

Mayor  
Elise Partin

Mayor Pro-Tem  
Tara S. Almond

Council Members  
Phil Carter  
Eva Corley  
James E. Jenkins

City Manager  
Tracy Hegler



**City of Cayce  
Council Meeting  
Tuesday, March 5, 2019  
6:00 p.m. – Cayce City Hall – 1800 12<sup>th</sup> Street  
www.caycesc.gov**

**I. Call to Order**

- A. Invocation and Pledge of Allegiance
- B. Approval of Minutes
  - February 5, 2019 Regular Meeting
  - February 20, 2019 Special Meeting
  - February 26, 2019 Special Meeting
  - February 27, 2019 Special Meeting

**II. Public Comment Regarding Items on the Agenda**

**III. Presentation**

- A. Presentation by Mr. James Brown of Brookland Cayce High School Student's Food Desert Project
- B. Presentation of Outstanding Business Awards by Cayce Public Safety

**IV. Resolutions**

- A. Consideration and Approval of Resolution Approving Financing Terms for General Fund SCBA Purchases

**V. City Manager's Report**

**VI. Committee Matters**

- A. Approval to enter the following Committee approved Minutes into the City's Record
  - Cayce Housing Authority – October 16, 2018
  - Museum Commission – January 2, 2019
  - Events Committee – January 10, 2019
  - Planning Commission – January 28, 2019
- B. Appointments and Reappointments
  - Accommodations Tax Committee – One (1) Position

**VII. Council Comments**

**VIII. Executive Session**

- A. Receipt of legal advice relating to claims and potential claims by and against the City and other matters covered by the attorney-client privilege
- B. Receipt of legal advice relating to and discussion of negotiations incident to proposed franchise agreements for SCE&G and Mid-Carolina Electric Cooperative

**IX. Reconvene**

**X. Possible Actions by Council in follow up to Executive Session**

- A. Discussion and Approval of Ordinance 2018-15 Granting a Franchise to SCE&G for Electric Service, Gas Service, and Communication Lines – First Reading
- B. Discussion and Approval of Ordinance 2018-16 Granting a Franchise to Mid-Carolina for Electric Service and Communication Lines – First Reading

**XI. Adjourn**

**SPECIAL NOTE: Upon request, the City of Cayce will provide this document in whatever form necessary for the physically challenged or impaired.**

Mayor  
Elise Partin

Mayor Pro-Tem  
Tara S. Almond

Council Members  
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James E. Jenkins

City Manager  
Tracy Hegler



**CITY OF CAYCE**  
**Regular Council Meeting**  
**February 5, 2019**

The February Regular Council Meeting was held this evening at 6:00 p.m. in Council Chambers. Those present included Mayor Elise Partin, Council Members Tara Almond, Phil Carter, Eva Corley and James Jenkins. City Manager Tracy Hegler, Assistant to the City Manager Rachelle Moody, Municipal Clerk Mendy Corder, Municipal Treasurer Garry Huddle, Planning and Development Director Carroll Williamson, Utilities Director Blake Bridwell, Director of Human Resources Lynn Dooley, Director of Public Safety Byron Snellgrove, Special Projects Coordinator John Rabon and City Attorney Danny Crowe were also in attendance.

Mayor Partin asked if members of the press and the public were duly notified of the Council Meeting in accordance with the FOIA. Ms. Corder confirmed they were notified.

**Call to Order**

Mayor Partin called the meeting to order. Council Member Corley gave the invocation. Mayor Partin stated that the City is proud to honor military veterans by inviting them to lead the assembly in the Pledge of Allegiance at every regular Council Meeting. She stated that Dr. Demarcus F. Bush is a native of South Carolina and resides in Cayce along with his wife Regina. He is a graduate of Winthrop University, Howard University, and the University of Louisville. He will be awarded an MBA with a specialization in Healthcare Management from South Carolina State University in May 2019. Dr. Bush is an Assistant Professor of Audiology at South Carolina State University. Dr. Bush comes from a family with a long line of military service. He served 8 years in the U.S. Army Reserve as a proud serviceman of the 175<sup>th</sup> Maintenance Company and the 7226<sup>th</sup> Medical Support Unit. He has trained at several military installations across the country such as Fort Leonard Wood in Missouri, Fort Jackson in South Carolina, Camp Dodge in Iowa, Fort Bragg in North Carolina, and the Sierra Army Depot in California. Because of Dr. Bush's experience as a service member, he continues to exude discipline, maturity, adaptability and dedication. Mayor Partin stated that Mr. Bush is also a member of the Cayce Arts Guild and makes amazing hats. She stated that his work could be viewed online at Fitz Gerald.

Mayor Partin stated that the Municipal Association's Hometown Legislative Action Day was held that day and Inman Mayor Cornelius Huff and Surfside Beach Council Member Mark Johnson were in attendance at the Council Meeting. Mayor Partin thanked them for attending.

### **Approval of Minutes**

Council Member Carter made a motion to approve the January 8, 2019 Regular Council Meeting minutes. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

### **Public Comment Regarding Items on the Agenda**

No one signed up for Public Comment.

### **Ordinances**

- A. Discussion and Approval of Ordinance 2019-01 Amending City Code Sections 2-66 and 2-72 Concerning Council Meetings and Agendas for Council Meetings – Second Reading

Council Member Corley made a motion to approve Ordinance 2019-01 on second reading. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

### **Other**

- A. Discussion and Authorization for the City Manager to Negotiate and Sign a Lease Purchase Agreement to Purchase the Fire Department SCBA Units (Air Packs)

Ms. Hegler stated that the Fire Department's SCBA units (air packs) that were purchased in 2009 are at the end of their usable life span, rendering them unserviceable. She stated that the neighboring Fire agencies in Richland and Lexington Counties have upgraded to the newest SCBA equipment. Cayce's older model SCBA is not compatible with the new devices. Thus, neighboring agencies are not able to share equipment with Cayce Fire or properly back up Cayce firefighters during emergency mutual aid operations.

Ms. Hegler stated that the Fire Department has received a quote from the MSA representative for the area (Safe Industries) and received a price of \$335,909.35 to purchase 32 MSA G1 SCBA, 64 cylinders, 40 masks, and three Rapid Intervention Team (RIT) packs. This price is to purchase the product out right, and all at once. She stated that shortly after this quote was received, staff was notified by Safe Industries that there was an option to purchase the SCBA at a lesser price, \$283,556.39. The reason for the drop in price is these items are in stock due to the over-purchase of another Fire Department, and do not classify as a special order. This is a rare discounted purchase

opportunity for Cayce Fire Department. Included in this pricing is a 10-year service contract that covers annual face fit testing, flow testing, and the 5-year hydrostatic testing. This reduces the cost of the service contract budget item by having these required tests conducted by one vendor, and in the event there is a mechanical issue, the repairs and/or replacements will be covered as well.

Ms. Hegler stated that Council can choose to purchase the SCBA in one payment, or enter into a lease purchase agreement to spread the cost over multiple years. In a lease purchase agreement, the City is estimated to pay up to \$62,000 per year for up to five years. This estimate is based on a quote received from Safe Industries bank for a lease purchase option. However, as is standard practice, the City would put the lease purchase contract out for bid, and would utilize the lowest responsive, responsible bidder. Thus, the lease purchase may come in lower. If the lease purchase were to begin, and payment need to be made prior to June 30, 2019, the Public Safety Department would have sufficient funds to cover a payment through cost savings in other budget line items.

Council Member Jenkins asked if the new air packs would be compatible with the surrounding community's equipment. Ms. Hegler confirmed that they would be compatible. Council Member Almond made a motion to authorize the City Manager to negotiate and sign a lease purchase agreement to purchase the SCBA units; and utilize the General Fund to make the lease purchase payments, which will be allocated in the appropriate fiscal years for the term of the lease agreement. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

#### B. Discussion and Approval of Hospitality Tax Fund Requests for 2019

Mr. Rabon stated that the City received 15 Hospitality Tax Fund grant requests totaling \$285,425. Applications were accepted for a six week period from October 5 through November 16, 2018. Requests were made for grant funding for events and/or projects taking place during calendar year 2019. Mr. Rabon stated that as of July 1, 2018, the City had a Hospitality Tax Fund balance of approximately \$571,000. Fiscal year to date (July 1 to date), revenues collected total \$567,251 and staff estimates collecting an additional \$567,000 between July 1, 2018 and June 30, 2019. Based on revenues collected to date, staff projects a FY19 total Hospitality Tax revenue collection of at least \$1,100,000.

Mr. Rabon stated that during the 2019/2020 fiscal year, staff anticipates using \$817,000 in Hospitality Tax Funds for 2019-2020 operation and maintenance of tourism-related activities and capital items. He stated that staff recommends holding back \$75,000 in the fund balance as reserve.

Mr. Rabon stated that staff has discussed and recommends changing H-Tax Grant awards from a calendar year to a fiscal year. Such a change would make it easier for staff to provide more accurate calculations for Hospitality Tax Fund balance and projected Hospitality Tax revenue. This change will be similar to the grant cycle that Accommodations Tax utilizes. He stated that very few organizations that receive H-Tax Grant funds would be affected by the change. Presently, only two make reimbursement requests throughout the year: Girls on the Run (for races held in the Spring and Fall) and the River Alliance (for 12,000 Year History Park tours conducted throughout the year). Staff has contacted these two organizations and both are amenable to the change. Mr. Rabon stated that staff is requesting that Council approve \$136,500 in 12 grant awards for the remainder of FY19.

Mr. Rabon stated that a change in the grant award year would necessitate other changes to the application and award process that would not be difficult for staff to implement. One change would be a new application cycle for FY20 that would be hosted between April 26, 2019 and May 31, 2019 to coincide more closely with the City's fiscal year and provide a more accurate projection of FY20 Hospitality Tax revenue. For the purpose of awarding funding for the remainder of FY19, the applications would break down as following:

1. Organizations with events **only in the Spring** will still be awarded H-Tax Grant funds as normal.
2. Organizations with events **only in the Fall** will have their applications held until the next application period.
3. Organizations with events in **both Spring and Fall** will have their Spring awards funded and will have to resubmit an application in the next application period for FY20.

Council Member Almond made a motion to approve staff's recommendation as discussed. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

### **City Manager's Report**

Ms. Hegler stated that she did not have anything to report.

### **Committee Matters**

- A. Approval to enter the following Committee approved Minutes into the City's Record  
Planning Commission – October 15, 2018  
Zoning Board of Appeals – November 19, 2018

Council Member Corley made a motion to enter the approved Planning Commission and Zoning Board of Appeals meeting minutes into the record. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

**B. Appointments and Reappointments  
Events Committee – One (1) Position**

Mayor Partin stated that the City had received a potential member application from Mr. Tevin Spruill. Mr. Spruill attended the January Events Committee and the Committee unanimously voted to recommend him for appointment. Council Member Carter made a motion to appoint Mr. Spruill to the Events Committee. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

**Council Comments**

Council Member Almond welcomed Mayor Huff and Council Member Johnson and the other people in attendance. She stated that often there is only staff in attendance so it was nice to see other people there as well. Mayor Partin stated that Council appreciates the communities trust in them but stated that it is wonderful to see people at the meetings.

**Executive Session**

- A. Receipt of legal advice relating to claims and potential claims by and against the City and other matters covered by the attorney-client privilege
- B. Receipt of legal advice relating to and discussion of negotiations incident to proposed franchise agreements for SCE&G and Mid-Carolina Electric Cooperative

Council Member Jenkins made a motion to move into Executive Session. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

**Reconvene**

After the Executive Session was concluded, Council Member Almond made a motion to reconvene the Regular meeting. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no action was taken in Executive Session other than to adjourn and resume the Regular meeting.

**Possible Actions by Council in follow up to Executive Session**

- A. Discussion and Approval of Ordinance 2018-15 Granting a Franchise to SCE&G for Electric Service, Gas Service, and Communication Lines – First Reading

Council Member Almond made a motion to table this item until the next regular Council Meeting. Council Member Carter seconded the motion which was unanimously approved by roll call vote.

- B. Discussion and Approval of Ordinance 2018-16 Granting a Franchise to Mid-Carolina for Electric Service and Communication Lines – First Reading

Council Member Almond made a motion to table this item until the next regular Council Meeting. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

**Adjourn**

There being no further business, Council Member Almond made a motion to adjourn the meeting. Council Member Corley seconded the motion which was unanimously approved by roll call vote. The meeting adjourned at 7:07 p.m.

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Elise Partin, Mayor

ATTEST:

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Mendy C. Corder, CMC, Municipal Clerk





Mayor  
Elise Partin

Mayor Pro-Tem  
Tara S. Almond

Council Members  
Phil Carter  
Eva Corley  
James E. Jenkins

City Manager  
Tracy Hegler



**City of Cayce  
Special Council Meeting  
February 20, 2019**

A Special Council Meeting was held this afternoon at 5:00 p.m. in Council Chambers. Those present included Mayor Elise Partin, Council Members Tara Almond, Phil Carter, Eva Corley and James Jenkins. City Manager Tracy Hegler, Assistant to the City Manager Rachelle Moody, Municipal Clerk Mendy Corder, City Treasurer Garry Huddle, Planning and Development Director Carroll Williamson, Director of Public Safety Byron Snellgrove and City Attorney Danny Crowe were also in attendance.

Mayor Partin asked if members of the press and the public were duly notified of the meeting in accordance with the FOIA. Ms. Corder confirmed they were notified.

**Call to Order**

Mayor Partin called the meeting to order and Council Member Carter gave the invocation. Mayor Partin led the assembly in reciting the Pledge of Allegiance.

**Public Comment Regarding Items on the Agenda**

Ms. Corder stated no one had signed up for public comment.

**Presentations**

- A. Recognition of University of South Carolina CreateAthon Students for Creating New Branding for the 12,000 Year History Park

Mayor Partin asked University of South Carolina students Cal Dean, Kayla Reese, Kathryn Pasciak, Christian Ward and Jack Landess and USC Professor Karen Mallia to join her at the podium. She stated that Rachael Hammack was unable to attend the Council Meeting but also was part of the CreateAthon team. Mayor Partin asked everyone in the assembly to join her in thanking them for the wonderful brand and marketing campaign they created for the City's 12,000 Year History Park.

