflect the present value of said obligation as of said date using the statutory judgment interest rate in making said calculation) shall become immediately due and payable. Tenant throughout the remaining Term hereof shall pay Landlord, no later than the last day of each month during the Term, the then current excess, if any, of the sum of the unpaid rentals and costs to Landlord resulting from such default by Tenant over the proceeds, if any, received by Landlord from such reletting, if any, but Landlord shall have no liability to account to Tenant for any excess. Landlord shall not be required to relet Leased Premises nor exercise any other right granted to Landlord hereunder, nor shall Landlord be under any obligation to minimize Tenant's loss as a result of Tenant's default. If Landlord attempts to relet Leased Premises, Landlord shall be the sole judge as to whether or not a proposed tenant is suitable and acceptable.

The failure of Landlord to insist upon strict performance of any of the terms, conditions, and covenants herein shall not be deemed to be a waiver of any rights or remedies that Landlord may have and shall not be deemed a waiver of any subsequent breach or default in the terms, conditions, and covenants herein contained except as may be expressly waived in writing.

EXHIBIT F-5

Halligan Mahoney & Williams
c/o Allen D. Smith
P.O. Box 11367
Columbia, South Carolina 29211

If to Tenant: Tri-County Technical College
c/o Vice President for Business Affairs
Post Office Box 587
Piedmont, South Carolina 29670

with a copy to (does not constitute notice):

Parker Poe Adams & Bernstein LLP
c/o Michael E. Kozlarek, Esquire
110 East Court Street, Suite 200
Greenville, South Carolina 29601

22. **HOLDING OVER.** Tenant may not remain upon Leased Premises after the day of expiration of the Term without Landlord's written approval. With Landlord's approval, Tenant shall become a tenant-at-will and any such holding over shall not constitute an extension of the Lease. Nothing contained herein shall be interpreted to grant permission to Tenant to holdover or to deprive Landlord of any rights and remedies with respect thereto. Such occupancy shall be subject to all the terms, covenants and conditions of this Lease.

23. **OTHER PROVISIONS.**

(a) **Pro-Rata Share.** Notwithstanding the foregoing, Tenant shall be responsible for only that portion of taxes, utilities, and other charges or assessments related to Tenant's pro rata usage of the facilities (based on Tenant's rented space and acreage relative to the entirety of the Project and Property), which comprise Leased Premises

(b) **Short Form of Lease.** The parties agree that they will, at the request of either of them, promptly execute duplicate originals of an instrument in recordable form which will constitute a short form of Lease setting forth a description of Leased Premises, the Term, and any other portions hereof except monetary provisions as either party may request.

(c) **Entire Agreement.** This Lease, contains the entire agreement of the parties and may not be amended, modified, released, or discharged, in whole or in part, except by an instrument in writing signed by the parties.

(d) **Captions.** The captions contained in this Lease are for convenience and reference only, and shall not be held to explain, modify, amplify, or aid in the interpretation, construction, or meanings of the provisions of this Lease to which they relate.

(e) **Provisions Severable.** This Lease shall be governed by and construed in accordance with the laws of the State of South Carolina. If any provision of this Lease shall to any extent be invalid or unenforceable, the remainder of this Lease or the application of such provision or any portion thereof to any person or circumstances shall not be affected thereby, and each valid provision or portion thereof shall be enforceable to the fullest extent permitted by law.

(f) **Relationship of Parties.** Nothing contained in this Lease shall be construed to make the parties partners or joint venturers or to render either of said parties liable for the debts or obligations of the other, except as expressly provided in this Lease.

(g) **Nuisance.** Tenant covenants that it will not create or maintain or allow others to create or maintain any nuisance on Leased Premises.

(h) **Successors.** Subject to the provisions of this Lease, the covenants, conditions, and agreements contained herein shall bind and inure to the benefit of Landlord and Tenant and their respective successors, heirs, and assigns.

[SIGNATURE PAGE AND TWO EXHIBITS FOLLOW]
[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed this Lease as of the Effective Date.

LANDLORD:
SCHOOL DISTRICT OF OCONEE COUNTY

By: _____

Name: _____

Title: _____

TENANT:
TRI-COUNTY TECHNICAL COLLEGE

By: _____

Name: _____

Title: _____

EXHIBIT A
DEPICTION OF LANDLORD PROPERTY

EXHIBIT B
DEPICTION OF LEASED PREMISES

EXHIBIT F-B-1

Memorandum of Understanding
between

OCONEE COUNTY COUNCIL, SCHOOL DISTRICT OF OCONEE COUNTY,
and TRI-COUNTY TECHNICAL COLLEGE

This Memorandum of Understanding is between Oconee County Council (the "Council"), the School District of Oconee County (the "School District") and Tri-County Technical College (the "College").


The purpose of this Memorandum of Understanding between the parties is to clearly state the intention of the College, the Council, and the School District to partner together to pursue design and construction of a *Tri-County Technical College Campus and Economic Development Center* in Oconee County to better prepare our youth for workforce placement. The Center will be dedicated to College and School District technical and career programs that meet the needs of local employers, provide a labor force to support expansion of existing industries, and attract new business and industry to Oconee County. The parties also understand time is of the essence and intend to begin construction of this facility within the next 2 years provided a site is obtained and all funding and approvals are secured by all parties.

The College, Council, and School District have made the goal of a viable presence in Oconee County a priority in their planning initiatives as indicated on the attached addenda.

It is hereby agreed by and between Oconee County Council, School District of Oconee County, and Tri-County Technical College that the location, design, and funding of an Economic Development Center are subject to approval of all parties, and that construction is contingent upon available funding and approval by Council and School District governance processes and the College Commission, along with any requisite State approvals.

This Memorandum of Understanding is executed this 16th day of June, 2015.

TRI-COUNTY TECHNICAL COLLEGE



Ronnie L. Booth, President

OCONEE COUNTY COUNCIL

T. Scott Moulder, County Administrator

SCHOOL DISTRICT OF OCONEE COUNTY

Michael Thorsland, Superintendent

Addendum A

Memorandum of Understanding

**OCONEE COUNTY COUNCIL, SCHOOL DISTRICT OF OCONEE COUNTY,
and TRI-COUNTY TECHNICAL COLLEGE**

Tri-County Technical College has made the goal of a viable presence in Oconee County a priority in its planning initiatives:

- As published in 2014-2015 Priorities and Initiatives: *"Develop a Plan for a Campus in Oconee County"*
- College Commission 2014-2015 Goals: *"Obtain Oconee property and complete feasibility study"*
- Fiscal Year 2016 TCTC Strategic Plan: *"Complete an Oconee County Economic Development Center master plan"*

MEMORANDUM OF UNDERSTANDING

between

**SCHOOL DISTRICT OF OCONEE COUNTY,
TRI-COUNTY TECHNICAL COLLEGE, and
OCONEE COUNTY**

This **MEMORANDUM OF UNDERSTANDING**, dated this ____ day of December, 2015, is hereby made and entered into by and between the SCHOOL DISTRICT OF OCONEE COUNTY, hereinafter referred to as "School District", TRI-COUNTY TECHNICAL COLLEGE, hereinafter referred to as "the College", and OCONEE COUNTY, hereinafter referred to as "the County".

The parties hereto have agreed to procure **pre-design services**, including but not limited to architectural/engineering, Construction Manager at Risk (CMR), and site surveys for the construction of the **Oconee County Workforce Development Center**, a joint venture to include a School District Career Center, a Tri-County campus, a County Economic Alliance Economic Development Center, and additional County facilities.

The parties will share the \$338,000.00 cost for pre-design architectural/engineering services in the following proportionate amounts:

School District of Oconee County	60%	\$202,800
Tri-County Technical College	20%	\$ 67,600
Oconee County	20%	\$ 67,600

Other costs associated with pre-design (such as CMR fees), will be shared at the same proportionate rate by each party not to exceed a total cost, collectively, of \$450,000.00 for all pre-design services contemplated by this Memorandum of Understanding. The School District will procure and administer the services of the Design and CMR vendors.

The College and the County will pay their proportionate share of the pre-design architectural/engineering costs to the School District in two payments of \$33,800 each. The first payment will be due Q4 2015; the second payment will be due Q1 2016. The School District will in turn pay the service provider the full amount for the pre-design services.

Other costs associated with pre-design will be paid by the College and the County in advance of the full amount due to the service provider, and the School District will pay the service provider the full amount due. Additional costs will be agreed upon by all three entities in writing prior to any expenditures.

This agreement shall remain in full force and effect through the contemplated pre-design phase; all other and future services and work shall be the subject of separate agreements.

This agreement is subject to approval by the governing body of each entity and will take effect upon its execution by all parties after such approval.

SCHOOL DISTRICT OF OCONEE COUNTY:

Witness: _____

TRI-COUNTY TECHNICAL COLLEGE:

Witness: _____

OCONEE COUNTY:

Witness: _____

**MEMORANDUM OF UNDERSTANDING FOR
THE OCONEE COUNTY WORKFORCE
DEVELOPMENT CENTER
COOPERATIVE PURCHASING PARTNERSHIP**

June 8, 2016

CONTENTS

- I. Scope and Background**
- II. Purposes**
- III. Goals**
- IV. Authorization**
- V. Organization and Operation**
 - A. Partnership**
 - B. Organization**
- VI. Procedures and Responsibilities**
- VII. Parties to this Memorandum of Agreement**

**Oconee County Workforce Development Center
Cooperative Purchasing Partnership
MEMORANDUM OF UNDERSTANDING**

I. SCOPE AND BACKGROUND

The Oconee County Workforce Development Center (OCWDC) project is a partnership between Tri-County Technical College (“TCTC”), Oconee County (“County”), and the School District of Oconee County (“SDOC”) (collectively the “Participating Entities”) to design and construct a Workforce Development Center in Oconee County to better prepare our students for workforce placement, and to serve as a showcase for economic development in the county.