Last fall, the 12,000 Year History Park (12HP) was selected as one of USC's School of Journalism and Mass Communications CreateAthon projects. CreateAthon advances the marketing efforts of deserving nonprofits while growing student skills and bringing them together with professional mentors. Specifically for the 12HP, the CreateAthon was tasked with creating a branding strategy. Weeks before the CreateAthon and during the event, the team researched the history of the park and visited the site. Based on the history, they developed an iconic brand, which is represented by the mammoth. The 12HP team was recognized for 'Best Billboard' and 'Best Brochure Design,' which awarded the 12,000 Year History Park non-profit organization with free billboard advertising and complimentary printing. Recently the

CreateAthon team also won another award. The brand identity developed for the 12HP received a gold award at the American Advertising Federation (AAF) of the Midlands.

**B. Presentation by Mr. Richard Skipper, Executive Director of the Greater Cayce West Columbia Chamber of Commerce, re Proposed Events in the City of Cayce**

Mr. Skipper stated that he recently realized there were multiple events in the Cayce West Columbia area on April 27, 2019. The Chamber's Rhythm on the River concert was scheduled for the same night as the Soiree on State. Also, the City of West Columbia's Kinetic Derby Day is April 27, 2019 from 10am to 3pm. Mr. Skipper stated that he met with staff from both cities who expressed interest in collaborating to promote a weekend of events in the area to highlight State Street, the Chamber and both cities. Mr. Skipper stated that he rescheduled the Rhythm on the River concert to Friday, April 26 so not to compete with the Soiree.

Mr. Skipper stated that the Chamber will market the West of the River Weekend and each city will market their individual event so they can retain the personality of their specific event. He presented to Council the logo that was created for the West of the River weekend. He stated that the Chamber sees this weekend growing and becoming an annual event. He stated that he plans to request Lexington County accommodations tax funds for the weekend next year since it qualifies as an event that will "put heads in beds." A merchant benefit card has been created for the weekend to benefit the businesses in both municipalities. Each business is being asked to offer a discount for the weekend and a card can only be obtained by going to one of the weekend's events.

Mr. Skipper stated that The Comet has agreed to create special Soda Cap Connector stops for the weekend. People can park across Gervais Street Bridge in Columbia and get on a shuttle to be transported to the events free of charge. He stated that he is currently working on securing parking at the State Museum so people can park there and take the Soda Cap Connector from there as well.

Mr. Skipper stated that when he first became the Executive Director of the Greater Cayce West Columbia Chamber he noticed that the Board and the Chamber's events were heavy on the West Columbia side. He stated that the Chamber is unique because it has five municipalities in it. As positions on the Board come open he has made a point to appoint Cayce businesses to the Board for a more equal representation. He stated he also noticed that many of the Chamber's events were held at the West Columbia Riverwalk amphitheater. Mr. Skipper stated that he recently went to Guignard Park for the first time and thought it was perfect for an event. The Chamber is interested in having a wine and art Chamber-driven event there. Each Chamber member can have a tent in the Park and a display highlighting their business. He stated that he will send Council a bullet point proposal in the upcoming weeks for their review. He asked Council if there was anything they could think of they would like the Chamber to do moving forward. Mayor Partin stated that she and Council would like to meet with

Mr. Skipper and his Board in the near future. He stated he would schedule something soon and thanked Council for their time.

### **Other**

#### **A. Discussion and Approval of Hospitality Tax Fund Request - River Alliance Request for a Required Local Match for the Connected Communities Grant for the 12,000 Year History Park**

Ms. Hegler stated that the City has received a revised Hospitality Tax grant application from the River Alliance. The application requests \$10,000 to provide a match for the Connected Communities Grant Application. The grant will enable the River Alliance to design, procure, and install twenty-two exhibits in the 12,000 Year History Park.

The River Alliance previously submitted an application for this grant during the application period last fall, but the request was not recommended for funding by staff or approved for funding by Council at the February 5, 2019 Council meeting. A lower funding amount was recommended to Council at the regular meeting. Staff noted during the review process that the River Alliance had not used all of the funds allocated in 2018 and determined the recommended amount would be sufficient to meet the River Alliance's needs through June 20, 2019. Staff now recommends an additional \$10,000 in hospitality tax grant funds so that the River Alliance can meet the match requirement for the Connected Communities Grant, which was just approved, without making cuts in funding for its other programs and marketing that bring visitors to Cayce.

Council Member Almond made a motion to approve the request. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

#### **B. Discussion and Approval of Hospitality Tax Fund Request – Staff Request for a Required Match for the Frink Street Sidewalk Project**

Ms. Hegler stated that the City of Cayce intends to improve pedestrian access along Frink Street, from 12<sup>th</sup> Street Extension to State Street, through the installation of a 5-foot wide sidewalk. The sidewalk will run along the south side of Frink Street and will provide a safe path for pedestrians who travel the road visiting the numerous businesses on Frink Street and the adjacent streets. Currently in the project area, 75% of the roadway has sidewalk sections. However, the sidewalks in place are not contiguous and the majority have a width less than four feet and are not ADA compliant. The existing sidewalk sections are broken, uneven, and have vegetation growing in the cracks.

Ms. Hegler stated that the new sidewalk will be the primary pedestrian pathway that leads in and out of the Cayce arts district located at the intersection of State and

Frink Streets. The sidewalk will provide pedestrian access to the art studios, businesses and food and drink establishments located on or adjacent to Frink Street, such as Steel Hands Brewery, Southern Essence Distillery, Henry's and the future Piecewise Coffee shop. The sidewalk will also provide a connector to the Cayce Riverwalk trailhead – pedestrians will be able to traverse Frink Street to State Street, head north on a State Street sidewalk for two blocks and access the trailhead. Installation of the sidewalk will allow pedestrian access by visitors and tourists to the existing and future businesses on and around Frink Street. For this reason, staff recommends the use of Hospitality Tax Funds for the match requirement of the Frink Street Sidewalk Project.

Council Member Corley made a motion to approve the staff request for funds for the Frink Street Sidewalk Project. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

### **City Manager's Report**

Ms. Hegler stated that Public Safety recently proactively inspected all the housing units the City has with the Columbia Housing Authority given the recent events with the Housing Authority. She stated that Columbia Housing Authority staff were with City staff while they did the inspections. She stated that only two concerns were found both of which were not life threatening. Staff will send a letter to the Executive Director of the Housing Authority to make him aware of what was found. Ms. Hegler thanked Public Safety staff for being proactive.

### **Committee Matters**

#### **A. Appointments and Reappointments Planning Commission – Two (2) Positions**

Mayor Partin stated that the Planning Commission currently has two open positions. She stated that the City has received potential member applications from Mr. Joe Long and Mr. Stockton Wells. Staff Liaison and Planning & Development Director Carroll Williamson met with both applicants and recommends them for appointment. Council Member Almond made a motion to appoint Mr. Long and Mr. Wells to the Planning Commission. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

### **Council Comments**

Council Member Jenkins stated that the COMET is holding a series of public listening sessions throughout the Midlands to solicit input on future plans and recommendations for transit system improvement. Participants are asked to come and share their comments, concerns and their vision for the future of transit in the Midlands. He stated that business owners and employees, residents, church representatives, riders, non-riders and visitors are encouraged to attend. The goal is to receive feedback on how

to make The COMET more efficient and convenient for everyone. Council Member Jenkins stated that a public listening session was scheduled for February 28, 2019 at 6pm at Mt. Zion Church in Cayce. He invited everyone to attend.

### **Executive Session**

- A. Receipt of legal advice relating to claims and potential claims by and against the City and other matters covered by the attorney-client privilege
- B. Discussion of negotiations incident to proposed contractual arrangements relating to the Knox Abbott Drive Pedestrian Safety and Traffic Calming Project

Council Member Jenkins made a motion to move into Executive Session. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

### **Reconvene**

After the Executive Session was concluded, Council Member Almond made a motion to reconvene the Regular meeting. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Regular meeting.

### **Possible Actions by Council in follow up to Executive Session**

- A. Discussion of negotiations incident to proposed contractual arrangements relating to the Knox Abbott Drive Pedestrian Safety and Traffic Calming Project

Council Member Almond made a motion to authorize amending the current budget relating to the Knox Abbott Drive Pedestrian Safety and Traffic Calming Project by up to \$75,000 and to be funded from the Tax Increment Finance (TIF) District funds. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

### **Adjourn**

Council Member Corley made a motion to adjourn the meeting. Council Member Almond seconded the motion which was unanimously approved by roll call vote. There being no further business, the meeting adjourned at 6:04 p.m.

ATTEST:

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Mendy Corder, CMC, Municipal Clerk

IF YOU WOULD LIKE TO SPEAK ON A MATTER APPEARING ON THE MEETING AGENDA, PLEASE COMPLETE THE INFORMATION BELOW PRIOR TO THE START OF THE MEETING.\* *THANK YOU.*

## COUNCIL MEETING SPEAKERS' LIST

*Date of Meeting      February 20, 2019*

Name	Address	Agenda Item

\*Appearance of citizens at Council meetings - City of Cayce Code of Ordinances, Sec. 2-71. Any citizen of the municipality may speak at a regular meeting of the council on a matter pertaining to municipal services and operation, with the exception of personnel matters, by notifying the office of the city manager at least five working days prior to the meeting and stating the subject and purpose for speaking. Additionally, during the **public comment period** as specified on the agenda of a regular meeting of the council, a member of the public may speak on a matter appearing on the meeting agenda, with the exception of personnel matters by signing a speakers list maintained by the city clerk prior to the start of the public comment period. At the discretion of the mayor or presiding officer, the length of time for any speaker's presentation may be limited and the number speakers also may be limited.



Mayor  
Elise Partin

Mayor Pro-Tem  
Tara S. Almond

Council Members  
Phil Carter  
Eva Corley  
James E. Jenkins

City Manager  
Tracy Hegler



**CITY OF CAYCE  
Special Council Meeting  
February 26, 2019**

A Special Council meeting was held at 5:00 p.m. at City Hall. Those present included Mayor Elise Partin, Council Members Tara Almond, Phil Carter, Eva Corley and James Jenkins. Municipal Clerk Mendy Corder was also in attendance. Mayor Partin advised that members of the press and the public were duly notified of the meeting in accordance with the FOIA and called the meeting to order.

Council Member Carter gave the invocation and Mayor Partin led those in attendance in the Pledge of Allegiance.

**Executive Session**

A. Discussion of Appointment for Municipal Judge Position

Council Member Almond made a motion to move into Executive Session to discuss the matter above. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote.

**Reconvene**

After the Executive Session was concluded, Council Member Almond made a motion to reconvene the Regular meeting. Council Member Jenkins seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Regular meeting.

**Possible Actions by Council in follow up to Executive Session**

There was no action taken in follow up to Executive Session.

**Adjourn**

Council Member Almond made a motion to adjourn the meeting. Council Member Carter seconded the motion which was unanimously approved by roll call vote.

There being no further business, the meeting adjourned at 7:02 p.m.

\_\_\_\_\_  
Elise Partin, Mayor

ATTEST:

\_\_\_\_\_  
Mendy Corder, CMC, Municipal Clerk

Mayor  
Elise Partin

Mayor Pro-Tem  
Tara S. Almond

Council Members  
Phil Carter  
Eva Corley  
James E. Jenkins

City Manager  
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**CITY OF CAYCE  
Special Council Meeting  
February 27, 2019**

A Special Council meeting was held at 5:00 p.m. at City Hall. Those present included Mayor Elise Partin, Council Members Tara Almond, Phil Carter, Eva Corley and James Jenkins. Municipal Clerk Mendy Corder was also in attendance. Mayor Partin advised that members of the press and the public were duly notified of the meeting in accordance with the FOIA and called the meeting to order.

Council Member Jenkins gave the invocation and Mayor Partin led those in attendance in the Pledge of Allegiance.

**Executive Session**

A. Discussion of Appointment for Municipal Judge Position

Council Member Carter made a motion to move into Executive Session to discuss the matter above. Council Member Almond seconded the motion which was unanimously approved by roll call vote.

**Reconvene**

After the Executive Session was concluded, Council Member Corley made a motion to reconvene the Regular meeting. Council Member Almond seconded the motion which was unanimously approved by roll call vote. Mayor Partin announced that no vote was taken in Executive Session other than to adjourn and resume the Regular meeting.

**Possible Actions by Council in follow up to Executive Session**

There was no action taken in follow up to Executive Session.

**Adjourn**

Council Member Carter made a motion to adjourn the meeting. Council Member Corley seconded the motion which was unanimously approved by roll call vote.

There being no further business, the meeting adjourned at 7:02 p.m.

\_\_\_\_\_  
Elise Partin, Mayor

ATTEST:

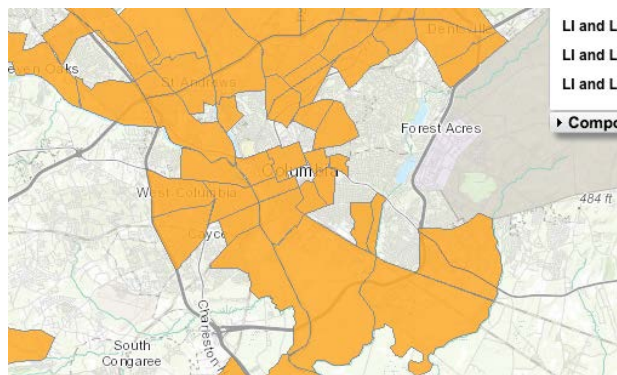
\_\_\_\_\_  
Mendy Corder, CMC, Municipal Clerk

### Food Deserts in Columbia SC Presentation

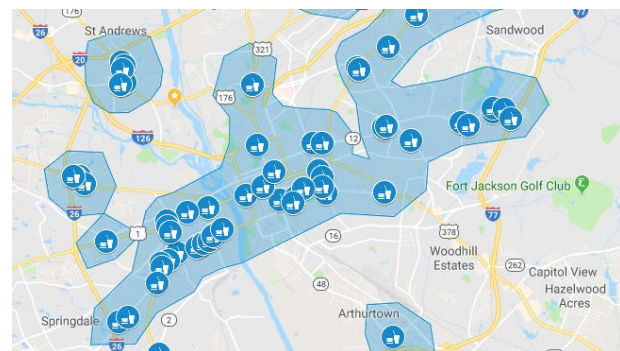
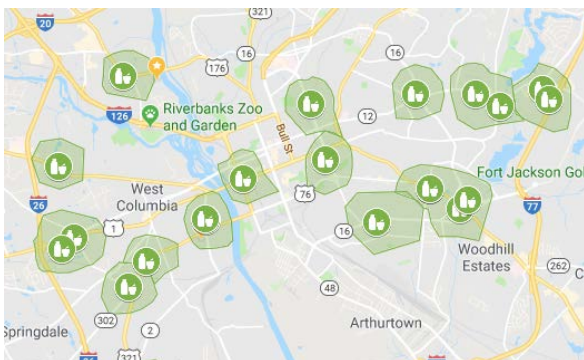
Link to google maps

[https://drive.google.com/open?id=1FpPOA3uz\\_rbqUiPY2nwQn8PEROWuGaf7&usp=sharing](https://drive.google.com/open?id=1FpPOA3uz_rbqUiPY2nwQn8PEROWuGaf7&usp=sharing)

Image showing outdated (2015) food deserts from the USDA website.

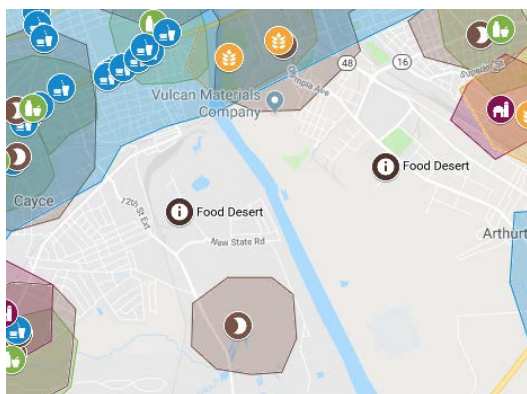


Example of students identifying fresh food (supermarkets, farmers markets, and community gardens) and fast food locations, and drawing 0.5 mi radius around each location to represent the maximum walkable distance according the USDA's definition of a food desert.



Food deserts were determined in places were no food was within a 0.5 mile radius.

Food swamps were determined where number of fast food choices outnumbered fresh food choices.



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# Memorandum

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**To:** Mayor and Council

**From:** E. Garrett Huddle, City Treasurer  
Tracy Hegler, City Manager

**Date:** March 5, 2019

**Subject:** Approval of Resolution Authorizing and Approving Financing through Lease/Purchase and Award of Lease/Purchase Contract – SCBA Equipment for Public Safety, as Approved By Council on February 5, 2019.

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## **ISSUE**

Approval of a Resolution authorizing and approving financing through a Lease/Purchase and awarding of the Lease/Purchase Contract to a Financial Institution for SCBA Equipment for Public Safety.

## **BACKGROUND/DISCUSSION**

The SCBA equipment was approved for purchase by Council during the February 5, 2019, regular City Council meeting. The total value and thus financing for the equipment will total \$283,556.

Staff contacted financial institutions who handle lease/purchase contracts and asked for financing proposals for the equipment based on the purchase price. The City received one response due to the less than two week turnaround requested. The SCBA vendor also provided a rate.

BB&T Governmental Finance quoted a four (4) year contract of 2.86% fixed.

SCBA Vendor quoted a four (4) year contract of over 5%.

If the City of Cayce approves the BB&T quote, annual payments for the four year contract will be approximately \$75,105 (with no down payment). The payments shall be monthly in arrears.

Funding for the lease/purchase contract will be included in the FY 2019-2020 General Fund budget and will be included in successive years.

## **RECOMMENDATION**

It is recommended that the lease/purchase contract be awarded to BB&T for a four (4) year term contract at 2.86% with annual payments in arrears of \$75,105 for principal and interest. It is also recommended that Council approve a “Resolution Approving Financing” through BB&T and the City Manager be authorized to execute the contract documents.

**STATE OF SOUTH CAROLINA            )**  
**)**  
**COUNTY OF LEXINGTON                )**  
**)**  
**CITY OF CAYCE                            )**

**RESOLUTION**  
**APPROVING FINANCING TERMS**  
**FOR GENERAL FUND**  
**SCBA PURCHASE**

**WHEREAS**, the City of Cayce (“City”) has previously determined to undertake a project for the financing of self-contained breathing apparatus equipment for The General Fund Lease Purchases (“the Project”), and the Finance Officer has now presented a proposal for the financing of such Project.

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Council of the City of Cayce, in Council, duly assembled, that:

1. The City hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated February 21, 2019. The amount financed shall not exceed \$283,556, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.86%, and the term shall not exceed four (4) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the “Financial Documents”) shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer’s satisfaction. The Financing Officer is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer’s release of any Financing Document for delivery constituting conclusive evidence of such officer’s final approval of the Document’s final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing

Documents as “qualified tax-exempt obligations” for the purpose of Internal Revenue Code Section 265 (b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City’s official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City’s general fund or any other City fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

**APPROVED** this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Elise Partin, Mayor

**ATTEST:**

\_\_\_\_\_  
Mendy C. Corder, CMC, Municipal Clerk

THE HOUSING AUTHORITY OF THE CITY OF CAYCE, S.C.  
October 16, 2018

The Board of Commissioners of The Housing Authority of the City of Cayce, S.C. convened at 5:10 P.M., Tuesday, October 16, 2018 in Cayce City Hall.

The Chairman called the meeting to order and upon roll call, those present and absent were as follows:

PRESENT: Jack L. Sightler, Jr., Chairman  
Bruce Smith, Chair-Elect  
Ed Landry, Commissioner  
Gilbert Walker, Secretary

ABSENT: Cheryl Seymour, Commissioner  
Silvia Sullivan, Commissioner

STAFF: Howard Thomas, Lee McRoberts, Latoya Nix, Angel Cruz

Mr. Smith opened with a prayer.

Upon motion of Mr. Landry, seconded by Mr. Smith the minutes of the regular meeting held August 21, 2018 were unanimously approved.

Ms. Nix gave the Operations Report for August, September and October. She stated that 2 accounts in August, 2 accounts in September and 2 in October were sent to the Magistrate, there were 2 accounts over thirty days old in August and September and 2 in October, 21 work orders were received in August, 27 received in September and 8 to date in October, all were completed in August and September and 2 remain to be completed in October. No emergency work orders were received.

The 2 accounts sent to the Magistrate have worked out payment plans or arranged payment to avoid further action. SCE&G recently installed new air filters, energy efficient faucets, light bulbs and insulated water heaters for Cayce Housing Authority residents. SCE&G selected the Cayce Housing Authority as the first community to test these energy saving measures in and will track savings so the program can be rolled out to other locations if successful.

Chief Cruz gave a briefing on security. There were 4 reports since the last meeting. Cayce Police investigated an unsecured door at a vacant unit, a fire extinguisher had been discharged in the unit but no other damage was observed. There was a civil property dispute involving borrowed ladders that was investigated and found to be unfounded. A burglary occurred on Toole St., the suspect was apprehended and charged with malicious injury. The final report was for petty larceny and involved a package that was stolen from someone's front porch.

Mr. Thomas gave an update on the proposed new construction at Spencer Place. Staff is still working with HUD to get project based vouchers allocated for the project; a list of required information is expected from the local field office soon and staff will respond promptly once received. The HUD approval for project based vouchers is needed to begin shopping the project to banks for financing as the vouchers guarantee rental income.

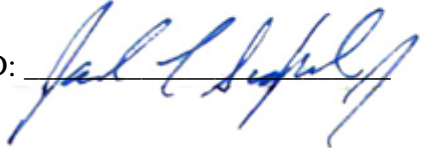
The 6 proposed units in Cayce will be part of a larger project that will also build units in Columbia for participants in the Veteran's Assisted Supportive Housing (VASH) program. These clients are referred by the Veteran's Administration and receive case management from their staff. Potential residents are screened by CHA staff and the Property Manager will make the final decision on whether or not they move into a unit. Mr. Thomas said that he hopes there will be progress to report at the meeting in December.

Mr. Walker reported that the Authority's outside audit team is conducting field work for the 2018 fiscal audit this week and that Cayce is also being reviewed at this time. The audit team is currently reviewing tenant files, finances, budgeting and operations within both authorities. No issues are expected to be found and a complete report will be made to the Board when the process is complete.

Mr. Thomas invited the Board to the CHA Fall Festival for residents being held on Monday, October 29 from 4:30 – 7:30 on Read Street across from the main office.

There being no additional business, the meeting adjourned at 5:45 pm.

  
Secretary

APPROVED: 



## Cayce Museum Commission Meeting Minutes 2 January 2019

Members present: A. G. Dantzler, Alice Brooks, Archie Moore, Cindy Peake, Dale Gaskins, Judy Corbitt, Leo Redmond, Marion Hutson and Mary Sharpe.

Also Present: City Manager Tracy Hegler, Municipal Clerk Mendy Corder, Museum Curator Jerry Kirkland and Museum Assistant Andy Thomas

- Commission Chairman Archie Moore called the Meeting to order.
- Commissioner Dantzler offered the invocation.
- Minutes from the 7 November 2018 meeting were reviewed. Commissioner Dantzler made a motion to accept and Commissioner Sharpe seconded the motion and the motion carried.
- Commission Chairman Archie Moore stated that no data concerning the Museums potential role in the 12,000 year park was discussed at the last River Alliance meeting.

- Museum Curator Jerry Kirkland

A. Christmas in Cayce was well attended

No accurate count of individuals attending our events is kept but it was estimated that attendance was over 100, with 57 attending the three lantern tour.

B. The Heritage Day and Unification was not well attended. The date was selected by our local Native American groups and it coincided with the South Carolina State Fair and a University of South Carolina football game.

C. In the future, no individuals will be directly reimbursed for expenses incurred in support of a City/Museum event. Items required to support an event will be procured in advance thru the City of Cayce procurement system or by Museum Curator Jerry Kirkland, making the purchase using his procurement card (provided by the City of Cayce). In general discussion, City Manager Tracy Hegler assured everyone that any purchase made (to date) in good faith will get reimbursed.

- D. A celebration Cayce winning the 1964 Dixie Youth World Championship will be held on August 16, 2019. Museum Assistant Andy Thomas added that players and staff from the 1964 team will be introduced at the Columbia Firefly baseball game. The Museum will have a booth at the game, three trophies from the championship (having been refurbished) and original uniforms will also be on display.
- E. We are still working on the firetruck with both volunteer and staff efforts and those will increase in the near future.
- F. City of Cayce staff member Robert is scheduled to assist us in a thorough cleaning of the Museum.
- G. We lost several items from our Native American display upstairs. City of Cayce Police were contacted immediately and the loss is being investigated. We have added locks to the affected showcases to prevent future losses.
- H. The Museum lost the opportunity to be a permanent host of Mr. Ross Beard's extensive collection of firearms to the Camden Museum.
- I. We have recently obtained several military uniforms to be used in upcoming displays.

- Andy Thomas, Museum Assistant

- A. Provided a draft rental and key policy for review. The Commission approved its use. Commissioner Gaskins added that a rekey fee for any keys held for more than five days should be deemed lost and lost key fee (\$25,00) should be added to pay for the rekey of the lock.
- B. Provided a copy of the museums reported monthly expense as provided by the City of Cayce.
- C. Provided a copy of the visitor worksheet tracking: attendance numbers, days/months as well as the state/region from where they reside.
- D. Stated that we should begin a "Strategic Plan" for the future of the Museum.

- Commissioner Brooks

- A. The Charleston basket is damaged and may need to be repaired.
  - B. Stated that upstairs is very dirty and needs not only cleaning but updating of the facility and displays.
  - C. Stated that we need to do more “Pre-Event” notifications of Museum activities. She asked the City Manager Tracy Hegler if we can do some self-promotion as a group. City Manager Tracy Hegler stated that it would be fine, but she would request that we staff it with the City, as we don’t want to send out duplicate or conflicting messages.
  - D. Stated that the Columbia World Affairs Council is very interested in using the Museum as meeting point for their meetings. More information will follow.
- A motion to adjourn was made by Commissioner Peake and seconded by Commissioner Brooks – the meeting adjourned.

**CITY OF CAYCE**  
**EVENTS COMMITTEE MEETING MINUTES**  
**Council Chambers**  
**January 10, 2019**

**Present:** Maxine Creamer, Alexis Moore, Johnathon Moore, Cindy Pedersen, and Rachel Scurry

**Absent, Excused:** Dave Capps and Danny Creamer

**City Representatives Present:** Mendy Corder, James Denny and Katinia Taylor

**Guest:** Tevin Spruill

Secretary Rachel Scurry called the meeting to order. The minutes of the November 8, 2018 meeting were reviewed and approved as written.

*Cindy Pedersen made a motion to table the election of 2019 officers, the debriefing of Carols Along the Riverwalk, and discussion of future Cayce event. Alexis Moore seconded the motion, and the motion passed.*

**Nature Walks**

**The proposed date for Spring 2019 walk is April 6, 2019.**

**Budget: \$**

**Committed Funds: \$200 per event.**

The Committee discussed the November tours and the location for the Spring tour. The Committee discussed capping the number of participants at 25 per tour. The smaller number allows participants to be more engaged with Dr. Mancke as he leads the groups. The Committee determined that one Committee member and one Staff member per tour is adequate.

*Johnathon Moore made a motion to hold the Spring tours at Granby Park. Maxine Creamer seconded the motion, and the motion passed.*

*Cindy Pedersen made a motion to limit the number to participants to 25 persons per tour. Alexis Moore seconded the motion, and the motion passed.*

## **Accommodations Tax Proposals for July 2019 – June 2020**

Applications may be submitted from February 11, 2019 until March 11, 2019.

The Committee discussed funds requests for Christmas in Cayce and the Guided Nature Tours. Cindy Pedersen suggested securing larger signs for the Guided Nature Tours. Katinia Taylor will research the cost for signs in the 4 x 4 to 5 x5 size.

*Johnathon Moore made a motion to request \$1000 for the Guided Nature Tours. Cindy Pedersen seconded the motion, and the motion passed.*

*Alexis Moore made a motion to request \$10,000 for the Christmas in Cayce. Maxine Creamer seconded the motion, and the motion passed.*

Ideas for the future Cayce event and the A-tax funding request will be discussed at the February meeting. Committee members should submit events ideas by early February so that members can consider the new ideas prior to the February meeting.

### **Other Business**

*Cindy Pedersen made a motion to amend the agenda to add the consideration of two applications for membership. Alexis Moore seconded the motion, and the motion passed.*

Secretary Rachel Scurry requested that Tevin Spruill exit Council Chambers so that Committee members could consider his application for membership. The Committee members also discussed Frank Dickerson's application.