II. PURPOSE

The purpose of this Memorandum of Understanding (“MOU”) is to establish the OCWDC Cooperative Purchasing Partnership (the “Cooperative Purchasing Partnership”) that is managed and administered by the SDOC, by which SDOC, TCTC, and the County join together in cooperative contracting, consistent with South Carolina procurement laws, where cooperative procurement is considered advantageous to the Participating Entities. Section 11-35-4810 of the South Carolina Consolidated Procurement Code (the “Procurement Code”) allows a state or local procurement unit to participate in a cooperative procurement of construction with other governmental entities (such as the SDOC). This MOU outlines the contracting process, and the organization and operating policies in conducting cooperative procurements, as well as payment responsibilities of each participant.

The purpose of the Cooperative Purchasing Partnership is to implement multi-agency contracting, where appropriate, to achieve cost-effective and efficient acquisition of quality products and services, as well as more advantageous pricing or other terms for design and construction services related to the OCWDC project.

III. GOALS

1. Maximize cost savings for goods and services;
2. Consistent utilization of goods and services throughout the project; and
3. Reduce administrative costs.

IV. AUTHORIZATION

This MOU is entered into by the Participating Entities pursuant to the laws, rules, and regulations of the State of South Carolina . This MOU may only be modified by a written amendment duly executed by the parties to this MOU.

V. ORGANIZATION AND OPERATION

A. Partnership

The OCWDC Cooperative Purchasing Partnership shall consist of the SDOC, TCTC, and the County.

B. Organization

This MOU shall be administered by the OCWDC Cooperative Purchasing Partnership in accordance with this MOU.

VI. PROCEDURES AND RESPONSIBILITIES

The parties hereto have agreed that the SDOC will manage and administer all contracts associated with the project including but not limited to design services, Construction Manager at Risk (CMR) services, site surveys and any required inspection services for the construction of the Oconee County Workforce Development Center, a partnership to include a School District Career Center, a Tri-County campus, space of County use, and acreage for future expansion.

Section 11-35-4880 of the Procurement Code requires compliance with all provisions of the Procurement Code for purchasing activities as contemplated herein. Section 11-35-4880 also states that if the public procurement unit administering the cooperative purchase activity (here the SDOC) complies with the requirements of the Procurement Code, then all other public procurement units participating in the purchase activity shall be deemed to have complied with the Procurement Code. As the administering public procurement unit, the SDOC will procure and administer all contracts for the services required for the construction of the OCWDC project. Procurements will be handled in accordance with the SDOC's approved model procurement. Procurements will comply with the SDOC's model code and the Manual for Planning and Execution of State Permanent Improvements, Part II, and will be advertised in SCBO; All procurements will be in compliance with the Procurement Code.

The parties agreed in an MOU dated December 2, 2015 (Exhibit A) to share pre-design

architectural/engineering services in the following proportionate amounts:

School District of Oconee County	60%
Tri-County Technical College	20%
Oconee County	20%

These percentages remain in effect for pre-design costs and are unchanged by this agreement.

Based on pre-design work performed and other financial commitments, the County has decided not to build an Economic Alliance facility on the site at this time. Therefore, in lieu of sharing the ongoing architectural/engineering or CMR costs, the county has agreed to contribute and pay \$6,000,000 in site work and infrastructure costs, contingent upon the approval of the Oconee County Council.

Once the square footage to be utilized by SDOC and TCTC has been finalized in the detailed design phase of the project, the square footage will be used to calculate the percentage of the architectural/engineering and construction costs to be paid by each of these two partners. This percent will be applied to the Guaranteed Maximum Price (GMP) obtained from the CMR vendor and all other construction costs (i.e. inspection costs, etc.) to determine the costs owed by the SDOC and TCTC.

TCTC will pay their proportionate share of all costs associated with design, and construction to the SDOC in advance of the full amount due to the service providers, and the SDOC will pay the service providers the full amount due. Costs will be agreed upon by SDOC and TCTC in writing prior to any expenditure. Express authority from the governing bodies of the Participating Entities will be obtained as required.

VII. PARTIES TO THIS MOU

This agreement shall remain in full force and effect through the completion of the construction project, and any amendments will be incorporated into the MOU with approval of all parties.

This agreement is subject to approval by the governing body of each entity and will take effect upon its execution by all parties after such approval.

SCHOOL DISTRICT OF OCONEE COUNTY:

Will Houston

TRI-COUNTY TECHNICAL COLLEGE:

Date: 6-14-16

Date: _____

Witness: Channah Gilson

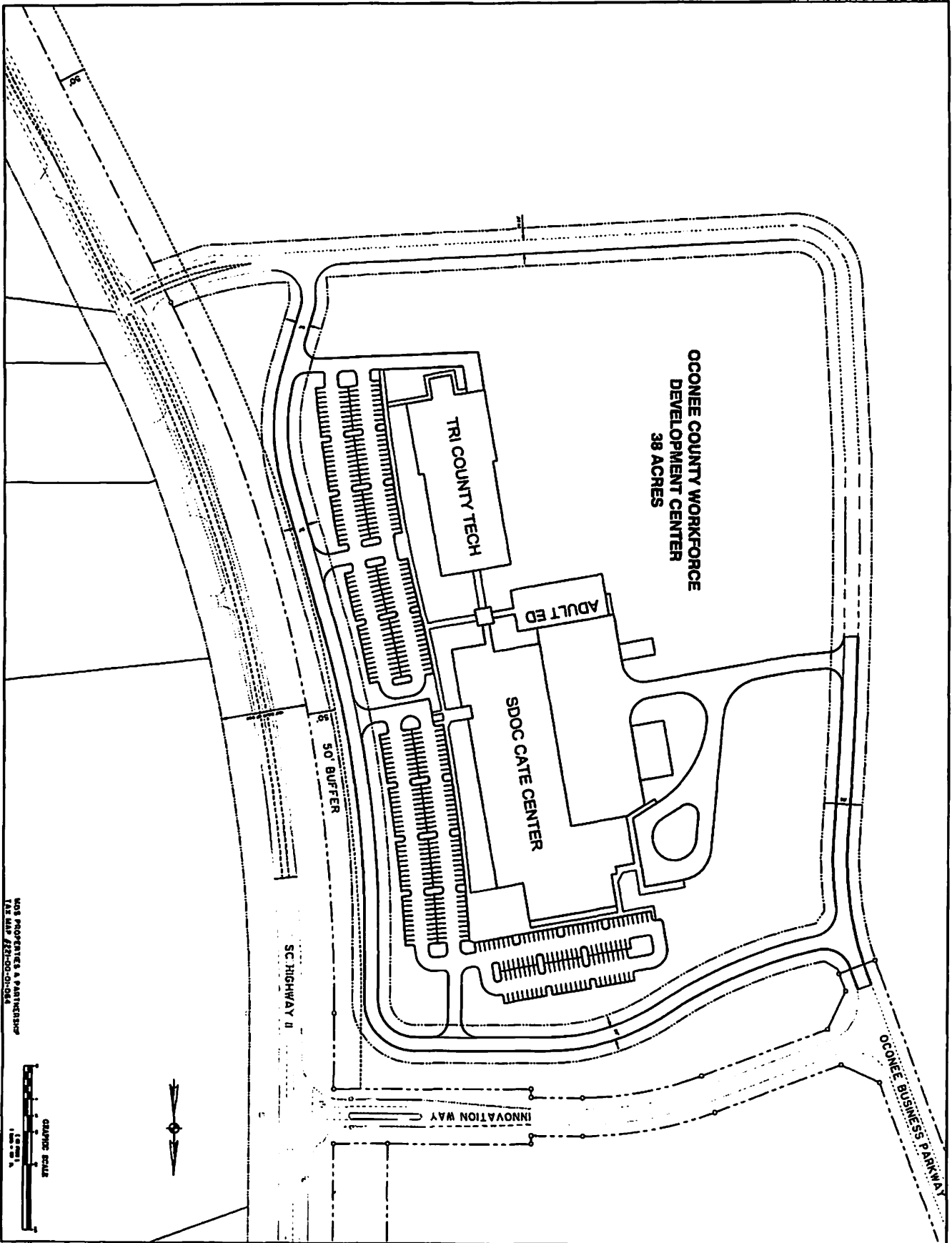
Witness: _____

OCONEE COUNTY:

[Signature]

Date: 6/16/16

Witness: Amanda Brown



611	OCCOKEE COUNTY WORKFORCE DEVELOPMENT CENTER OCCOKEE COUNTY, GA	THOMAS & HUTTON 231 North Church Street Covington, GA 30021 • 866 412 2222 www.thomasthutton.com	
	MCMILLIAN PAZDAN SMITH		
	SITE PLAN		



BUILDING AREA = 30,900 SF



msmillan | pezdan | smith
ARCHITECTURE

OCWDC ACADEMIC BUILDING (TCTG)