*Cindy Pedersen made a motion to recommend to Council the appointment of Tevin Spruill and Frank Dickerson to the Committee. Johnathon Moore seconded the motion, and the motion passed.*

The Committee discussed rescheduling the February and March 2019 meetings. The suggested dates are February 7 and March 7.

*Johnathon Moore made a motion to change the meeting dates to February 7 and March 7. Cindy Pedersen seconded the motion, and the motion passed.*

There being no further business, the meeting was adjourned.

Respectfully submitted,

*Rachel R. Scurry*

**APPROVED MINUTES  
PLANNING COMMISSION  
CAYCE CITY HALL  
1800 12<sup>TH</sup> STREET, CAYCE SC  
Monday, January 28, 2019  
6:30 PM**

**I. CALL TO ORDER**

The meeting was called to order by Chair Ed Fuson. Members present were Chris Jordan, Chris Kueny and Robert Power. Maudra Brown was absent excused. Staff present were Carroll Williamson and Monique Ocean.

**II. APPROVAL OF MINUTES**

Minutes of Meeting – October 16, 2018

**III. STATEMENT OF NOTIFICATION**

Ms. Ocean affirmed that the media and public were made aware of the meeting.

**IV. NEW BUSINESS**

- a. Nomination and election of Officers for 2019  
Chris Jordan made a motion to nominate and elect Ed Fuson as Chair for 2019. Chris Kueny seconded the motion. All were favor. Chris Jordan made a motion to nominate and elect Robert Power as Vice Chair. Chris Kueny seconded the motion. All were in favor.
- b. Nomination and election of Monique Ocean as Secretary for 2019  
A motion was made to elect Ms. Ocean as Secretary for 2019. All were in favor.
- c. Approval of meeting schedule for 2019  
A motion was made to approve the meeting schedule for 2019. All were in favor.

**V. OTHER BUSINESS**

- a. The Planning Commission took a moment to recognize the passing of fellow Commission members, Mr. John Raley and Mr. Butch Broehm. The Planning Commission stated they would give a monetary contribution to Mr. Raley's and Mr. Broehm's church, in remembrance.
- b. Mr. Williamson explained to the Commission that Staff would be looking into updating the ordinance relating to digital signs. Mr. Williamson stated that a draft document would be available at the next meeting.

**VI. ADJOURNMENT**

Chris Jordan made a motion to adjourn. Chris Kueny seconded the motion. All were in favor.

**A quorum of Council may be present.  
No discussion or action on the part of Council will be taken.**

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All open positions will be advertised on the City's website and Facebook page.

**COUNCIL ACTION REQUIRED**

**ACCOMMODATIONS TAX COMMITTEE – ONE (1) POSITION**

The Accommodations Tax Committee has one open position that has to be filled by someone that works in the hotel industry in the City. The City has received a potential member application from Mr. Neal Patel, the General Manager of the Country Inn & Suites. His potential member application is attached for Council's review.

**NO COUNCIL ACTION REQUIRED**

The following positions have been postponed by Council until receipt of potential member applications.

**ACCOMMODATIONS TAX COMMITTEE – ONE (1) POSITION**

The open position must be filled by someone from the motel industry in Cayce.

**CONSOLIDATED BOARD OF APPEALS – TWO (2) POSITIONS**

Members who serve on this Board must be either an Engineer, Contractor, Architect or Design Professional. There are no recommendations at this time.

**EVENTS COMMITTEE – TWO (2) POSITIONS**

Mr. Vi'Dual Futch and Ms. Sarah Donnelley no longer live in the City.

**BEAUTIFICATION FOUNDATION – ONE (1) POSITION**

The Foundation has no recommendation at this time.

**PUBLIC SAFETY FOUNDATION – FOUR (4) POSITIONS**

The Foundation has no recommendations at this time.



# CITY OF CAYCE POTENTIAL MEMBER APPLICATION

Name: Neal Patel

Home Address:                      City, State, Zip: Columbia, SC 29212

Telephone: 803-629-5430 E-Mail: @countryinn.com

Resident of Cayce:  Yes  No Number of Years:                     

**Please indicate the Committee(s) for which you are applying:**

- |  |  |  |
|--|--|--|
| <input checked="" type="checkbox"/> Accommodations Tax Committee | <input type="checkbox"/> Cayce Housing Authority | <input type="checkbox"/> Events Committee  |
| <input type="checkbox"/> Consolidated Board of Appeals           | <input type="checkbox"/> Municipal Election Comm | <input type="checkbox"/> Museum Commission |
| <input type="checkbox"/> Planning Commission                     | <input type="checkbox"/> Board of Zoning Appeals |  |

**Have you ever been convicted of a felony or misdemeanor other than a minor traffic violation?**

Yes  No If yes, specify below.

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

**Work Address**

Company: Country Inn & Suites by Radisson Position: General Manager

Address: 2245 Airport Blvd City, State, Zip Cayce, SC 29033

Telephone: 803-794-6200 E-Mail: neal.patel@countryinn.com

Work Experience: Mauldin & Jenkins – Staff Accountant

Educational Background: University of South Carolina – Bachelor of Science – Accounting

University of South Carolina – Master of Accountancy

**Membership Information (Professional, Neighborhood and/or Civic Organizations):**

Greater Cayce West Columbia Chamber of Commerce

Volunteer Work: Dorn VA Hospital – 100 Hrs.

Hobbies: Hangout with Friends, Movies, Traveling

Return to:  
Mendy Corder, Municipal Clerk  
City of Cayce, PO Box 2004, Cayce, SC 29171-2004  
Telephone: 803-550-9557 ♦ Fax: 803-796-9072 ♦ Email: mcorder@caycesc.gov





use by the Company or any designee, with any necessary right of access thereto; and to use those facilities to conduct an electric and/or gas business, and any other business or businesses which may be lawfully conducted using the permitted facilities. As required by federal law, the Company may allow pole attachments for cable systems or other telecommunications carriers. It is the responsibility of the cable systems or other telecommunication carriers to secure any necessary easements or permits for their attachments. Nothing herein shall prohibit the City from requesting a franchise agreement from any cable system or telecommunication carriers.

### Section 3

Any street, alley, bridge, right-of-way or other public place used by the Company shall not be obstructed longer than necessary during its work of construction or repair, and shall be restored to the same good order and condition as when said work was commenced. No part of any street, alley, bridge, right-of-way, or other public place of the City, including any public drain, sewer, catch basin, water pipe, pavement or other public improvement, shall be injured. However, should any such damage occur due to Company's failure to use due care, the Company shall repair the same as promptly as possible after notice from the City, and, in default thereof, the City may make such repairs and charge the reasonable cost thereof to and collect the same from the Company. The Company shall save the City harmless from all liability or damage (including judgment, decrees, and legal court costs) resulting from its failure to use due care in the exercise of the privileges hereby granted or of its rights under this Section.

### Section 4

Upon approval of this Franchise Agreement and the franchise agreement between Mid-Carolina Electric Cooperative, Inc. ("Mid-Carolina Electric") and the City in accordance with the terms of the Agreement Concerning Electric Service Rights Between Mid-Carolina Electric Cooperative and South Carolina Electric & Gas Company, dated September 19, 2018 ("Electric Service Rights Agreement"), and amended \_\_\_\_\_, 201\_, the Company shall have electric service rights to the parcels shaded in red on Exhibit A, and Mid-Carolina Electric shall have

electric service rights to the parcels shaded in green on Exhibit A, provided, however, that:

- A. The Company may continue to provide electric service to any building or structure to which it is already providing electric service as of the effective date of the Franchise Agreements until such building or structure is removed, torn down, razed to the ground, or demolished, even if Exhibit A provides electric service rights for the parcel on which the building or structure is located to Mid-Carolina Electric; and Mid-Carolina Electric may continue to provide electric service to any building or structure to which it is already providing electric service as of the effective date of the Franchise Agreements until such building or structure is removed, torn down, razed to the ground, or demolished, even if Exhibit A provides electric service rights for the parcel on which the building or structure is located to the Company. After any building or structure that is being served by Mid-Carolina Electric or the Company pursuant to the terms of this Subsection 4(A) is removed, torn down, razed to the ground, or demolished, the service rights designation in Exhibit A shall be the sole determining factor as to whether Mid-Carolina Electric or the Company has the right to provide electric service to any future replacement building or structure within that parcel.
- B. Where any new building or structure is constructed so that part of the building or structure resides on a red parcel in Exhibit A and part of the building or structure resides on a green parcel of Exhibit A, the customer, in its sole discretion, may choose whether the Company or Mid-Carolina Electric provides electric service to such new building or structure.
- C. Upon any future annexation by the City, the Company shall have electric service rights to those annexed parcels assigned to it by the Public Service Commission of South Carolina prior to the annexation, and Mid-Carolina Electric shall have electric service rights to those annexed parcels assigned to it by the Public Service Commission of South Carolina prior to the annexation.

- D. If the City Council does not approve this Franchise Agreement and the franchise agreement with Mid-Carolina Electric pursuant to the terms of the Electric Service Rights Agreement, the Electric Service Rights Agreement shall be considered terminated, null, and void.

### Section 5

The Company shall:

A. Construct and extend its electric system within the present and/or extended City limits and have the right to connect new services in the parcels shaded in red on Exhibit A and in newly annexed parcels assigned to the Company by the Public Service Commission of South Carolina prior to the annexation, and supply standard electric service at standard voltages under rates and general terms and conditions as authorized by law; and construct and extend its gas system within the present and/or extended City limits and furnish gas, if available, to the City and applicants residing therein upon request, under rates and general terms and conditions as authorized by law.

B. If requested by the City, install underground electric distribution and service lines in new residential subdivisions of twenty-five lots or more in the City under terms and conditions customarily applicable with respect to aid to construction.

C. Furnish, install, operate, and when called upon, expand and maintain all of the electric street lighting system (to include both lighting fixtures and poles) and service along the streets, highways, alleys and public places of the City, as said system may be hereafter installed and/or changed by order of the City, in accordance with the terms and provisions of this franchise. All materials furnished shall be of standard quality and kind, and shall meet the requirements of good street lighting practice.

D. Make changes in the location of the street lighting system covered by this franchise upon written request of the City.

E. Render to the City a bill each month for the street lighting service furnished hereunder during the preceding month, in accordance with the provisions of this Franchise Ordinance.

F. Maintain at its own expense a system for repairing the street lighting system in use. The Company, upon receiving official notice that there is a defective standard fixture or pole, shall within five (5) days repair or replace the same.

#### Section 6

The City shall:

A. During the period covered by this Franchise Ordinance, and in all areas of the City served by Company or in which Company is authorized by law to serve, take from the Company any electric street lighting service and other City electric and gas services.

B. Pay monthly, within twenty-five (25) days after receipt, a proper bill from the Company for the preceding month's service in accordance with the amounts provided for in approved tariffs.

C. Accept the street lighting system as it exists on the effective date of this Franchise Ordinance.

D. For any street lighting service provided to the City by the Company, pay the Company at the municipal rate schedule approved by the Public Service Commission of South Carolina applicable to that lighting fixture and pole, including underground rates. If no applicable municipal rate is available for any fixture and pole at the time of billing, then the City shall pay the full and applicable non-municipal rate for such fixture(s) and pole(s).

E. Notify the Company in writing of areas annexed into the City, including with the notification: (1) accurate maps, (2) tax map numbers, and (3) street addresses of all locations in the annexed areas so that newly annexed customers may be subject to franchise fees. Such notification is a precondition to franchise fee payments by the Company on those accounts. In

addition, the City shall promptly update its municipal boundary maps with its County Geographical Information Systems (GIS) Office.

F. Upon annexation, pay to the Company for street lighting service to customers subject to the annexation at the municipal rate schedule approved by the Public Service Commission of South Carolina applicable to that lighting fixture and pole, including underground rates. If no applicable municipal rate is available for any fixture and pole at the time of billing, then the City shall pay the full and applicable non-municipal rate for such fixture(s) and pole(s).

#### Section 7

The Company may supply any form of gas containing approximately one thousand (1,000) BTUs per cubic foot, and its obligation in respect thereto shall continue only so long as it is able to obtain an adequate supply of such gas satisfactory for service hereunder, provided however, that in the receipt of such gas, customers within the City, including the City, shall enjoy rights equal to other similarly situated customers served by the Company.

#### Section 8

The City and the Company agree that:

A. All work performed within the municipal limits by the Company or its contractors shall be in accordance with the National Electric Safety Code and the applicable electric and gas rules and regulations, as adopted by the Public Service Commission of South Carolina.

B. The records of the Company pertaining to the electric street lighting system are to be accepted as full and final proof of the existence and configuration of the same, that system being hereinafter referred to as the "Street Lighting System."

C. Where lighting units of a different type and character than those now included in the Street Lighting System are desired by the City, a new unit charge and specification shall be agreed upon which will apply to such lighting units and which thereafter shall become a part hereof.

D. Except as otherwise provided herein, the City shall have the right at any time to order the installation of new fixtures and poles in new areas of the City.

E. The City shall have access at all reasonable times to maps, records, and rates relating to the Street Lighting System in the City.

F. Subject to applicable rates and terms and conditions, throughout the life of the franchise the Company will supply to the City, and the City agrees that it will purchase from the Company, electric energy and gas required by the City for its own use including traffic signal lighting, street lighting, lighting and power for public buildings, pumping stations, or other installations now owned or hereafter constructed or acquired by the City and for all other uses in all areas served by or to be served by the Company, as allowed by law. However, should the City request that the Company provide electric service to any of its facilities utilizing an alternative energy facility owned by the City, the Company will consent to such a request so long as the energy from that facility is allowed by and subject to a rate schedule approved by the Public Service Commission of South Carolina, provided however that the Company's consent is not required if neither the City's facility nor the alternative energy facility is interconnected to the Company's system. If the City receives service from such an alternative energy facility, then the Company shall have the right to change the terms and conditions under which it provides any remaining services to City facilities.

G. The Company shall charge and the City shall pay to the Company monthly for all electric and gas energy furnished by the Company for miscellaneous light and power and/or gas services under this franchise in accordance with rates and tariffs and terms and conditions as established by law.

H. None of the electric or gas energy furnished hereunder shall be sold, disposed of, or exchanged by the City to others without the expressed written consent of the Company.

I. The electric or gas energy hereunder is not guaranteed or warranted to be free from minor interruptions or from major outages or electrical surges beyond the control of the Company.