PHASE 1
2017.03.2016

CONCEPT FLOOR PLAN

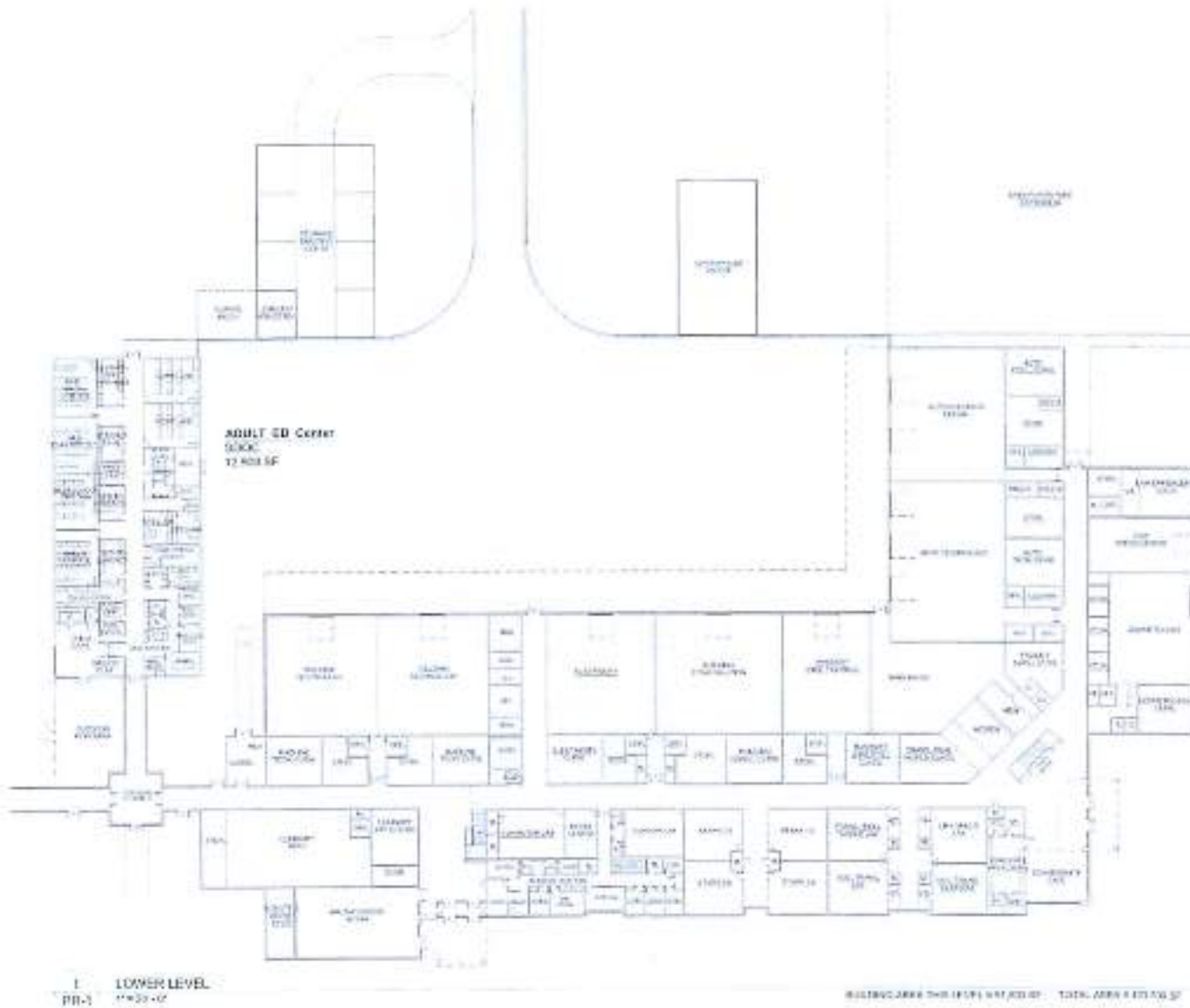
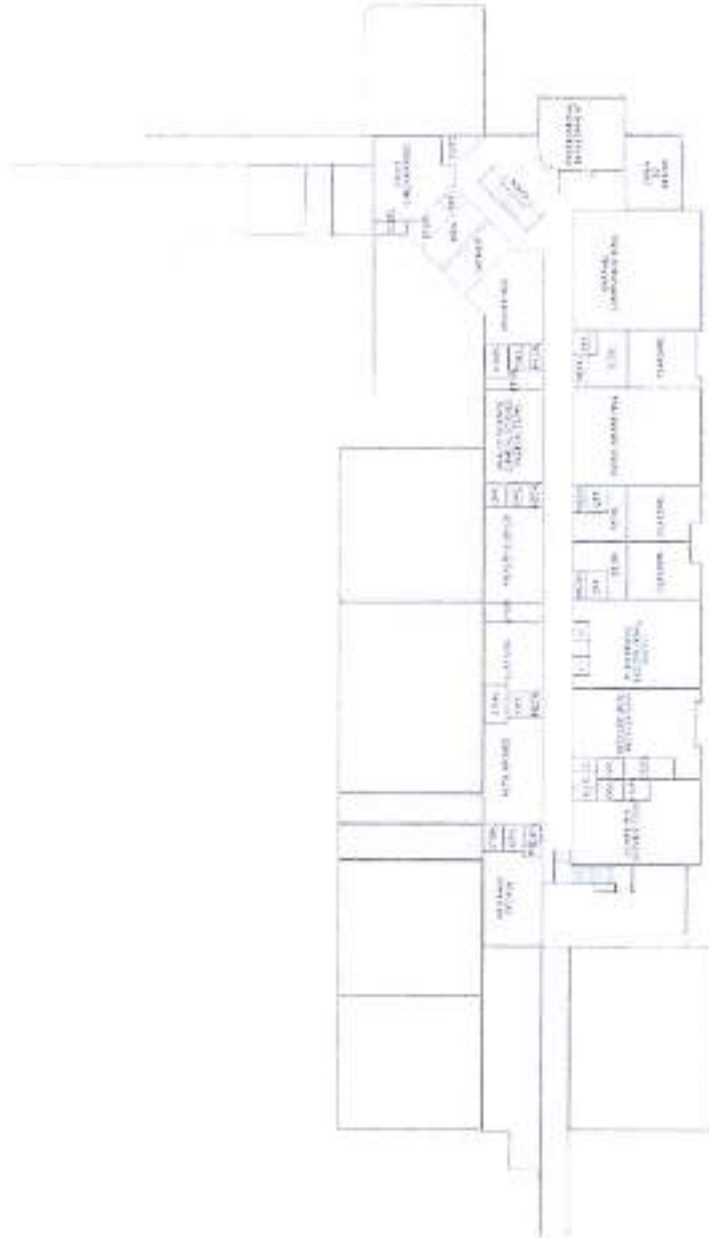


Exhibit D - Page 5



1 UPPER LEVEL
PB-2 11-25-17

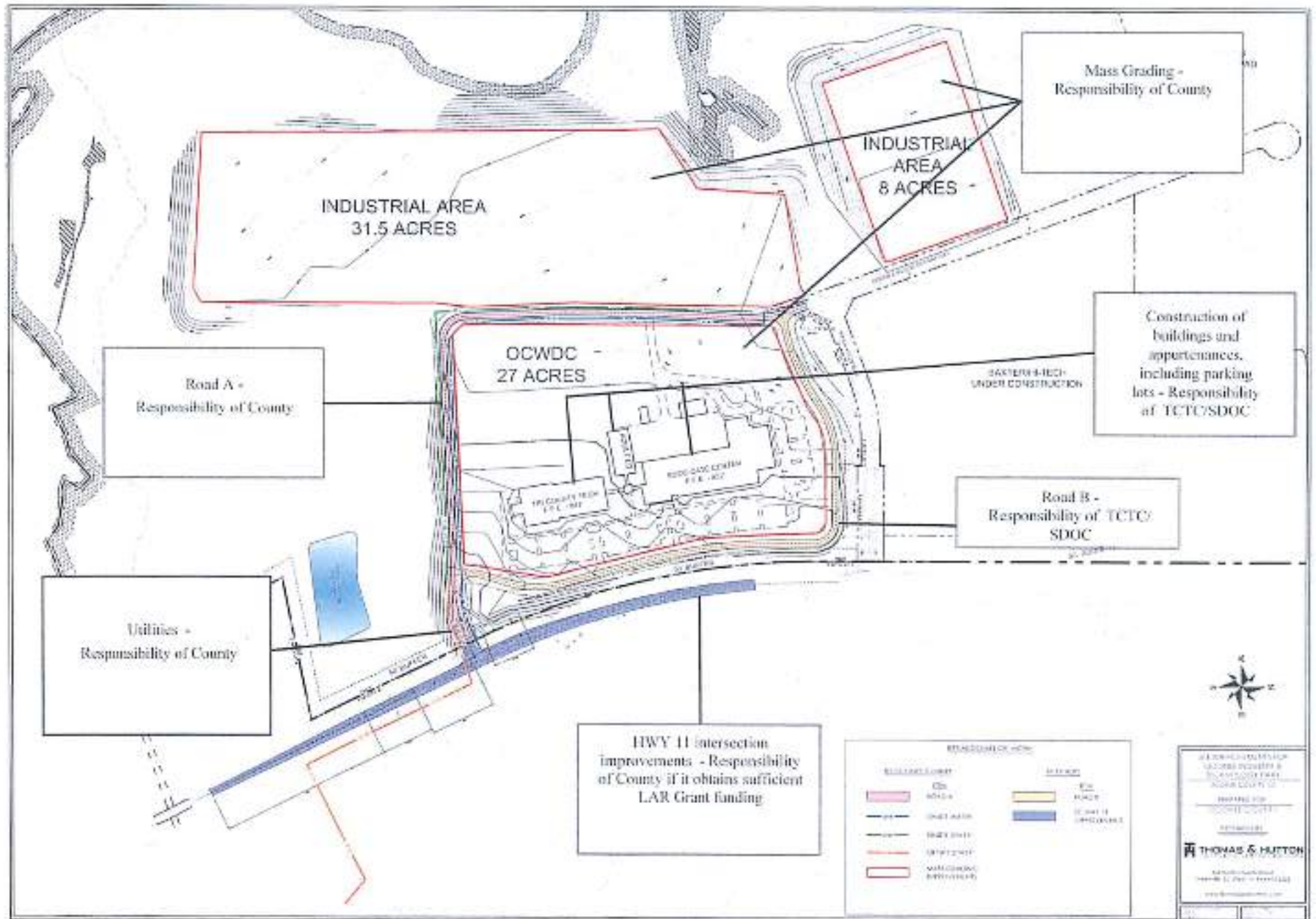
BUILDING AREA TOTALS = 31,208 SQ



OCWDC GATE BUILDING (SDOC)

PHASE 1
DATE: 05.10.14

CONCEPT FLOOR PLAN - UPPER LEVEL



**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE**

ORDINANCE 2017-16

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF
A REAL PROPERTY LEASE AGREEMENT BETWEEN OCONEE COUNTY
AS LESSOR AND THE FAIR-OAK YOUTH CENTER, INC. AS LESSEE;
AND OTHER MATTERS RELATED THERETO.