#### Section 9

All work upon the streets and public places of the City shall be done under the general supervision of the Mayor and Council (or other legally constituted governing body) of the City, and all sidewalks or street pavements or street surfaces which may be displaced by reason of such work shall be properly replaced and relayed by the Company, its successors and assigns, to the reasonable requirements of the Mayor and Council (or other legally constituted governing body) of the City.

#### Section 10

The Company shall, as to all other conditions and elements of service not fixed herein, be and remain subject to the reasonable rules and regulations of the Public Service Commission of South Carolina or its successors, applicable to electric & gas service in the City.

#### Section 11

A. As payment for the right to provide electric and gas services, and any other services as may be permitted under this Franchise Ordinance, in the succeeding calendar year, the Company shall pre-pay into the Treasury of the City, on the first business day of July each year, beginning with the year 2019, a sum of money (the "Franchise Fee") equal to five percent (5%) of the gross sales revenue accruing to the Company during the preceding calendar year from all residential and commercial sales of electricity and gas in the municipality and all wheeling or transportation service to such customers within the corporate limits of the City, not including sales made under legally authorized special sales programs which allow the Company to reduce prices to meet customers' competitive energy prices. To change the percentage of the revenue on which the Franchise Fee is calculated, the City must both (1) amend this Franchise Ordinance by means of an Amendatory Ordinance solely addressed to that purpose, and (2) provide the



Company written notice including an attested copy of the Amendatory Ordinance at least ninety (90) days prior to the next Franchise Fee payment due date. So long as both conditions are met, the increase will apply to the next Franchise Fee payment due from the Company and the recovery of the higher fee will begin during the calendar year for which the Franchise Fee applies. During the term of this Franchise Ordinance, the percentage of the revenue on which the Franchise Fee is based shall not exceed the highest percentage paid by the Company to any other town or city under a franchise agreement. Any other revenue accruing to the Company in the municipality may be subject to other fees and/or business license taxes as appropriate.

B. Subject to Section 11(A) above, the City's right to receive franchise fees as provided for herein shall be in lieu of all occupation, license, excise and special franchise taxes and fees of the City for the Company's sale of electric energy and natural gas within the City, and shall be in full payment of all money demands, charges, or fees of any nature whatsoever imposed by the City for the Company's sale of electric energy and natural gas within the City, except ad valorem taxes on property. The Company may at its option pay and deduct from its franchise fee payments any amount that shall be required or exacted from the Company for the benefit of the City other than ad valorem taxes on property.

C. It is expressly understood that all franchise fees or other payments imposed by the City on the Company shall be collected from customers of the Company within the municipal boundaries, as is presently provided for in the orders of the Public Service Commission of South Carolina applicable to the Company. From time to time, but no more than once a year and no less than once every three years, the Company will provide the City a list of service addresses to which franchise fees are being applied (the "List"). The City shall have sixty (60) days from receipt to verify that all addresses included on the List are accurate and that no addresses are missing. Unless the City notifies the Company of any error: (1) the City shall be required to reimburse the Company for any Franchise Fee refund based on an address incorrectly included on the List; (2) the Company shall not be responsible for Franchise Fees for any service addresses not included

on the List. Reimbursement shall be made to the Company within sixty (60) days of receipt of request by the City or the Company may agree, in its sole discretion, to deduct the amounts owed under this Subsection from the next Franchise Fee payment to the City. This information is confidential and proprietary and shall not be disclosed to any third party under the Freedom of Information Act or otherwise without a court order or the Company's prior written consent.

D. The City hereby levies, and the Company may collect and transmit to the City, a franchise fee on electricity and gas sold by third parties to customers within the City using the Company lines, or facilities; said fee is to be in all respects equivalent to the franchise fees established herein plus a proportional share of all other payments to the City, or to the Non-Standard Service Fund established hereunder, which the Company is obligated to make on whatever basis during the life of this franchise.

E. Should the City itself ever at any time construct, purchase, lease, acquire, own, hold or operate an electric or gas distribution system to provide electric and gas service within the City, then the payment of percentages of gross sales revenue herein provided to be paid by the Company, shall abate, cease and no longer be due and no other fee for the franchise rights shall be required.

## Section 12

The City and Company further agree that:

A. In addition to the requirements above, the City may require the Company to convert overhead distribution and service lines to underground lines or other non-standard service to existing customers ("Non-Standard Service"), including the use of special equipment or facilities or the use of special landscaping or screening of facilities, within the municipal limits of City, to the extent that the cost of such Non-Standard Service can be defrayed by the Non-Standard Service Fund provided for in this Section. The costs of Non-Standard Service are defined as those costs which exceed the costs of standard service. Underground distribution and/or service wires

to new customers, whether residential or commercial, shall not be included in the definition of Non-Standard Service for the purposes of this Section.

B. The Non-Standard Service Fund (hereinafter, the "Fund") shall be established pursuant to the terms of this Ordinance and shall be used to defray the costs of Non-Standard Service.

C. Each year the Company shall designate to the Fund an amount equivalent to fifty basis points (0.50%) applied to the Company's gross revenue from electric service utilized in Section 11, that being the same amount of electric revenue that is used in computing its municipal franchise fee payment for that year. (The "Company Match" to the Fund.) This designation shall occur simultaneously with the payment of the franchise fee for the year in question and shall be in addition to the franchise fee. The Company Match funds shall remain on deposit with the Company and be paid out by the Company on a one to one basis with the City matching funds as needed to defray costs of Non-Standard Service. Unexpended amounts of the Company Match not used in a given year shall remain designated to the Fund, provided that the amount of Company Match designated to the Fund shall never exceed the sum of the matches for the most recent five (5) years.

D. The City shall designate as the City's matching funds an amount equal to fifty basis points (0.50%) applied to the electric revenue subject to franchise fee charges for that year. The City's matching funds shall remain on deposit with the City and be paid out on a one to one basis with the Company Match funds to defray the cost of Non-Standard Service. Unexpended fund balances will carry over from year to year, provided that the amount of the City's match designated to the Fund shall never exceed the sum of the matches for the most recent five (5) years.

E. For any Non-Standard Service project involving more than twenty-four (24) existing customers, the City may designate an underground utility district ("Underground Utility District") wherein Non-Standard Service will be provided, and at its option may conduct a referendum or petition in that district to determine whether the project should go forward. After an Underground

Utility District has been designated and the Non-Standard Service project approved by that District, but prior to commencement of construction for the Non-Standard Service project, the City shall, by ordinance pursuant to S.C. Code Ann. § 6-1-330, as amended, authorize the collection of a fee from the property owners of each parcel within the District (the "Underground Utility Fee"). The Underground Utility Fee shall be applied to all of Company's accounts for electricity within the boundaries of the Underground Utility District. The total of such Underground Utility Fee, the Franchise Fee in Section 11(A) and any other fee provided for in Section 11 will not exceed 7% of a customer's total bill for electricity. The Underground Utility Fee shall be applied beginning with the commencement of construction of the project for a definite time not to exceed ten (10) years. Proceeds shall be paid into the Fund, provided that the Fund has paid for the construction of the Non-Standard Service within the Underground Utility District. If the City or the Company advanced funds for the Non-Standard Service in the Underground Utility District, the Underground Utility Fee shall be used to reimburse the City or the Company as appropriate on a monthly basis following recovery of same from the customers. The cost of borrowing funds from the Company to pay for the Non-Standard Service in the Underground Utility District shall be included in the reimbursement. The Company's weighted average cost of capital as filed with the Public Service Commission of South Carolina would apply to any amounts advanced by the Company.

F. The amounts designated for the Fund shall be used exclusively to defray the reasonable and necessary costs of planning, designing, permitting and/or constructing the electric utility projects involving Non-Standard Service.

G. Costs for Non-Standard Service projects shall be paid from amounts designated to the Fund as incurred. The Company shall be required to undertake Non-Standard Service projects in the City only to the extent that balances designated to the Fund are reasonably projected to be adequate to cover the costs of the projects as they are incurred.

H. The City shall establish, in consultation with the Company, priorities for Non-Standard Service projects. Projects which maintain system reliability, and/or improve system

safety, shall have priority over all other non-standard service projects. All Non-Standard Service projects shall conform to good utility practices as to reliability and safety.

I. The City shall use best efforts to acquire all necessary right-of-way, transformer sites, or other use and access rights for Non-Standard Service projects. Within three (3) months of completion of an overhead to underground conversion project, the Company shall remove overhead facilities and the City shall remove and require other utilities and third parties, if any, to remove their facilities from the Company's poles and shall require property owners to connect to the underground facilities.

#### Section 13

This Franchise Ordinance is subject to the constitution and laws of the State of South Carolina.

#### Section 14

This Franchise Ordinance shall not become effective until accepted in writing by the Company, which shall be within thirty (30) days from the date of its ratification by the City and on the same date that the Franchise Ordinance for Mid-Carolina Electric becomes effective. The terms, obligations and rights granted by this Franchise Ordinance, when accepted by the Company, shall constitute a contract between the City and the Company, and shall be in full force and effect for a term of thirty (30) years from the effective date. Upon acceptance by the Company in writing, this Franchise Ordinance supersedes and replaces Electric and Gas Franchises which became effective on November 15, 1999, and were later amended by Ordinance Numbers 2017-08 and 2017-09, which were adopted on September 5, 2017.

#### Section 15

The rights hereunder accrue exclusively to the parties, their successors and assigns. It is the express intent of the parties that this Franchise Ordinance shall not create any rights in third parties.

Ratified in City Council this  
\_\_\_ day of \_\_\_\_\_, 20\_\_.

(originally signed by:) \_\_\_\_\_  
Elise Partin, Mayor

ATTEST:  
(originally signed by:) \_\_\_\_\_  
Clerk of Council

ACCEPTANCE of the franchises granted by the within Ordinance acknowledged by SOUTH CAROLINA ELECTRIC & GAS COMPANY, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

(originally signed by) \_\_\_\_\_  
W. Keller Kissam,  
President & Chief Operating Officer

ATTEST:  
  
\_\_\_\_\_  
Gina S. Champion,  
Its Corporate Secretary

STATE OF SOUTH CAROLINA )  
COUNTY OF LEXINGTON/RICHLAND ) ORDINANCE NO. \_\_\_\_\_  
CITY OF CAYCE )

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**ORDINANCE (“FRANCHISE ORDINANCE” OR “AGREEMENT”) TO GRANT TO SOUTH CAROLINA ELECTRIC & GAS COMPANY, ITS SUCCESSORS AND ASSIGNS, THE NON-EXCLUSIVE RIGHT, POWER AND AUTHORITY TO ERECT AND TO INSTALL, MAINTAIN, AND OPERATE ON, ALONG, ACROSS, IN, OVER, ABOVE, UPON AND UNDER THE STREETS, ALLEYS AND OTHER PUBLIC PLACES OF THE CITY: (1) ELECTRIC LINES, POLES, WIRES, GUYS, PUSH BRACES, TRANSFORMERS AND APPURTENANT FACILITIES; (2) GAS MAINS, PIPES AND SERVICES AND OTHER APPURTENANT FACILITIES; AND (3) COMMUNICATION LINES AND FACILITIES FOR ~~ANY PURPOSE AND ANY~~ USE BY THE COMPANY OR ANY DESIGNEE, TOGETHER WITH ANY NECESSARY RIGHT OF ACCESS THERETO, FOR SUCH PERIOD AS THE SAME IS NEEDED BY THE COMPANY TO RENDER SERVICE TO ITS CUSTOMERS IN THE CITY OF CAYCE, SOUTH CAROLINA FROM THOSE FACILITIES; TO SET THE AMOUNT OF FRANCHISE FEE TO BE PAID BY SOUTH CAROLINA ELECTRIC & GAS COMPANY TO THE CITY; IF SO REQUIRED, TO LEVY FRANCHISE FEES ON THIRD PARTIES SELLING ELECTRICITY OR GAS USING SCE&G'S ELECTRIC OR GAS SYSTEMS; TO ALLOW FOR THE ESTABLISHMENT OF A FUND AND UNDERGROUND UTILITY DISTRICTS FOR ELECTRIC NON-STANDARD SERVICE; BE IT ORDAINED BY THE MAYOR AND COUNCIL OF CAYCE IN CITY COUNCIL ASSEMBLED:**

Section 1

Wherever the word "Company" appears in this Franchise Ordinance, it is hereby to designate, and shall be held to refer to South Carolina Electric & Gas Company, a corporation duly authorized and doing business pursuant to the laws of the State of South Carolina, its successors and assigns.

Section 2

The non-exclusive right, power and authority is hereby granted and vested in the Company to erect and to install, maintain and operate on, along, across, in, over, above, upon and under the streets, alleys, bridges, rights-of-way and other public places of the City: (1) electric lines, poles, wires, guys, push braces, transformers and other appurtenant facilities; (2) gas mains, pipes and services and other appurtenant facilities; and (3) communication lines and facilities for

~~any purpose and any~~ use by the Company or any designee, with any necessary right of access thereto; and to use those facilities to conduct an electric and/or gas business, and any other business or businesses which may be lawfully conducted using the permitted facilities. As required by federal law, the Company may allow pole attachments for cable systems or other telecommunications carriers. It is the responsibility of the cable systems or other telecommunication carriers to secure any necessary easements or permits for their attachments. Nothing herein shall prohibit the City from requesting a franchise agreement from any cable system or telecommunication carriers.

### Section 3

Any street, alley, bridge, right-of-way or other public place used by the Company shall not be obstructed longer than necessary during its work of construction or repair, and shall be restored to the same good order and condition as when said work was commenced. No part of any street, alley, bridge, right-of-way, or other public place of the City, including any public drain, sewer, catch basin, water pipe, pavement or other public improvement, shall be injured. However, should any such damage occur due to Company's failure to use due care, the Company shall repair the same as promptly as possible after notice from the City, and, in default thereof, the City may make such repairs and charge the reasonable cost thereof to and collect the same from the Company. The Company shall save the City harmless from all liability or damage (including judgment, decrees, and legal court costs) resulting from its failure to use due care in the exercise of the privileges hereby granted or of its rights under this Section.

### Section 4

Upon approval of this Franchise Agreement and the franchise agreement between Mid-Carolina Electric Cooperative, Inc. ("Mid-Carolina Electric") and the City in accordance with the terms of the Agreement Concerning Electric Service Rights Between Mid-Carolina Electric Cooperative and South Carolina Electric & Gas Company, dated September 19, 2018 ("Electric Service Rights Agreement"), and amended \_\_\_\_\_, 201 , the Company shall have electric



service rights to the parcels shaded in red on Exhibit A, and Mid-Carolina Electric shall have electric service rights to the parcels shaded in green on Exhibit A, provided, however, that:

- A. The Company may continue to provide electric service to any building or structure to which it is already providing electric service as of the effective date of the Franchise Agreements until such building or structure is removed, torn down, razed to the ground, or demolished, even if Exhibit A provides electric service rights for the parcel on which the building or structure is located to Mid-Carolina Electric; and Mid-Carolina Electric may continue to provide electric service to any building or structure to which it is already providing electric service as of the effective date of the Franchise Agreements until such building or structure is removed, torn down, razed to the ground, or demolished, even if Exhibit A provides electric service rights for the parcel on which the building or structure is located to the Company. After any building or structure that is being served by Mid-Carolina Electric or the Company pursuant to the terms of this Subsection 4(A) is removed, torn down, razed to the ground, or demolished, the service rights designation in Exhibit A shall be the sole determining factor as to whether Mid-Carolina Electric or the Company has the right to provide electric service to any future replacement building or structure within that parcel.
- B. Where any new building or structure is constructed so that part of the building or structure resides on a red parcel in Exhibit A and part of the building or structure resides on a green parcel of Exhibit A, the customer, in its sole discretion, may choose whether the Company or Mid-Carolina Electric provides electric service to such new building or structure.
- C. Upon any future annexation by the City, the Company shall have electric service rights to those annexed parcels assigned to it by the Public Service Commission of South Carolina prior to the annexation, and Mid-Carolina Electric shall have electric service rights to those annexed parcels assigned to it by the Public Service

Commission of South Carolina prior to the annexation.

- D. If the City Council does not approve this Franchise Agreement and the franchise agreement with Mid-Carolina Electric pursuant to the terms of the Electric Service Rights Agreement, the Electric Service Rights Agreement shall be considered terminated, null, and void.

### Section 5

The Company shall:

A. Construct and extend its electric system within the present and/or extended City limits and have the right to connect new services in the parcels shaded in red on Exhibit A and in newly annexed parcels assigned to the Company by the Public Service Commission of South Carolina prior to the annexation, and supply standard electric service at standard voltages under rates and general terms and conditions as authorized by law; and construct and extend its gas system within the present and/or extended City limits and furnish gas, if available, to the City and applicants residing therein upon request, under rates and general terms and conditions as authorized by law.

B. If requested by the City, install underground electric distribution and service lines in new residential subdivisions of twenty-five lots or more in the City under terms and conditions customarily applicable with respect to aid to construction.

C. Furnish, install, operate, and when called upon, expand and maintain all of the electric street lighting system (to include both lighting fixtures and poles) and service along the streets, highways, alleys and public places of the City, as said system may be hereafter installed and/or changed by order of the City, in accordance with the terms and provisions of this franchise. All materials furnished shall be of standard quality and kind, and shall meet the requirements of good street lighting practice.

D. Make changes in the location of the street lighting system covered by this franchise upon written request of the City.

E. Render to the City a bill each month for the street lighting service furnished hereunder during the preceding month, in accordance with the provisions of this Franchise Ordinance.

F. Maintain at its own expense a system for repairing the street lighting system in use. The Company, upon receiving official notice that there is a defective standard fixture or pole, shall within five (5) days repair or replace the same.

### Section 6

The City shall:

A. During the period covered by this Franchise Ordinance, and in all areas of the City served by Company or in which Company is authorized by law to serve, take from the Company any electric street lighting service and other City electric and gas services ~~from the Company during the period covered by this Franchise Ordinance in all areas of the City served by Company or in which Company is authorized by law to serve.~~

B. Pay monthly, within twenty-five (25) days after receipt, a proper bill from the Company for the preceding month's service in accordance with the amounts provided for in approved tariffs.

C. Accept the street lighting system as it exists on the effective date of this Franchise Ordinance.

D. For any street lighting service provided to the City by the Company, pay the Company ~~for street lighting service~~ at the municipal rate schedule approved by the Public Service Commission of South Carolina applicable to that lighting fixture and pole, including underground rates. If no applicable municipal rate is available for any fixture and pole at the time of billing, then the City shall pay the full and applicable non-municipal rate for such fixture(s) and pole(s).

E. Notify the Company in writing of areas annexed into the City, including with the notification: (1) accurate maps, (2) tax map numbers, and (3) street addresses of all locations in the annexed areas so that newly annexed customers may be subject to franchise fees. Such notification is a precondition to franchise fee payments by the Company on those accounts. In addition, the City shall promptly update its municipal boundary maps with its County Geographical Information Systems (GIS) Office.

F. Upon annexation, pay to the Company for street lighting service to customers subject to the annexation at the municipal rate schedule approved by the Public Service Commission of South Carolina applicable to that lighting fixture and pole, including underground rates. If no applicable municipal rate is available for any fixture and pole at the time of billing, then the City shall pay the full and applicable non-municipal rate for such fixture(s) and pole(s).

#### Section 7

The Company may supply any form of gas containing approximately one thousand (1,000) BTUs per cubic foot, and its obligation in respect thereto shall continue only so long as it is able to obtain an adequate supply of such gas satisfactory for service hereunder, provided however, that in the receipt of such gas, customers within the City, including the City, shall enjoy rights equal to other similarly situated customers served by the Company.

#### Section 8

The City and the Company agree that:

A. All work performed within the municipal limits by the Company or its contractors shall be in accordance with the National Electric Safety Code and the applicable electric and gas rules and regulations, as adopted by the Public Service Commission of South Carolina.

B. The records of the Company pertaining to the electric street lighting system are to be accepted as full and final proof of the existence and configuration of the same, that system being hereinafter referred to as the "Street Lighting System."

C. Where lighting units of a different type and character than those now included in the Street Lighting System are desired by the City, a new unit charge and specification shall be agreed upon which will apply to such lighting units and which thereafter shall become a part hereof.

D. Except as otherwise provided herein, the City shall have the right at any time to order the installation of new fixtures and poles in new areas of the City.

E. The City shall have access at all reasonable times to maps, records, and rates relating to the Street Lighting System in the City.

F. Subject to applicable rates and terms and conditions, throughout the life of the franchise the Company will supply to the City, and the City agrees that it will purchase from the Company, electric energy and gas required by the City for its own use including traffic signal lighting, street lighting, lighting and power for public buildings, pumping stations, or other installations now owned or hereafter constructed or acquired by the City and for all other uses in all areas served by or to be served by the Company, as allowed by law. However, should the City request that the Company provide electric service to any of its facilities utilizing an alternative energy facility owned by the City, the Company will consent to such a request so long as the energy from that facility is allowed by and subject to a rate schedule approved by the Public Service Commission of South Carolina, provided however that the Company's consent is not required if neither the City's facility nor the alternative energy facility is interconnected to the Company's system. If the City receives service from such an alternative energy facility, then the Company shall have the right to change the terms and conditions under which it provides any remaining services to City facilities.

G. The Company shall charge and the City shall pay to the Company monthly for all electric and gas energy furnished by the Company for miscellaneous light and power and/or gas services under this franchise in accordance with rates and tariffs and terms and conditions as established by law.

H. None of the electric or gas energy furnished hereunder shall be sold, disposed of, or exchanged by the City to others without the expressed written consent of the Company.

I. The electric or gas energy hereunder is not guaranteed or warranted to be free from minor interruptions or from major outages or electrical surges beyond the control of the Company.

#### Section 9

All work upon the streets and public places of the City shall be done under the general supervision of the Mayor and Council (or other legally constituted governing body) of the City, and all sidewalks or street pavements or street surfaces which may be displaced by reason of such work shall be properly replaced and relayed by the Company, its successors and assigns, to the reasonable requirements of the Mayor and Council (or other legally constituted governing body) of the City.

#### Section 10

The Company shall, as to all other conditions and elements of service not fixed herein, be and remain subject to the reasonable rules and regulations of the Public Service Commission of South Carolina or its successors, applicable to electric & gas service in the City.

#### Section 11

A. As payment for the right to provide electric and gas services, and any other services as may be permitted under this Franchise Ordinance, in the succeeding calendar year, the Company shall pre-pay into the Treasury of the City, on the first business day of July each year, beginning with the year 2019, a sum of money (the "Franchise Fee") equal to five percent (5%) of the gross sales revenue accruing to the Company during the preceding calendar year from all residential and commercial sales of electricity and gas in the municipality and all wheeling or transportation service to such customers within the corporate limits of the City, not including sales made under legally authorized special sales programs which allow the Company to reduce prices to meet customers' competitive energy prices. To change the percentage of the revenue

on which the Franchise Fee is calculated, the City must both (1) amend this Franchise Ordinance by means of an Amendatory Ordinance solely addressed to that purpose, and (2) provide the Company written notice including an attested copy of the Amendatory Ordinance at least ninety (90) days prior to the next Franchise Fee payment due date. So long as both conditions are met, the increase will apply to the next Franchise Fee payment due from the Company and the recovery of the higher fee will begin during the calendar year for which the Franchise Fee applies. During the term of this Franchise Ordinance, the percentage of the revenue on which the Franchise Fee is based shall not exceed the highest percentage paid by the Company to any other town or city under a franchise agreement. Any other revenue accruing to the Company in the municipality may be subject to other fees and/or business license taxes as appropriate.

B. Subject to Section 11(A) above, the City's right to receive franchise fees as provided for herein shall be in lieu of all occupation, license, excise and special franchise taxes and fees of the City for the Company's sale of electric energy and natural gas within the City, and shall be in full payment of all money demands, charges, or fees of any nature whatsoever imposed by the City for the Company's sale of electric energy and natural gas within the City, except ad valorem taxes on property. The Company may at its option pay and deduct from its franchise fee payments any amount that shall be required or exacted from the Company for the benefit of the City other than ad valorem taxes on property.

C. It is expressly understood that all franchise fees or other payments imposed by the City on the Company shall be collected from customers of the Company within the municipal boundaries, as is presently provided for in the orders of the Public Service Commission of South Carolina applicable to the Company. From time to time, but no more than once a year and no less than once every three years, the Company will provide the City a list of service addresses to which franchise fees are being applied (the "List"). The City shall have sixty (60) days from receipt to verify that all addresses included on the List are accurate and that no addresses are missing. Unless the City notifies the Company of any error: (1) the City shall be required to reimburse the

Company for any Franchise Fee refund based on an address incorrectly included on the List; (2) the Company shall not be responsible for Franchise Fees for any service addresses not included on the List. Reimbursement shall be made to the Company within sixty (60) days of receipt of request by the City or the Company may agree, in its sole discretion, to deduct the amounts owed under this Subsection from the next Franchise Fee payment to the City. This information is confidential and proprietary and shall not be disclosed to any third party under the Freedom of Information Act or otherwise without a court order or the Company's prior written consent.

D. The City hereby levies, and the Company may collect and transmit to the City, a franchise fee on electricity and gas sold by third parties to customers within the City using the Company lines, or facilities; said fee is to be in all respects equivalent to the franchise fees established herein plus a proportional share of all other payments to the City, or to the Non-Standard Service Fund established hereunder, which the Company is obligated to make on whatever basis during the life of this franchise.

E. Should the City itself ever at any time construct, purchase, lease, acquire, own, hold or operate an electric or gas distribution system to provide electric and gas service within the City, then the payment of percentages of gross sales revenue herein provided to be paid by the Company, shall abate, cease and no longer be due and no other fee for the franchise rights shall be required.

## Section 12

The City and Company further agree that:

A. In addition to the requirements above, the City may require the Company to convert overhead distribution and service lines to underground lines or other non-standard service to existing customers ("Non-Standard Service"), including the use of special equipment or facilities or the use of special landscaping or screening of facilities, within the municipal limits of City, to the extent that the cost of such Non-Standard Service can be defrayed by the Non-Standard Service Fund provided for in this Section. The costs of Non-Standard Service are defined as those



costs which exceed the costs of standard service. Underground distribution and/or service wires to new customers, whether residential or commercial, shall not be included in the definition of Non-Standard Service for the purposes of this Section.

B. The Non-Standard Service Fund (hereinafter, the "Fund") shall be established pursuant to the terms of this Ordinance and shall be used to defray the costs of Non-Standard Service.

C. Each year the Company shall designate to the Fund an amount equivalent to fifty basis points (0.50%) applied to the Company's gross revenue from electric service utilized in Section 11, that being the same amount of electric revenue that is used in computing its municipal franchise fee payment for that year. (The "Company Match" to the Fund.) This designation shall occur simultaneously with the payment of the franchise fee for the year in question and shall be in addition to the franchise fee. The Company Match funds shall remain on deposit with the Company and be paid out by the Company on a one to one basis with the City matching funds as needed to defray costs of Non-Standard Service. Unexpended amounts of the Company Match not used in a given year shall remain designated to the Fund, provided that the amount of Company Match designated to the Fund shall never exceed the sum of the matches for the most recent five (5) years.

D. The City shall designate as the City's matching funds an amount equal to fifty basis points (0.50%) applied to the electric revenue subject to franchise fee charges for that year. The City's matching funds shall remain on deposit with the City and be paid out on a one to one basis with the Company Match funds to defray the cost of Non-Standard Service. Unexpended fund balances will carry over from year to year, provided that the amount of the City's match designated to the Fund shall never exceed the sum of the matches for the most recent five (5) years.

E. For any Non-Standard Service project involving more than twenty ~~five-four~~ (245) existing customers, the City may designate an underground utility district ("Underground Utility District") wherein Non-Standard Service will be provided, and at its option may conduct a

referendum or petition in that district to determine whether the project should go forward. After an Underground Utility District has been designated and the Non-Standard Service project approved by that District, but prior to commencement of construction for the Non-Standard Service project, the City shall, by ordinance pursuant to S.C. Code Ann. § 6-1-330, as amended, authorize the collection of a fee from the property owners of each parcel within the District (the "Underground Utility Fee"). The Underground Utility Fee shall be applied to all of Company's accounts for electricity within the boundaries of the Underground Utility District. The total of such Underground Utility Fee, the Franchise Fee in Section 11(A) and any other fee provided for in Section 11 will not exceed 7% of a customer's total bill for electricity. The Underground Utility Fee shall be applied beginning with the commencement of construction of the project for a definite time not to exceed ten (10) years. Proceeds shall be paid into the Fund, provided that the Fund has paid for the construction of the Non-Standard Service within the Underground Utility District. If the City or the Company advanced funds for the Non-Standard Service in the Underground Utility District, the Underground Utility Fee shall be used to reimburse the City or the Company as appropriate on a monthly basis following recovery of same from the customers. The cost of borrowing funds from the Company to pay for the Non-Standard Service in the Underground Utility District shall be included in the reimbursement. The Company's weighted average cost of capital as filed with the Public Service Commission of South Carolina would apply to any amounts advanced by the Company.