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

WHEREAS, the County currently desires to execute and enter into a Real Property Lease Agreement (the “Lease”) with the Fair-Oak Your Center, Inc. in relation to certain real property, including all improvements thereon, as shown on Exhibit “A” attached hereto (the Premises); and

WHEREAS, Lessee endeavors to use the Premises for various community enrichment and support activities and enterprises; and

WHEREAS, the Premises are suitable for the uses proposed by Lessee; and

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

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

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

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

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

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

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

ORDAINED in meeting, duly assembled, this ____ day of _____, 2017.

ATTEST:

Clerk to Oconee County Council
Katie Smith

Edda Cammick
Chair, Oconee County Council

First Reading: June 6, 2017
Second Reading: June 20, 2017
Third Reading: _____
Public Hearing: _____

EXHIBIT A

STATE OF CALIFORNIA
COUNTY OF [illegible]

EXHIBIT B

To be produced following negotiations and/or execution

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
RESOLUTION 2017-10**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT BETWEEN OCONEE COUNTY AS TENANT AND RALPH ALEXANDER, INCORPORATED, AS LANDLORD IN RELATION TO CERTAIN PROPERTY GENERALLY LOCATED AND DESCRIBED AS 207A AND 207B EAST NORTH FIRST STREET, SENECA, SOUTH CAROLINA FOR USE AS A MAGISTRATE'S OFFICE / SUMMARY COURT.

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

WHEREAS, the County currently desires to execute and enter into a Lease Agreement (the "Lease") with Ralph Alexander, Incorporated, a South Carolina Corporation ("Landlord") in relation to that certain piece, parcel, or lot of land and all improvements thereon being generally located and described as 207A and 207B East North First Street, Seneca, South Carolina (the "Premises"); and

WHEREAS, it is the desire of the County to lease the Premises for the purpose of a Magistrate's Office / Summary Court and for any other business activity or purpose incidental thereto; and

WHEREAS, Landlord desires to lease the Premises to the County; and

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

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

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

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

Section 3. General Repeal. All orders, resolutions, and actions of the Oconee County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and superseded.

RESOLVED in meeting, duly assembled, this ____ of _____, 2017.

ATTEST:

Clerk to Oconee County Council
Katie Smith

Edda Cammick
Chair, Oconee County Council

EXHIBIT A

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease"), made as of the ___ day of _____, 20__ ("Effective Date") by and between Ralph Alexander, Incorporated, a South Carolina Corporation ("Landlord") and Oconee County, South Carolina, a body politic and corporate and political subdivision of the State of South Carolina ("Tenant").

WHEREAS, Landlord owns and holds fee simple title to that certain piece, parcel, or lot of land and all improvements thereon being generally located and described as 207A and 207B East North First Street, Seneca, South Carolina (TMS numbers 520-29-06-009 and 520-29-06-010), specifically including Five Thousand (5,000) square feet of interior space (the upstairs portion of the building located on the property), along with exclusive use of what is now a gravel parking lot adjacent thereto, and shared use of what is now a concrete parking lot adjacent thereto, collectively (the "Premises"); and

WHEREAS, Landlord wishes to lease unto Tenant, and Tenant wishes to lease from Landlord, the Premises together with all appurtenances thereto and all easements of ingress and egress necessary and adequate for the conduct of Tenant's business as hereinafter described; and

WHEREAS, Landlord and Tenant have each represented and warranted, and hereby do represent and warrant, that it has the power and authority to execute and enter into this Lease, and upon such execution and delivery that this Lease shall be enforceable against itself in accordance with its terms, all requisite approvals and authorizations necessary or requisite for the execution and delivery of this Lease having been obtained prior to the Effective Date;

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

1. LEASE OF PREMISES. Landlord does hereby devise and lease to Tenant, and Tenant does hereby lease from Landlord, the Premises for a term of five (5) years commencing July 1, 2017 and ending June 30, 2022 (the "Lease Term"), unless sooner terminated as provided herein. Tenant shall use the Premises for a Magistrate's Office / Summary Court and for any other business activity or purpose incidental thereto, subject to the terms and conditions of this Lease. Landlord agrees that Tenant may

peaceably have, hold, and enjoy the Premises without hindrance by Landlord, Landlord's agent, or any other tenant of Landlord.

Tenant shall have the option to extend this Lease for an additional five (5) year period, provided Tenant gives Landlord notice of Tenant's intent to exercise this option prior to termination of the Lease Term stated above.

2. AMOUNT AND PAYMENT OF RENT. Tenant covenants to pay to Landlord at Landlord's office, located at Post Office Box 325, Seneca, SC 29672 or such other place as Landlord shall designate in writing as rent for said Premises, the sum of One Thousand, Nine Hundred, Eighty and no/100 (\$1,980.00) dollars per month, such amount to be prorated for any partial month, during the Lease Term.

In the event that Tenant fails to perform the covenant to pay rent within the first ten (10) days of each month, it is mutually understood and agreed by and between Tenant and Landlord that, at the expiration of the tenth (10th) day of the month, a late charge of Twenty-five (\$25.00) dollars per day will be assessed as additional rent for every day the monthly rent is not paid. Rent will be payable the next business day, if the 10th day of the month falls on a bank holiday, a Saturday, or a Sunday. Rent will be in arrears until any late charges are paid.

3. CARE AND MAINTENANCE OF THE PREMISES. Landlord shall, at its expense, and at all times during the Lease Term, including any extensions thereof, maintain the Premises, including without limitation, electrical wiring and components, HVAC, plumbing, and heating installations, and any other system or equipment and appurtenances thereto, in good order, condition, and repair and in accordance with all applicable governmental permits, laws, ordinances, and regulations. Landlord shall be responsible for maintenance and repairs to the roof of the Premises, as well as, all other exterior components, including, but not limited to, repairs to exterior windows, doors and awnings, excluding damages caused by Tenant, ordinary wear and tear excepted. Landlord shall keep the drive entrances and parking areas reasonably clean and free from ice, snow, leaves, and rubbish, and will keep all common areas (including, but not limited to, parking lot(s) and exterior walkways) in clean and orderly condition. In the event Landlord fails to maintain or repair the Premises or clear or clean any common area as required under this Lease, Tenant may, but shall not be required to, undertake such repairs, maintenance, clearing, or cleaning itself, and shall be entitled to deduct the cost of such work from future rent due hereunder. Tenant shall only be responsible for ordinary interior maintenance, such as cleaning and trash removal. Tenant shall, however, be responsible for damages to the Premises, which are caused by Tenant, ordinary wear and tear excepted.

4. TENANT'S ALTERATIONS, ADDITIONS, INSTALLATIONS, AND REMOVAL THEREOF. Tenant shall not, without first obtaining the written consent of Landlord, make any alterations, additions, or improvements to the Premises.

5. UTILITIES. Tenant shall pay all charges for water, gas, sewer, and electricity for the Premises.

6. OBSERVANCE OF LAWS. Tenant shall duly obey and comply with all public laws, ordinances, rules, and regulations related to the use of the Premises; provided, however, that any installation of fire prevention apparatus or electrical, plumbing, or structural changes in the building on the Premises, required by any such law, ordinance, rule, or regulation shall be made by Landlord without expense to Tenant.

7. DAMAGE BY FIRE, ETC. In the event the Premises are damaged by fire, flood, storm, civil commotion, or other cause, to an extent repairable within one hundred and twenty (120) days from the date of such damage, Landlord shall forthwith proceed to repair such damage. If such repair shall not have been completed within one hundred and twenty (120) days from the date of such damage, delays occasioned by causes beyond the control of Landlord excepted, this Lease may, at the option of Tenant, be terminated. During the period of repair, Tenant's rent shall abate in whole or in part depending upon the extent to which such damage and/or such repair shall deprive Tenant of the use of said Premises for the normal purposes of Tenant's business. In the event that Landlord shall fail to promptly commence repair of such damage, or, having commenced the same shall fail to prosecute such repair to completion with due diligence, Tenant may at Tenant's option upon ten (10) days' written notice to Landlord, make or complete such repair and deduct the cost thereof from the next ensuing installment or installments of rent payable hereunder, or terminate this Lease.

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

8. SIGNS. Tenant shall have the right to erect, affix, or display on exterior or interior walls, doors, and windows of the building on the Premises, such sign or signs advertising its business as Tenant may consider necessary or desirable, subject to all applicable municipal ordinances and regulations; all related costs to be paid by Tenant.

9. TERMINATION BY REASON OF DEFAULT. In the event that either of the parties hereto shall fail to perform any covenant required to be performed by such party under the terms and provisions of this Lease, including Tenant's covenant to pay rent, and such failure shall continue unremedied or uncorrected for a period of thirty (30) days after the service of written notice upon such party by the other party hereto, specifying such failure, this Lease may be terminated, at the option of the party serving such notice, at the expiration of thirty (30) days after date of notice; provided, however, that such termination shall not relieve the party so failing from liability to the other party for such damages as may be suffered by reason of such failure.