F. The amounts designated for the Fund shall be used exclusively to defray the reasonable and necessary costs of planning, designing, permitting and/or constructing the electric utility projects involving Non-Standard Service.

G. Costs for Non-Standard Service projects shall be paid from amounts designated to the Fund as incurred. The Company shall be required to undertake Non-Standard Service projects in the City only to the extent that balances designated to the Fund are reasonably projected to be adequate to cover the costs of the projects as they are incurred.

H. The City shall establish, in consultation with the Company, priorities for Non-Standard Service projects. Projects which maintain system reliability, and/or improve system safety, shall have priority over all other non-standard service projects. All Non-Standard Service projects shall conform to good utility practices as to reliability and safety.

I. The City shall use best efforts to acquire all necessary right-of-way, transformer sites, or other use and access rights for Non-Standard Service projects. Within three (3) months of completion of an overhead to underground conversion project, the Company shall remove overhead facilities and the City shall remove and require other utilities and third parties, if any, to remove their facilities from the Company's poles and shall require property owners to connect to the underground facilities.

#### Section 13

This Franchise Ordinance is subject to the constitution and laws of the State of South Carolina.

#### Section 14

This Franchise Ordinance shall not become effective until accepted in writing by the Company, which shall be within thirty (30) days from the date of its ratification by the City and on the same date that the Franchise Ordinance for Mid-Carolina Electric becomes effective. The terms, obligations and rights granted by this Franchise Ordinance, when accepted by the Company, shall constitute a contract between the City and the Company, and shall be in full force and effect for a term of thirty (30) years from the effective date. Upon acceptance by the Company in writing, this Franchise Ordinance supersedes and replaces Electric and Gas Franchises which became effective on November 15, 1999, and were later amended by Ordinance Numbers 2017-08 and 2017-09, which were adopted on September 5, 2017.

#### Section 15

The rights hereunder accrue exclusively to the parties, their successors and assigns. It is the express intent of the parties that this Franchise Ordinance shall not create any rights in third parties.

Ratified in City Council this

\_\_\_ day of \_\_\_\_\_, 20\_\_.

(originally signed by) \_\_\_\_\_  
Elise Partin, Mayor

ATTEST:  
(originally signed by) \_\_\_\_\_  
Clerk of Council

ACCEPTANCE of the franchises granted by the within Ordinance acknowledged by SOUTH CAROLINA ELECTRIC & GAS COMPANY, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

(originally signed by) \_\_\_\_\_  
W. Keller Kissam, ~~President~~  
President & Chief Operating Officer

ATTEST:  
  
\_\_\_\_\_  
Gina S. Champion,  
Its Corporate Secretary

STATE OF SOUTH CAROLINA	)	
COUNTY OF LEXINGTON	)	ORDINANCE NO. 2018-16
CITY OF CAYCE	)	

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**ORDINANCE (“FRANCHISE ORDINANCE” OR “AGREEMENT”) TO GRANT TO MID-CAROLINA ELECTRIC COOPERATIVE, INC., ITS SUCCESSORS AND ASSIGNS, THE NON-EXCLUSIVE RIGHT, POWER AND AUTHORITY TO ERECT AND TO INSTALL, MAINTAIN, AND OPERATE ON, ALONG, ACROSS, IN, OVER, ABOVE, UPON AND UNDER THE STREETS, ALLEYS AND OTHER PUBLIC PLACES OF THE CITY: (1) ELECTRIC LINES, POLES, WIRES, GUYS, PUSH BRACES, TRANSFORMERS AND APPURTENANT FACILITIES; AND (2) COMMUNICATION LINES AND FACILITIES FOR ANY PURPOSE AND ANY USE BY THE COOPERATIVE OR ANY DESIGNEE, TOGETHER WITH ANY NECESSARY RIGHT OF ACCESS THERETO, FOR SUCH PERIOD AS THE SAME IS NEEDED BY THE COOPERATIVE TO RENDER SERVICE TO ITS CUSTOMERS IN THE CITY OF CAYCE, SOUTH CAROLINA FROM THOSE FACILITIES; TO SET THE AMOUNT OF FRANCHISE FEE TO BE PAID BY MID-CAROLINA ELECTRIC COOPERATIVE, INC. TO THE CITY; IF SO REQUIRED, TO LEVY FRANCHISE FEES ON THIRD PARTIES SELLING ELECTRICITY USING MCEC'S ELECTRIC SYSTEM BE IT ORDAINED BY THE MAYOR AND COUNCIL OF CAYCE IN CITY COUNCIL ASSEMBLED:**

Section 1

Wherever the word "Cooperative" appears in this Franchise Ordinance, it is hereby to designate, and shall be held to refer to Mid-Carolina Electric Cooperative, Inc., a corporation duly authorized and doing business pursuant to the laws of the State of South Carolina, its agents, subsidiaries, affiliated entities, successors and assigns.

Section 2

The non-exclusive right, power and authority is hereby granted and vested in the Cooperative to erect and to install, maintain and operate on, along, across, in, over, above, upon and under the streets, alleys, bridges, rights-of-way and other public places of the City: (1) electric and communication lines, poles, wires, guys, push braces, transformers and other appurtenant facilities; and (2) communication lines and facilities for any purpose and any use by the Cooperative or any designee, with any necessary right of access thereto; and to use those facilities to conduct an electric business, and any other business or businesses which may be lawfully conducted using the permitted facilities. As required by federal law, the Cooperative may allow pole attachments for cable systems or other telecommunications carriers. It is the responsibility of the cable systems or other telecommunication carriers to secure any necessary easements

or permits for their attachments. Nothing herein shall prohibit the City from requesting a franchise agreement from any cable system or telecommunication carriers.

### Section 3

Any street, alley, bridge, right-of-way or other public place used by the Cooperative shall not be obstructed longer than necessary during its work of construction or repair, and shall be restored to the same good order and condition as when said work was commenced. No part of any street, alley, bridge, right-of-way, or other public place of the City, including any public drain, sewer, catch basin, water pipe, pavement or other public improvement, shall be injured. However, should any such damage occur due to Cooperative's failure to use due care, the Cooperative shall repair the same as promptly as possible after notice from the City, and, in default thereof, the City may make such repairs and charge the reasonable cost thereof to and collect the same from the Cooperative. The Cooperative shall hold the City harmless from all liability or damage (including judgment, decrees, and legal court costs) resulting from its failure to use due care in the exercise of the privileges hereby granted or of its rights under this Section.

### Section 4

Upon approval of this Franchise Agreement and the franchise agreement between South Carolina Electric and Gas Co. ("SCE&G") and the City in accordance with the terms of the Agreement Concerning Electric Service Rights between Mid-Carolina Electric Cooperative, Inc., and South Carolina Electric & Gas Company, dated March 29, 2019 ("Electric Service Rights Agreement"), the Cooperative shall have electric service rights to the parcels shaded in green on Exhibit A, and SCE&G shall have electric service rights to the parcels shaded in red on Exhibit A, provided, however, that:

- A. The Cooperative may continue to provide electric service to any building or structure to which it is already providing electric service as of the effective date of the Franchise Agreements until such building or structure is removed, torn down, razed to the ground, or demolished, even if Exhibit A provides electric service rights for the parcel on which the building or structure is located to SCE&G; and SCE&G may continue to provide electric service to any building or structure to which it is already providing electric service as of the effective date of the Franchise Agreements until such building or structure is removed, torn down, razed to the ground, or demolished, even if Exhibit A provides electric service rights for the parcel on which the building or structure is located to the Cooperative. After any

building or structure that is being served by SCE&G or the Cooperative pursuant to the terms of this Subsection 4(A) is removed, torn down, razed to the ground, or demolished, the service rights designation in Exhibit A shall be the sole determining factor as to whether SCE&G or the Cooperative has the right to provide electric service to any future replacement building or structure within that parcel.

- B. Where any new building or structure is constructed so that part of the building or structure resides on a red parcel in Exhibit A and part of the building or structure resides on a green parcel of Exhibit A, the customer, in its sole discretion, may choose whether the Cooperative or SCE&G provides electric service to such new building or structure.
- C. Upon any future annexation by the City, the Cooperative shall have electric service rights to those annexed parcels assigned to it by the Public Service Commission of South Carolina prior to the annexation, and SCE&G shall have electric service rights to those annexed parcels assigned to it by the Public Service Commission of South Carolina prior to the annexation.
- D. If the City Council does not approve this Franchise Agreement and the franchise agreement with SCE&G pursuant to the terms of the Electric Service Rights Agreement, the Electric Service Rights Agreement shall be considered terminated, null, and void.

#### Section 5

The Cooperative shall:

A. Construct and extend its electric system within the present and/or extended City limits and have the right to connect new services in the parcels shaded in green on Exhibit A and in newly annexed parcels assigned to the Cooperative by the Public Service Commission of South Carolina prior to the annexation, and supply standard electric service at standard voltages under rates and general terms and conditions as authorized by law.

B. Furnish, install, operate, and when called upon, expand and maintain all of the electric street lighting system (to include both lighting fixtures and poles) and service along the streets, highways, alleys and public places of the City, as said system may be hereafter installed and/or changed by order of the City, in accordance with the terms and provisions of this franchise. All materials furnished shall be of standard quality and kind, and shall meet the requirements of good street lighting practice.

C. Make changes in the location of the street lighting system covered by this franchise upon written request of the City.

D. Render to the City a bill each month for the street lighting service furnished hereunder during the preceding month, in accordance with the provisions of this Franchise Ordinance.

E. Maintain at its own expense a system for repairing the street lighting system in use. The Cooperative, upon receiving official notice that there is a defective standard fixture or pole, shall within five (5) days repair or replace the same.

### Section 6

The City shall:

A. Take electric street lighting and other City electric services from the Cooperative during the period covered by this Franchise Ordinance in all areas of the City served by Cooperative or in which Cooperative is authorized by law to serve.

B. Pay monthly, within twenty-five (25) days after receipt, a proper bill from the Cooperative for the preceding month's service in accordance with the amounts provided for in approved tariffs.

C. Accept the street lighting system as it exists on the effective date of this Franchise Ordinance.

E. Pay the Cooperative for street lighting service at the rate schedule approved by the Cooperative's Board of Trustees applicable to that lighting fixture and pole, including underground rates. Notify the Cooperative in writing of areas annexed into the City, including with the notification: (1) accurate maps, (2) tax map numbers, and (3) street addresses of all locations in the annexed areas so that newly annexed customers may be subject to franchise fees. Such notification is a precondition to franchise fee payments by the Cooperative on those accounts. In addition, the City shall promptly update its municipal boundary maps with its County Geographical Information Systems (GIS) Office.

F. Upon annexation, pay to the Cooperative for street lighting service to customers subject to the annexation at the rate schedule approved by the Cooperative's Board of Trustees applicable to that lighting fixture and pole, including underground rates. If no applicable municipal rate is available for any fixture and pole at the time of billing, then the City shall pay the full and applicable non-municipal rate for such fixture(s) and pole(s).



## Section 7

The City and the Cooperative agree that:

A. All work performed within the municipal limits by the Cooperative or its contractors shall be in accordance with the National Electric Safety Code and applicable electric rules and regulations.

B. The records of the Cooperative pertaining to the electric street lighting system are to be accepted as full and final proof of the existence and configuration of the same, that system being hereinafter referred to as the "Street Lighting System."

C. Where lighting units of a different type and character than those now included in the Street Lighting System are desired by the City, a new unit charge and specification shall be agreed upon which will apply to such lighting units and which thereafter shall become a part hereof.

D. Except as otherwise provided herein, the City shall have the right at any time to order the installation of new fixtures and poles in new areas of the City.

E. The City shall have access at all reasonable times to maps, records, and rates relating to the Street Lighting System in the City.

F. Subject to applicable rates and terms and conditions, throughout the life of the franchise the Cooperative will supply to the City, and the City agrees that it will purchase from the Cooperative, electric energy required by the City for its own use including traffic signal lighting, street lighting, lighting and power for public buildings, pumping stations, or other installations now owned or hereafter constructed or acquired by the City and for all other uses in all areas served by or to be served by the Cooperative, as allowed by law. However, should the City request to provide electric service to any of its facilities utilizing an alternative energy facility owned by the City, the Cooperative will consent to such a request so long as the energy from that facility is allowed by and subject to an approved Cooperative rate schedule approved by the Cooperative's Board of Trustees. If the City receives service from such a facility, then the Cooperative shall have the right to change the terms and conditions under which it provides any remaining services to City facilities.

G. The Cooperative shall charge and the City shall pay to the Cooperative monthly for all electric energy furnished by the Cooperative for miscellaneous light and power services under this franchise in accordance with rates and tariffs and terms and conditions as established by law.

H. None of the electric energy furnished hereunder shall be sold, disposed of, or exchanged by the City to others without the expressed written consent of the Cooperative.

I. The electric energy hereunder is not guaranteed or warranted to be free from minor interruptions or from major outages or electrical surges beyond the control of the Cooperative.

#### Section 8

All work upon the streets and public places of the City shall be done under the general supervision of the Mayor and Council (or other legally constituted governing body) of the City, and all sidewalks or street pavements or street surfaces which may be displaced by reason of such work shall be properly replaced and relayed by the Cooperative, its successors and assigns, to the reasonable requirements of the Mayor and Council (or other legally constituted governing body) of the City.

#### Section 9

The Cooperative shall, as to all other conditions and elements of service not fixed herein, be and remain subject to the reasonable Service Rules and Regulations of the Cooperative as approved by the Cooperative's Board of Trustees applicable to electric service in the City.