10. CONDEMNATION. In the event that the Premises shall be taken for public use by a city, state, federal government, public authority or other corporation

having the power of eminent domain, then this Lease shall terminate as of the date on which possession thereof shall be taken for such public use, or, at the option of Tenant, as of the date on which the Premises shall become unsuitable for Tenant's regular business by reason of such taking; provided, however, that if only a part of the Premises shall be so taken, such termination shall be at the option of Tenant only. If such a taking of only a part of the Premises occurs, and Tenant elects not to terminate this Lease, there shall be a proportionate reduction of the rent to be paid under this Lease from and after the date such possession is taken for public use. Tenant shall have the right to participate, directly or indirectly, in any award for such public taking to the extent that it may have suffered compensable damage as a Tenant on account of such public taking.

11. ASSIGNMENT. Tenant may not assign this Lease or sub-let the Premises or any part thereof for any use, without the written consent of Landlord, such consent not to be unreasonably withheld.

12. TENANT'S INSURANCE. Tenant shall, at its own expense, at all times during the Lease Term and any renewal thereof, maintain in force a broad form commercial general policy of liability insurance issued by a carrier reasonably satisfactory to Landlord and licensed to do business in the State of South Carolina.

13. TAXES. Landlord is responsible for all property taxes on the Premises.

14. HOLDOVER. Should Tenant holdover the Premises or any part thereof after the expiration of the term of this Lease, unless otherwise agreed in writing, such holdover shall constitute a tenancy from month to month, and Tenant shall pay a monthly rental equal to One Thousand, Nine Hundred, Eighty and no/100 (\$1,980.00) dollars, payable in advance, but otherwise on the same terms and conditions as herein provided, except as to Lease Term.

15. LANDLORD'S RIGHT TO ENTER PREMISES. Tenant shall permit Landlord and Landlord's agents to enter at all reasonable times to view the state and condition of the Premises or to make such alterations or repairs therein as may be necessary for the safety and preservation thereof, or for any other reasonable purposes; provided, however, that Landlord shall make commercially reasonable efforts to avoid interruption of Tenant's business in so doing.

16. LENDER REQUIREMENTS. Tenant agrees to provide Landlord, at any time during the Lease Term or any renewal term, with any commercially reasonable and accurate documents that Landlord's lender may require under the terms of an applicable loan agreement.

17. NO DISTURBANCE BY OTHER TENANTS. Landlord agrees not to permit any other tenant occupying any portion of the Premises to operate its business or occupy its premises in a manner which would interfere with or cause a disturbance to Tenant's business and the intended use of the Premises, including, but not limited to, the use of microphones, loud speakers or playing of loud music or television, at a volume

which may be audible within the Premises. Landlord will incorporate a provision prohibiting the above described conduct in any leases to tenants executed with respect to space abutting the Premises during the Lease Term and any renewal term of this Lease, and will strictly enforce such provision against such tenants.

18. **ENTIRE AGREEMENT.** This Lease constitutes all the covenants, promises, agreements, conditions, and understandings between Landlord and Tenant concerning the Premises, and there are no covenants, promises, agreements, conditions, or understandings, either oral or written, between them other than as herein set forth. Except as otherwise provided herein, no subsequent alteration, amendment, change, or addition to this Lease shall be binding upon Landlord or Tenant unless reduced to writing and signed by each party.

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

20. **GOVERNING LAW.** This Lease shall be governed by the laws of the State of South Carolina.

21. **GRAMMATICAL USAGE.** In construing this Lease, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural in any place in which the context so requires.

22. **NOTICES.** It is agreed that all notices regarding this Lease shall be sent by certified or registered mail, return receipt requested, to:

Landlord: Ralph Alexander Incorporated
 Post Office Box 325
 Seneca, SC 29672
 Attn.: Al Shadwick

Tenant: Oconee County
 415 Pine Street
 Walhalla, South Carolina 29691
 Attn.: County Administrator

With Copy To:

Oconee County Magistrate
207 East North First Street
Seneca, SC 29678
Attn.: Chief Magistrate

or to such other addresses as may be from time to time authorized in writing by Landlord and Tenant respectively.

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

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

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

WITNESS:

TENANT:

OCONEE COUNTY, SOUTH CAROLINA

By: _____
Its: County Administrator

LANDLORD:

RALPH ALEXANDER, INCORPORATED

By: _____
Its:

**AGENDA ITEM SUMMARY
OCONEE COUNTY, SC**

**COUNCIL MEETING DATE: June 20, 2017
COUNCIL MEETING TIME: 6:00 p.m.**

ITEM TITLE [Brief Statement]:

First Reading of Resolution 2017-10 “A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT BETWEEN OCONEE COUNTY AS TENANT AND RALPH ALEXANDER, INCORPORATED, AS LANDLORD IN RELATION TO CERTAIN PROPERTY GENERALLY LOCATED AND DESCRIBED AS 207A AND 207B EAST NORTH FIRST STREET, SENECA, SOUTH CAROLINA FOR USE AS A MAGISTRATE’S OFFICE / SUMMARY COURT.”

BACKGROUND DESCRIPTION:

Resolution 2017-10 will authorize the County Administrator to execute and deliver a Lease Agreement between Oconee County as Tenant and Ralph Alexander, Incorporated, a South Carolina Corporation as Landlord in relation to that certain piece, parcel, or lot of land and all improvements thereon being generally located and described as 207A and 207B East North First Street, Seneca, South Carolina. The leased premises will be used as a Magistrate’s Office / Summary Court and for other related purposes.

SPECIAL CONSIDERATIONS OR CONCERNS [only if applicable]:

None

FINANCIAL IMPACT [Brief Statement]:

Check Here if Item Previously approved in the Budget.

Approved by : _____ **Finance**

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available: /

If yes, who is matching and how much:

Approved by : _____ **Grants**

ATTACHMENTS

None

STAFF RECOMMENDATION [Brief Statement]:

It is staff’s recommendation that Council approve Resolution 2017-10.

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.

Katie Smith

From: Katie Smith
Sent: Wednesday, May 31, 2017 12:46 PM
To: 'classadmgr@upstatetoday.com'
Subject: RE: Classified Ad# 22170 Confirmation

Looks good. Thanks!

Katie

Katie D. Smith
Clerk to Council
Oconee County
415 S. Pine St. Walhalla
864.718.1023
Fx. 864.718.1024
ksmith@oconeesc.com

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From: classadmgr@upstatetoday.com [mailto:classadmgr@upstatetoday.com]
Sent: Wednesday, May 31, 2017 11:56 AM
To: Katie Smith
Subject: Classified Ad# 22170 Confirmation

Please let me know if you approve this ad for ordinance 2017-10. It will run tomorrow, June 1. Thanks, Jenny White

THE JOURNA

Classified Advertisi

OCONEE COUNTY COUNCIL
415 S PINE ST
WALHALLA, SC 29691

Acct#:63488
Ad#:22170
Phone#:864-718-1023
Date:05/31/2017

Salesperson: JWHITE Classification: Legals Ad Size: 1.0 x 1.90

Advertisement Information:

Description	Start	Stop	Ins.	Cost/Day	Total
The Journal	06/01/2017	06/01/2017	1	39.42	39.42

Payment Information:

Date: Order# Type
05/31/2017 22170 BILLED ACCOUNT

Total Amount: 39.42

Amount Due: 39.42

Comments: PUBLIC HEARING ON ORDINANCE 2017-10

Attention: Please return the top portion of this invoice with your payment including account and ad number.

Ad Copy

Notice of Public Hearing
There will be a public hearing on June 20, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:
STATE OF SOUTH CAROLINA
OCONEE COUNTY
Ordinance 2017-10
AN ORDINANCE TO AMEND CHAPTER 6, ARTICLE III OF THE CODE OF ORDINANCES OF OCONEE COUNTY PERTAINING TO THE OCONEE COUNTY BOARD OF BUILDING CODE APPEALS; AND OTHER MATTERS RELATED THERETO.

PUBLISHER'S AFFIDAVIT

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE**

OCONEE COUNTY COUNCIL

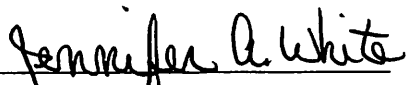
IN RE: PUBLIC HEARING ON ORDINANCE 2017-10

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 06/01/2017 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.



Hal Welch
General Manager

Subscribed and sworn to before me this
06/01/2017



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

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

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Seneca • 864-882-1467



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882-1467



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221-9949

LEGAL NOTICES

LEGALS

AGENDA City of Clemson Planning

Commission
Monday, June 12, 2017, 6:00 p.m.
1250 Tiger Blvd, Ste. 2
City Hall—Council Chambers

1. Call to Order
2. Public Session
3. Adoption of Minutes, May 8, 2017
4. Advisory/Action Items
a. 2017-R-05

Review Major Amendment to Village
at Berkeley PD. The original PD
allowed 16 units. It was requested to
be reduced to 13 units in February
2014. The new property owner would

please see also a public hearing on
Thursday, June 15th, 2017 at 8:00
p.m. in the City Hall Council
Chambers for the purpose of hearing
those persons interested in the
following proposed variance re-
quests to the Seneca Zoning
Ordinance.

Docket No 1: VA-2017-04

Property Owner: Leo Lane LLC
Applicant: Same
Property Address: Lot 8a and Lot
8b Lee Lane
Tax Map #: 529-17-01-017
Present Zoning: RM-B

Docket No 2: VA-2017-05

Property Owner: Kishyam LLC
Applicant: Same
Property Address: 710 Bypass 129
(Northeast Drive)
Tax Map #: 529-10-04-005
Present Zoning: HC

Docket No 3: VA-2017-06

Property Owner: Robert Lottin
Applicant: Same
Property Address: 502 Laha Ct
Tax Map #: 529-17-01-003
Present Zoning: R-20

All persons interested in the pro-
posed variance are invited to attend
the meeting. For more information
call 885-2726.

NOTICE OF APPLICATION

Notice is hereby given that
ANAYA 2017, LLC D/B/A 7-ELEVEN
#36852A intends to apply to the
South Carolina Department of
Revenue for a license/patrol that will
allow the sale and OFF premises
consumption of BEER & WINE at
828 OLD GREENVILLE HWY,
CLEMSON, SC 29631.

To object to the issuance of this
permit/license written protest must be
postmarked no later than
June 1, 2017.

For a protest to be valid it must be in
writing, and should include the
following information: (1) the name,
address and telephone number of
the person filing the protest; (2) the
specific reasons why the application
should be denied; (3) that the person
protesting is willing to attend a
hearing if one is requested by the
applicant; (4) that the person
protesting resides in the same county
where the proposed place of
business is located or within five
miles of the business; and; (5) the
name of the applicant and the
address of the premises to be
licensed. Protests must be mailed to:
S.C. Department of Revenue
ABL SECTION
P.O. Box 125
Columbia, SC 29214-0907
or faxed to (803)895-0110.

Notice of Public Hearing

There will be a public hearing on
June 20, 2017 at 6pm in Oconee
County Council Chambers located at
415 South Pine Street, Walhalla, SC
29691 for the following ordinance

STATE OF SOUTH CAROLINA OCONEE COUNTY Ordinance 2017-10

AN ORDINANCE TO AMEND
CHAPTER 8, ARTICLE III OF THE
CODE OF ORDINANCES OF OCO-
NEE COUNTY PERTAINING TO
THE OCONEE COUNTY BOARD
OF BUILDING CODE APPEALS;
AND OTHER MATTERS RELATED
THERE TO.

Notice of Public Hearing

There will be a public hearing on
June 20, 2017 at 6pm in Oconee
County Council Chambers located at
415 South Pine Street, Walhalla, SC
29691 for the following ordinance
STATE OF SOUTH CAROLINA

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Logs Installation

Wood Stoves &
Gas Appliances Installed

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Katie Smith

From: Katie Smith
Sent: Wednesday, May 31, 2017 12:47 PM
To: 'classadmgr@upstatetoday.com'
Subject: RE: Classified Ad# 22171 Confirmation

Looks good. Thanks!

Katie

Katie D. Smith
Clerk to Council
Oconee County
415 S. Pine St. Walhalla
864.718.1023
Fx. 864.718.1024
ksmith@oconeesc.com

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From: classadmgr@upstatetoday.com [<mailto:classadmgr@upstatetoday.com>]
Sent: Wednesday, May 31, 2017 12:02 PM
To: Katie Smith
Subject: Classified Ad# 22171 Confirmation

Please let me know if you approve this ad for ordinance 2017-12. It will run tomorrow, June 1. Thanks, Jenny White

THE JOURNAL

Classified Advertisi

**OCONEE COUNTY COUNCIL
415 S PINE ST
WALHALLA, SC 29691**

**Acct#:63488
Ad#:22171
Phone#:864-718-1023
Date:05/31/2017**

Salesperson: JWHITE Classification: Legals Ad Size: 1.0 x 1.90

Advertisement Information:

Description	Start	Stop	Ins.	Cost/Day	Total
The Journal	06/01/2017	06/01/2017	1	39.42	39.42

Payment Information:

**Date: Order# Type
05/31/2017 22171 BILLED ACCOUNT**

Total Amount: 39.42

Amount Due: 39.42

Comments: PUBLIC HEARING ON ORDINANCE 2017-12

Attention: Please return the top portion of this invoice with your payment including account and ad number.

Ad Copy

Notice of Public Hearing

There will be a public hearing on June 20, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:

**STATE OF SOUTH CAROLINA
OCONEE COUNTY
Ordinance 2017-12**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOT-HILLS AGRICULTURAL RESOURCE AND MARKETING CENTER AS LESSEE; AND OTHER MATTERS RELATED THERETO.

PUBLISHER'S AFFIDAVIT

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE**

OCONEE COUNTY COUNCIL

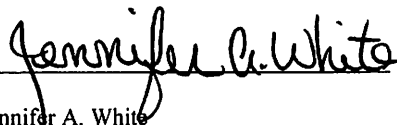
IN RE: PUBLIC HEARING ON ORDINANCE 2017-12

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 06/01/2017 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.



Hal Welch
General Manager

Subscribed and sworn to before me this
06/01/2017



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

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

Review a request to rezone parcel number 4033-11-66-3515 (that fronts Hunter Avenue) from the current zoning of R-20 to R-12.

c. 2017-R-06:

Proposed text amendment to create a R-6 zoning designation to allow traditional single-family homes on 6000 square foot lots. The ordinance describes the standards of such lots as well as the eligibility requirements for a property to be rezoned.

5. Discussion Items:

a. Discussion of how other communities have dealt with the issue of affordable/entry level housing.

b. Discuss whether or not a gym that is available to tenants as an amenity but is used by personal trainers satisfies the commercial component requirement of a Granddaddy Planned Development and can be started via Minor Amendment or if this would require major amendment.

6. Staff Reports

7. Adjourn

Ordinance 2017-13
AN ORDINANCE GRANTING CERTAIN EASEMENT RIGHTS TO DUKE ENERGY CAROLINAS, LLC FOR THE PURPOSE OF LOCATING AND MAINTAINING ELECTRIC AND/OR COMMUNICATION FACILITIES ON COUNTY-OWNED PROPERTY, AND OTHER MATTERS RELATED THERETO.

Notice of Public Hearing

There will be a public hearing on June 20, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:

**STATE OF SOUTH CAROLINA
OCONEE COUNTY**

Ordinance 2017-12

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOTHILLS AGRICULTURAL RESOURCE AND MARKETING CENTER AS LESSEE, AND OTHER MATTERS RELATED THERETO.

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J. Dalen

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PLUMBING
ELECTRICAL
PAINTING



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864-647-4705
John Dalen

Katie Smith

From: Katie Smith
Sent: Wednesday, May 31, 2017 12:48 PM
To: 'classadmgr@upstatetoday.com'
Subject: RE: Classified Ad# 22172 Confirmation

Looks good. Thank you!

Katie

Katie D. Smith
Clerk to Council
Oconee County
415 S. Pine St. Walhalla
864.718.1023
Fx. 864.718.1024
ksmith@oconeesc.com

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From: classadmgr@upstatetoday.com [<mailto:classadmgr@upstatetoday.com>]
Sent: Wednesday, May 31, 2017 12:09 PM
To: Katie Smith
Subject: Classified Ad# 22172 Confirmation

Please let me know if you approve this ad for ordinance 2017-13. It will run tomorrow, June 1. Thanks, Jenny White

THE JOURNAL

Classified Advertising

**OCONEE COUNTY COUNCIL
415 S PINE ST
WALHALLA, SC 29691**

**Acct#:63488
Ad#:22172
Phone#:864-718-1023
Date:05/31/2017**

Salesperson: JWHITE Classification: Legals Ad Size: 1.0 x 1.90

Advertisement Information:

Description	Start	Stop	Ins.	Cost/Day	Total
The Journal	06/01/2017	06/01/2017	1	39.42	39.42

Payment Information:

**Date: Order# Type
05/31/2017 22172 BILLED ACCOUNT**

Total Amount: 39.42

Amount Due: 39.42

Comments: PUBLIC HEARING ON ORDINANCE 2017-13

Attention: Please return the top portion of this invoice with your payment including account and ad number.

Ad Copy

Notice of Public Hearing

There will be a public hearing on June 20, 2017 at 6pm in Oconee County Council Chambers located at 415 South Pine Street, Walhalla, SC 29691 for the following ordinance:

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

AN ORDINANCE GRANTING CERTAIN EASEMENT RIGHTS TO DUKE ENERGY CAROLINAS, LLC FOR THE PURPOSE OF LOCATING AND MAINTAINING ELECTRIC AND/OR COMMUNICATION FACILITIES ON COUNTY-OWNED PROPERTY; AND OTHER MATTERS RELATED THERETO.

a. 2017-R-05:
Review Major Amendment to Village at Berkeley PD. The original allowed 18 units. It was requested to be reduced to 13 units in February 2014. The new property owner would like to go back to 18 units.

b. 2017-R-01:
Review a request to rezone parcel number 0053-11-96-3516 (that fronts Hamor Avenue) from the current zoning of H-20 to R-12.

c. 2017-R-06:
Proposed text amendment to create a R-6 zoning designation to allow traditional single-family homes on 6000 square foot lots. The ordinance describes the standards of such lots as well as the eligibility requirements for a property to be rezoned.

d. Discussion items:
a. Discussion of how other communities have dealt with the issue of affordable entry-level housing.

b. Discuss whether or not a gym that is available to tenants as an amenity but is used by personal trainers satisfies the commercial component requirement of the Granddads Planned Development and can be started via Minor Amendment or if this would require a major amendment.

6. Staff Reports
7. Adjourn

Notice of Public Hearing
There will be a public hearing on June 20, 2017 at 6pm in Doonee County Council Chambers located at 415 South Pine Street, Wahiata, SC 29681 for the following ordinance:
**STATE OF SOUTH CAROLINA
DOONEE COUNTY
Ordinance 2017-13**
AN ORDINANCE GRANTING CERTAIN EASEMENT RIGHTS TO DUKE ENERGY CAROLINAS, LLC FOR THE PURPOSE OF LOCATING AND MAINTAINING ELECTRIC AND/OR COMMUNICATION FACILITIES ON COUNTY-OWNED PROPERTY AND OTHER MATTERS RELATED THERETO.

Notice of Public Hearing
There will be a public hearing on June 20, 2017 at 6pm in Doonee County Council Chambers located at 415 South Pine Street, Wahiata, SC 29681 for the following ordinance:
**STATE OF SOUTH CAROLINA
DOONEE COUNTY
Ordinance 2017-12**
AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN DOONEE COUNTY AS LESSOR AND THE FOOT-HILLS AGRICULTURAL RESOURCE AND MARKETING CENTER AS LESSEE, AND OTHER MATTERS RELATED THERETO.

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PUBLISHER'S AFFIDAVIT

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE**

OCONEE COUNTY COUNCIL

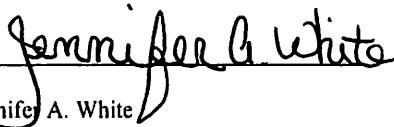
IN RE: PUBLIC HEARING ON ORDINANCE 2017-13

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 06/01/2017 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

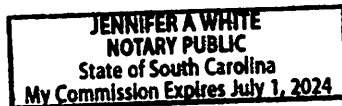


Hal Welch
General Manager

Subscribed and sworn to before me this
06/01/2017



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



**Second Notice of Public Hearing
State of South Carolina
County Of Oconee
Before the Oconee County Council**

Notice is hereby given that, pursuant to law, a hearing will be held in the Council Chambers of Oconee County, at 415 South Pine Street, Walhalla, SC, commencing at 6:00 p.m. on Tuesday, June 20, 2017 on the following matter. This is the Second Public Hearing Announcement:

The Fiscal Year 2017-2018 County Budget Ordinance No. 2017-01, School District 2017-02, and Keowee Key Fire District 2017-03 for Oconee County, South Carolina.

The following budget is proposed:

	Current Amended 2016-2017		Proposed 2017-2018		Percent Change
	Expenditures	Revenues	Expenditures	Revenues	
County General Operations	\$45,977,644	\$45,977,644	\$44,397,501	\$44,397,501	-3%
Economic Development Capital Projects Fund	1,133,000	1,133,000	615,000	615,000	-46%
Sheriff Victims' Services SRF	162,000	162,000	152,000	152,000	-6%
Solicitor Victims' Services SRF	66,000	66,000	58,000	58,000	-12%
911 Communication SRF	1,034,000	1,034,000	1,034,000	1,034,000	0%
Emergency Services Protection Fund	1,493,500	1,493,500	1,460,000	1,460,000	-2%
Bridge and Culvert Capital Project Fund	515,000	515,000	525,000	525,000	2%
Road Maintenance Fund	1,701,500	1,701,500	1,470,000	1,470,000	-14%
Enterprise Fund	4,655,500	4,655,500	4,988,500	4,988,500	7%
County Debt Service Fund	2,095,210	2,095,210	1,958,544	1,958,544	-7%
Total County	58,833,354	58,833,354	56,658,545	56,658,545	-4%
School District Operations	62,783,211	62,783,211	66,463,508	66,463,508	6%
School District Debt Service	16,312,266	16,312,266	17,098,280	17,098,280	5%
Total School District	79,095,477	79,095,477	83,561,788	83,561,788	6%
Tri-County Tech Operations	1,081,000	1,081,000	1,670,000	1,670,000	54%
Total Tri-County Tech Operatons	1,081,000	1,081,000	1,670,000	1,670,000	54%
Special Purpose Tax District - Keowee Key Fire District	676,599	676,599	696,899	696,899	3%
Total Special Purpose Tax District	676,599	676,599	696,899	696,899	3%
Totals	139,686,430	139,686,430	142,587,232	142,587,232	

	Current Amended 2016-2017		Proposed 2017-2018	
	Millage Rate in		Millage Rate in	
	Dollars	Millage Rate	Dollars	Millage Rate
County General Operations	31,625,198	60.4	32,520,031	60.3
Economic Development Capital Projects Fund	1,151,911	2.2	593,234	1.1
Emergency Services Protection Fund	1,518,428	2.9	1,563,982	2.9
Bridge and Culvert Capital Project Fund	523,596	1	539,304	1.0
Road Maintenance Fund	1,099,552	2.1	1,132,538	2.1
County Debt Service Fund	1,675,507	3.2	1,887,564	3.5
Total County	37,594,193	71.8	38,236,654	70.9
School District Operations	60,142,786	110.1	61,947,104	110.1
School District Debt Service	16,933,936	31	17,441,964	31.0
Total School District	77,076,722	141.1	79,389,068	141.1
Tri-County Tech Operations	1,099,552	2.1	1,617,912	3.0
Total Tri-County Tech Operations	1,099,552	2.1	1,617,912	3.0
Special Purpose Tax District - Keowee Key Fire District	676,599	14.5	696,899	14.5
Total Special Purpose Tax District	676,599	14.5	696,899	14.5
Totals	116,447,065	229.50	119,940,533	229.50

	Value of A Mill	Value of a Mill 3% Projected Increase
County Mill for Millage Purposes	523,596	539,304
School Mill for Millage Purposes	546,256	562,644
Dist 17 Mill for Millage Purposes	46,662	48,062

Please note that the 2017-2018 numbers are estimates only and the rollback calculation must be used while setting millage for the current year. Firm numbers will not be available until late August 2017 from the state and local entities.

Members of the general public are invited to attend the public hearing. The proposed budget may be examined weekdays in the Oconee County Finance Department or on the County's website at www.oconeesc.com.

PUBLISHER'S AFFIDAVIT

**STATE OF SOUTH CAROLINA
COUNTY OF OCONEE**

OCONEE COUNTY FINANCE DEPARTMENT

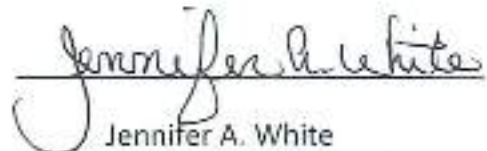
IN RE: SECOND NOTICE OF PUBLIC HEARING – 06/20/17 – 2017-2018 COUNTY BUDGET

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to the law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **OCONEE COUNTY, PICKENS COUNTY and the PENDLETON area of ANDERSON COUNTY** and the notice (of which the annexed is a true copy) was inserted in said papers on June 1, 2017 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

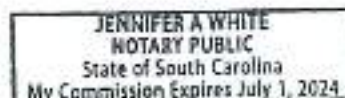


Hal Welch
General Manager

Subscribed and sworn to before me this day,
06/06/17



Jennifer A. White
Notary Public for South Carolina
My Commission Expires: 07/01/2024





OCONEE COUNTY COUNCIL
RECUSAL FORM

Council Member Name: Mr. Glenn Hart
[Please Print]

Council Member Signature: Glenn Hart

Meeting Date: 06-20-2017

Item for Discussion/Vote: funding request from Oconee Conservation Bank Board for \$7,500 to assist w/ survey cost for J. Powell application

Reason for Recusal I was not present for original meeting/discussion

I have a personal/familial interest in the issue.

Other: _____

Katie Smith
Katie Smith
Clerk to Council



OCONEE COUNTY COUNCIL
RECUSAL FORM

Council Member Name: Paul Cain
(Please Print)

Council Member Signature: Paul A. Cain

Meeting Date: 06-20-2017

Item for Discussion/Vote: Resolution 2017-10

Reason for Recusal I was not present for original meeting/discussion

I have a personal/familial interest in the issue.

Other: I have a business
relationship with
Ralph Alexander, Inc.

Katie Smith
Katie Smith
Clerk to Council

Administrator Goals:

- 1) continue to restructure Pine St to better serve and reduce cost to serve.**
- 2) arrange meetings and discussions with SDOC and municipalities to consider consolidating duplicate departments like maintenance and procurement.**
- 3) find an existing location that will be suitable for the Westminster magistrate at least temporarily until such time that building a new facility is financially feasible.**
- 4) follow through on the redesign of traffic flow at the congested convenience centers**
- 5) continue recycling efforts.**
- 6) follow through on the road and spec building for GCCP**
- 7) if feasible redesign road to treasurers office as Mr. Hart had described previously**
- 8) simplify car tag/tax/DMV processes so that multiple trips between offices will not be necessary**
- 9) follow through with county wide recreation task force to review/resolve issues of recreation funding**
- 10) road ordinance for subdivision needs to be overhauled. The restrictions are too tough and don't work with developers.**
- 11) New road acceptance policy. Newly built roads need better documentation when we inspect them and also needs to be documented if the county is expected to take the roads over after project completion**



Open consumption of alcohol
Inconsistent signage - but apparently Duke Energy, under SC Code of laws 16-11-620? Gives authority to arrest for fires etc.
But Oconee County Ordinance 2002-15 doesn't mention open fires and the term "Alcoholic Beverages" is vague.



I am not trying to play on the tragic death at Fall Creek Landing last weekend and we are keeping the family in our thoughts and prayers. It also is not certain that the County owning Fall Creek Landing as a County Park will eliminate such tragedies. However it appears that, if we continue on the current path, we will continue to encounter such tragedies. Therefore we have to something different.

Not a month has passed since Duke Energy painted over all of the graffiti and we have a new paint job on the back of one of the restrooms – But who can find fault with GO TIGERS!

We really have two issues:

1. The inconsistencies between Duke Energy postings (which are inconsistent with each other) and the Oconee County Ordinances.
2. More important is the Duke Energy ownership of the Access Area. You have been speaking periodically with Scott Jolley, who is responsible for all of the over 100 access areas. We believe the leasing of Fall Creek cannot be handled in the customary manner and the discussion must be with John Crutchfield in Charlotte who is the Vice President whose responsibilities include the public recreation and safety. You could jump start the negotiations with allocating \$100,000 a year (including 2018) for three years and get the Duke Energy Foundation to become involved in providing funding or a long term no interest loan or something else. The only way to get the County's arms around this wild area is to start doing something.

Good Evening CC, Sir 99

I want to talk about zoning tonight + I would like to ask CC + City Administrator this question. but first I would like to talk about zoning.

I am here to inform this CC + this City's government that I purchased my property as private property. I have been watching + noticed that City govt + our representatives on the Council are respecting the map on the wall over there the one that is called the future land ^{use} map. The very title implies that the map is showing how this govt will regulate private property in the city so as to accommodate the vision of a few, as to how they want privately owned property to be used. I have noted that in an attempt to satisfy the ZEO (Zoning Enabling Ordinance) that has no defined end destination, the property rights of land owners through regulations are being denied. I would like Council + this City govt to supply me with copies of the statutes + regulations that allow the taking of property in the form of rights from private property owners

Without just Cause + monetary
compensation. This taking of property rights
through regulation is no different than
the physical taking of the property.
Either method devalues the property.
Mr Martin previous City attorney was
known for time & again instructing CC
that they could do as they wish until
they are challenged. I would like to
initiate a challenge + would like to know
to whom I should direct my request?
I would like to acquire the written
authority permitting this City to take
constitutionally protected rights without
the property owner's approval.

Thank you.

Jean Jerry



June 20, 2017

Public Comment
SIGN IN SHEET
6:00 PM

The Public Comment Sessions at this meeting is limited to a total of 40 minutes, 4 minutes per person. Please be advised that citizens not utilizing their full four [4] minutes may not "donate" their remaining time to another speaker.

PLEASE PRINT

	FULL NAME	PURPOSE OF COMMENT
1	JEAN JENNINGS	ZONING
2	BEN TURSETZKY	FALL CREEK
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Everyone speaking before Council will be required to do so in a civil manner. Council will not tolerate personal attacks on individual council members, county staff or any person or group. Racial slurs will not be permitted. Council's number one priority is to conduct business for the citizens of this county. All citizens who wish to address Council and all Boards and Commission appointed by Council should do so in an appropriate manner.



**PUBLIC HEARING
SIGN IN SHEET
OCONEE COUNTY COUNCIL MEETING
DATE: June 20, 2017 6:00 p.m.**

Ordinance 2017-10 "AN ORDINANCE TO AMEND CHAPTER 6, ARTICLE III OF THE CODE OF ORDINANCES OF OCONEE COUNTY PERTAINING TO THE OCONEE COUNTY BOARD OF BUILDING CODE APPEALS; AND OTHER MATTERS RELATED THERETO."

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

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Public comment during a public hearing is not limited to four minutes per person.

Sign up sheets will be available thirty minutes prior to the hearing for those interested in addressing Council.

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

Please submit written comments to the Clerk to Council, 415 South Pine Street, Walhalla, South Carolina, 29691.

Please PRINT your name

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None



**PUBLIC HEARING
SIGN IN SHEET
OCONEE COUNTY COUNCIL MEETING
DATE: June 20, 2017 6:00 p.m.**

Ordinance 2017-12 "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT BETWEEN OCONEE COUNTY AS LESSOR AND THE FOOTHILLS AGRICULTURAL RESOURCE AND MARKETING CENTER AS LESSEE; AND OTHER MATTERS RELATED THERETO."

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Please PRINT your name

1. Stanley Gibson
2. Tim Donald
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**PUBLIC HEARING
SIGN IN SHEET
OCONEE COUNTY COUNCIL MEETING
DATE: June 20, 2017 6:00 p.m.**

Ordinance 2017-13 "AN ORDINANCE GRANTING CERTAIN EASEMENT RIGHTS TO DUKE ENERGY CAROLINAS, LLC FOR THE PURPOSE OF LOCATING AND MAINTAINING ELECTRIC AND/OR COMMUNICATION FACILITIES ON COUNTY-OWNED PROPERTY; AND OTHER MATTERS RELATED THERETO."

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None



**PUBLIC HEARING
SIGN IN SHEET
OCONEE COUNTY COUNCIL MEETING
DATE: June 20, 2017 6:00 p.m.**

Ordinance 2017-01 AN ORDINANCE TO ESTABLISH THE BUDGET FOR OCONEE COUNTY AND TO PROVIDE FOR THE LEVY OF TAXES FOR ORDINARY COUNTY PURPOSES, FOR THE TRI-COUNTY TECHNICAL COLLEGE SPECIAL REVENUE FUND, FOR THE ROAD MAINTENANCE SPECIAL REVENUE FUND, FOR THE VICTIM SERVICES SPECIAL REVENUE FUND, FOR THE BRIDGE AND CULVERT CAPITAL PROJECT FUND, AND FOR THE ECONOMIC DEVELOPMENT CAPITAL PROJECT FUND, ALL IN OCONEE COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

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

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.

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None



**PUBLIC HEARING
SIGN IN SHEET
OCONEE COUNTY COUNCIL MEETING
DATE: June 20, 2017 6:00 p.m.**

Ordinance 2017-02 AN ORDINANCE TO ESTABLISH THE BUDGET FOR THE SCHOOL DISTRICT OF OCONEE COUNTY (the "School District") AND TO PROVIDE FOR THE LEVY OF TAXES FOR THE OPERATIONS OF THE SCHOOL DISTRICT OF OCONEE COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

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

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.

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

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NONE



**PUBLIC HEARING
SIGN IN SHEET
OCONEE COUNTY COUNCIL MEETING
DATE: June 20, 2017 6:00 p.m.**

Ordinance 2017-03 AN ORDINANCE TO PROVIDE FOR THE LEVY OF TAXES FOR THE KEOWEE FIRE SPECIAL TAX DISTRICT AND TO ESTABLISH THE BUDGET FOR THE KEOWEE FIRE SPECIAL TAX DISTRICT FOR THE FISCAL YEAR BEGINNING JULY 1, 2017 AND ENDING JUNE 30, 2018.

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

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.

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NONE

Katie Smith

To: Council District 1
Subject: RE: Westminster Recreation Participants Costs

From: Brian Ramey <brian@RAMEYHOMEBUILDERS.COM>
Sent: Monday, June 12, 2017 6:10:14 PM
To: Council District 1
Subject: FW: Westminster Recreation Participants Costs

Council,

I would like for you all to please consider assisting the cities in any way possible with our Recreation costs. As you know, Our budget is short by about \$540,000.00.

We are trying to determine where and how much to cut. Our only real options are Police, Fire, and Recreation. I am asking for your help. I do understand you would have to be fair to all other programs in the county.

I have included this analysis of our costs to the city, to provide recreation opportunities for children who live outside the city limits.

These children are given the same, equal opportunities and services as our resident tax payers and all they are required to pay are their registration fees.

We have already cut our Recreation costs this year by eliminating the only other full time employee we had.

We have also raised our registration fees to match the other cities. Outside participants will now pay \$60.00.

The only other option we have is to cancel a sport. This could cause much more losses than we can measure due to several reasons.

When eliminating a sport or just a team, you face the possible loss of sponsors, admission fees, concession sales, restaurant sales, fuel sales, retail sales, etc...

If these participants choose to play in another city's program, they would, most likely, change all of their participation to those programs. This could also cost the loss of their siblings as well.

The pride of a city's team sports will definitely suffer, which in turn could cause others to move away.

Our local economy could suffer greatly with the loss of our Recreation programs.

Westminster has little else to offer at this time to bring people into town regularly.

As you know, we're working diligently to change that. But, Recreation and Tourism is the base Westminster needs to build off of.

We cannot afford any loss of Recreation at this time. But unfortunately, we can't actually afford the services we've been offering in the past either.

Please look into your budget and see if there are any options.

Thank you for all you do,

Brian F. Ramey
Mayor
City of Westminster, S.C.
P.O. Box 399
Westminster, S.C. 29693
Cell : 864-557-0050
Office: 864-647-1050

Fax : 864-647-1052
bramey@westminstersc.org



**Westminster Recreation Cost to Participate
Based on 2015-2016 Statistics**

<i>Total Number of Participants</i>		852	
Inside City participants		263	
Outside City Participants		589	
2017 / 18 Recreation Budget		\$423,169.00	
Less capital Projects		\$37,000.00	
Total Recreation Cost of Service		\$386,169.00	
*Revenue:	<i>County Allocation</i>	\$10,000.00	
	Admissions	\$27,000.00	
	Concessions	\$40,000.00	
	Sponsors	\$25,000.00	
	Tournament fee	\$600.00	
	Total Revenue	\$ 102,600.00	
			\$386,169.00
			- \$102,600.00
			\$283,569 Actual Recreation Cost of Service Less Revenue

Total Cost Per All Participants $\$283,569.00 / 852 \text{ (participants)} = \332.83

Cost of Outside City Participants	$589 \times \$332.83 = \$196,037.00$	\$196,037.00
Registration Fees Paid (Outside)	$589 \times 60.00 = \$35,340.00$	<u>Less \$35,340.00</u>
Actual Cost to City to Provide Recreation to County Residents		\$160,697.00

Notes: *Number of participants based on 2016. 2017 is still in progress*

Any players we lose or turn away could also mean loss of revenue from sponsors, admissions, and concessions

Dixie Youth Rules: If any child between 7-13 plays baseball in a different city, they are ineligible to return to their original city until after age 13. If we lose these players, they may also choose to play other sports away as well.

**Revenue from Registration Fees are \$38,000.00. Not included in this chart as they are the reason for this chart but should be considered if Recreation Budget is cut*