#### Section 10

A. As payment for the right to provide electric service, and any other services as may be permitted under this Franchise Ordinance, in the succeeding calendar year, the Cooperative shall pre-pay into the Treasury of the City, on or before the first business day of July each year, beginning with the year 2019, a sum of money (the "Franchise Fee") equal to five percent (5%) of the gross sales revenue accruing to the Cooperative during the preceding calendar year from all residential and commercial sales of electricity within the corporate limits of the City, not including sales made under legally authorized special sales programs which allow the Cooperative to reduce prices to meet customers' competitive energy prices. Prior to the effective date of this Ordinance, the Cooperative made payment of the Franchise Fee of three percent (3%) in July 2018 under the terms of the Franchise Ordinance which became effective on July 8, 2005; payment of an additional two percent (2%) for the upcoming 2018 through July 2019 term will be made in July of 2019 upon acceptance of this Ordinance by the Cooperative. To change the percentage of the revenue on which the Franchise Fee is calculated, the City must both (1) amend this Franchise Ordinance by means of an Amendatory Ordinance solely addressed to that purpose, and (2) provide the Cooperative written notice including an attested copy of the Amendatory Ordinance at least ninety (90) days prior to the

next Franchise Fee payment due date. So long as both conditions are met, the increase will apply to the next Franchise Fee payment due from the Cooperative and the recovery of the higher fee will begin during the calendar year for which the Franchise Fee applies. During the term of this Franchise Ordinance, the percentage of the revenue on which the Franchise Fee is based shall not exceed the highest percentage paid by the Cooperative to any other town or city under a franchise agreement.

B. Subject to Section 10(A) above, the City's right to receive franchise fees as provided for herein shall be in lieu of all occupation, license, excise and special franchise taxes and fees, and shall be in full payment of all money demands, charges, or fees of any nature whatsoever imposed by the City, except ad valorem taxes on property. The Cooperative may at its option pay and deduct from its franchise fee payments any amount that shall be required or exacted from the Cooperative for the benefit of the City other than ad valorem taxes on property.

C. It is expressly understood that all franchise fees imposed by the City on the Cooperative shall be collected from customers of the Cooperative within the municipal boundaries. From time to time, but no more than once a year and no less than once every three years, the Cooperative will provide the City a list of service addresses to which franchise fees are being applied (the "List"). The City shall have sixty (60) days from receipt to verify that all addresses included on the List are accurate and that no addresses are missing. Unless the City notifies the Cooperative of any error: (1) the City shall be required to reimburse the Cooperative for any Franchise Fee refund based on an address incorrectly included on the List; (2) the Cooperative shall not be responsible for Franchise Fees for any service addresses not included on the List. Reimbursement shall be made to the Cooperative within sixty (60) days of receipt of request by the City or the Cooperative may agree, in its sole discretion, to deduct the amounts owed under this Subsection from the next Franchise Fee payment to the City. This information is confidential and proprietary and shall not be disclosed to any third party under the Freedom of Information Act or otherwise without a court order or the Cooperative's prior written consent.

D. Should the City itself ever at any time construct, purchase, lease, acquire, own, hold or operate an electric distribution system to provide electric service within the City, then the payment of percentages of gross sales revenue herein provided to be paid by the Cooperative, shall abate, cease and no longer be due and no other fee for the franchise rights shall be required.

#### Section 11

This Franchise Ordinance is subject to the constitution and laws of the State of South Carolina.

Section 12

This Franchise Ordinance shall not become effective until accepted in writing by the Cooperative, which shall be within thirty (30) days from the date of its ratification by the City and on the same date that the Franchise Ordinance for SCE&G becomes effective. The terms, obligations and rights granted by this Franchise Ordinance, when accepted by the Cooperative, shall constitute a contract between the City and the Cooperative, and shall be in full force and effect for a term of thirty (30) years from the effective date. Upon acceptance by the Cooperative in writing, this Franchise Ordinance supersedes and replaces the Franchise Ordinance which became effective on July 8, 2005.

Section 13

The rights hereunder accrue exclusively to the parties, their successors and assigns. It is the express intent of the parties that this Franchise Ordinance shall not create any rights in third parties.

**PASSED AND ADOPTED** this \_\_\_\_\_ 2018.

(originally signed by:) \_\_\_\_\_  
Elise Partin, Mayor

ATTEST:

\_\_\_\_\_

ACCEPTANCE of the franchises granted by this Ordinance is acknowledged by MID-CAROLINA ELECTRIC COOPERATIVE, INC., THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_.

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

(originally signed by)

\_\_\_\_\_  
B. Robert Paulling  
President & Chief Executive Officer

ATTEST:

\_\_\_\_\_

STATE OF SOUTH CAROLINA                    )  
COUNTY OF LEXINGTON                    )        ORDINANCE NO. \_\_\_\_\_  
CITY OF CAYCE                                    )

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**ORDINANCE (“FRANCHISE ORDINANCE” OR “AGREEMENT”) TO GRANT TO MID-CAROLINA ELECTRIC COOPERATIVE, INC., ITS SUCCESSORS AND ASSIGNS, THE NON-EXCLUSIVE RIGHT, POWER AND AUTHORITY TO ERECT AND TO INSTALL, MAINTAIN, AND OPERATE ON, ALONG, ACROSS, IN, OVER, ABOVE, UPON AND UNDER THE STREETS, ALLEYS AND OTHER PUBLIC PLACES OF THE CITY: (1) ELECTRIC LINES, POLES, WIRES, GUYS, PUSH BRACES, TRANSFORMERS AND APPURTENANT FACILITIES; AND (2) COMMUNICATION LINES AND FACILITIES FOR ANY PURPOSE AND ANY USE BY THE COOPERATIVE OR ANY DESIGNEE, TOGETHER WITH ANY NECESSARY RIGHT OF ACCESS THERETO, FOR SUCH PERIOD AS THE SAME IS NEEDED BY THE COOPERATIVE TO RENDER SERVICE TO ITS CUSTOMERS IN THE CITY OF CAYCE, SOUTH CAROLINA FROM THOSE FACILITIES; TO SET THE AMOUNT OF FRANCHISE FEE TO BE PAID BY MID-CAROLINA ELECTRIC COOPERATIVE, INC. TO THE CITY; IF SO REQUIRED, TO LEVY FRANCHISE FEES ON THIRD PARTIES SELLING ELECTRICITY USING MCEC’S ELECTRIC SYSTEM BE IT ORDAINED BY THE MAYOR AND COUNCIL OF CAYCE IN CITY COUNCIL ASSEMBLED:**

Section 1

Wherever the word "Cooperative" appears in this Franchise Ordinance, it is hereby to designate, and shall be held to refer to Mid-Carolina Electric Cooperative, Inc., a corporation duly authorized and doing business pursuant to the laws of the State of South Carolina, its agents, subsidiaries, affiliated entities, successors and assigns.

Section 2

The non-exclusive right, power and authority is hereby granted and vested in the Cooperative to erect and to install, maintain and operate on, along, across, in, over, above, upon and under the streets, alleys, bridges, rights-of-way and other public places of the City: (1) electric and communication lines, poles, wires, guys, push braces, transformers and other appurtenant facilities; and (2) communication lines and facilities for any purpose and any use by the Cooperative or any designee, with any necessary right of access thereto; and to use those facilities to conduct an electric business, and any other business or businesses which may be lawfully conducted using the permitted facilities. As required by federal law, the Cooperative may allow pole attachments for cable systems or other telecommunications carriers. It is the responsibility of the cable systems or other telecommunication carriers to secure any necessary easements

or permits for their attachments. Nothing herein shall prohibit the City from requesting a franchise agreement from any cable system or telecommunication carriers.

#### Section 3

Any street, alley, bridge, right-of-way or other public place used by the Cooperative shall not be obstructed longer than necessary during its work of construction or repair, and shall be restored to the same good order and condition as when said work was commenced. No part of any street, alley, bridge, right-of-way, or other public place of the City, including any public drain, sewer, catch basin, water pipe, pavement or other public improvement, shall be injured. However, should any such damage occur due to Cooperative's failure to use due care, the Cooperative shall repair the same as promptly as possible after notice from the City, and, in default thereof, the City may make such repairs and charge the reasonable cost thereof to and collect the same from the Cooperative. The Cooperative shall hold the City harmless from all liability or damage (including judgment, decrees, and legal court costs) resulting from its failure to use due care in the exercise of the privileges hereby granted or of its rights under this Section.

#### Section 4

Upon approval of this Franchise Agreement and the franchise agreement between South Carolina Electric and Gas Co. ("SCE&G") and the City in accordance with the terms of the Agreement Concerning Electric Service Rights between Mid-Carolina Electric Cooperative, Inc., and South Carolina Electric & Gas Company, dated ~~September 19, 2018~~ December 19, 2018 ("Electric Service Rights Agreement"), the Cooperative shall have electric service rights to the parcels shaded in green on Exhibit A, and SCE&G shall have electric service rights to the parcels shaded in red on Exhibit A, provided, however, that:

- A. The Cooperative may continue to provide electric service to any building or structure to which it is already providing electric service as of the effective date of the Franchise Agreements until such building or structure is removed, torn down, razed to the ground, or demolished, even if Exhibit A provides electric service rights for the parcel on which the building or structure is located to SCE&G; and SCE&G may continue to provide electric service to any building or structure to which it is already providing electric service as of the effective date of the Franchise Agreements until such building or structure is removed, torn down, razed to the ground, or demolished, even if Exhibit A provides electric service rights for the parcel on which the building or structure is located to the Cooperative. After any

building or structure that is being served by SCE&G or the Cooperative pursuant to the terms of this Subsection 4(A) is removed, torn down, razed to the ground, or demolished, the service rights designation in Exhibit A shall be the sole determining factor as to whether SCE&G or the Cooperative has the right to provide electric service to any future replacement building or structure within that parcel.

- B. Where any new building or structure is constructed so that part of the building or structure resides on a red parcel in Exhibit A and part of the building or structure resides on a green parcel of Exhibit A, the customer, in its sole discretion, may choose whether the Cooperative or SCE&G provides electric service to such new building or structure.
- C. Upon any future annexation by the City, the Cooperative shall have electric service rights to those annexed parcels assigned to it by the Public Service Commission of South Carolina prior to the annexation, and SCE&G shall have electric service rights to those annexed parcels assigned to it by the Public Service Commission of South Carolina prior to the annexation.
- D. If the City Council does not approve this Franchise Agreement and the franchise agreement with SCE&G pursuant to the terms of the Electric Service Rights Agreement, the Electric Service Rights Agreement shall be considered terminated, null, and void.

#### Section 5

The Cooperative shall:

A. Construct and extend its electric system within the present and/or extended City limits and have the right to connect new services in the parcels shaded in green on Exhibit A and in newly annexed parcels assigned to the Cooperative by the Public Service Commission of South Carolina prior to the annexation, and supply standard electric service at standard voltages under rates and general terms and conditions as authorized by law.

B. Furnish, install, operate, and when called upon, expand and maintain all of the electric street lighting system (to include both lighting fixtures and poles) and service along the streets, highways, alleys and public places of the City, as said system may be hereafter installed and/or changed by order of the City, in accordance with the terms and provisions of this franchise. All materials furnished shall be of standard quality and kind, and shall meet the requirements of good street lighting practice.



C. Make changes in the location of the street lighting system covered by this franchise upon written request of the City.

D. Render to the City a bill each month for the street lighting service furnished hereunder during the preceding month, in accordance with the provisions of this Franchise Ordinance.

E. Maintain at its own expense a system for repairing the street lighting system in use. The Cooperative, upon receiving official notice that there is a defective standard fixture or pole, shall within five (5) days repair or replace the same.

#### Section 6

The City shall:

A. Take electric street lighting and other City electric services from the Cooperative during the period covered by this Franchise Ordinance in all areas of the City served by Cooperative or in which Cooperative is authorized by law to serve.

B. Pay monthly, within twenty-five (25) days after receipt, a proper bill from the Cooperative for the preceding month's service in accordance with the amounts provided for in approved tariffs.

C. Accept the street lighting system as it exists on the effective date of this Franchise Ordinance.

~~D. Pay the Cooperative for street lighting service at the rate schedule approved by the Cooperative's Board of Trustees applicable to that lighting fixture and pole, including underground rates. If no applicable rate is available for any fixture and pole at the time of billing, then the City shall pay the full and applicable non-municipal rate for such fixture(s) and pole(s).~~

E. Notify the Cooperative in writing of areas annexed into the City, including with the notification: (1) accurate maps, (2) tax map numbers, and (3) street addresses of all locations in the annexed areas so that newly annexed customers may be subject to franchise fees. Such notification is a precondition to franchise fee payments by the Cooperative on those accounts. In addition, the City shall promptly update its municipal boundary maps with its County Geographical Information Systems (GIS) Office.

F. Upon annexation, pay to the Cooperative for street lighting service to customers subject to the annexation at the rate schedule approved by the Cooperative's Board of Trustees applicable to that

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lighting fixture and pole, including underground rates. If no applicable municipal rate is available for any fixture and pole at the time of billing, then the City shall pay the full and applicable non-municipal rate for such fixture(s) and pole(s).

Section 7

The City and the Cooperative agree that:

A. All work performed within the municipal limits by the Cooperative or its contractors shall be in accordance with the National Electric Safety Code and applicable electric rules and regulations.

B. The records of the Cooperative pertaining to the electric street lighting system are to be accepted as full and final proof of the existence and configuration of the same, that system being hereinafter referred to as the "Street Lighting System."

C. Where lighting units of a different type and character than those now included in the Street Lighting System are desired by the City, a new unit charge and specification shall be agreed upon which will apply to such lighting units and which thereafter shall become a part hereof.

D. Except as otherwise provided herein, the City shall have the right at any time to order the installation of new fixtures and poles in new areas of the City.

E. The City shall have access at all reasonable times to maps, records, and rates relating to the Street Lighting System in the City.

F. Subject to applicable rates and terms and conditions, throughout the life of the franchise the Cooperative will supply to the City, and the City agrees that it will purchase from the Cooperative, electric energy required by the City for its own use including traffic signal lighting, street lighting, lighting and power for public buildings, pumping stations, or other installations now owned or hereafter constructed or acquired by the City and for all other uses in all areas served by or to be served by the Cooperative, as allowed by law. However, should the City request to provide electric service to any of its facilities utilizing an alternative energy facility owned by the City, the Cooperative will consent to such a request so long as the energy from that facility is allowed by and subject to an approved Cooperative rate schedule approved by the Cooperative's Board of Trustees. If the City receives service from such a facility, then the Cooperative shall have the right to change the terms and conditions under which it provides any remaining services to City facilities.

G. The Cooperative shall charge and the City shall pay to the Cooperative monthly for all electric energy furnished by the Cooperative for miscellaneous light and power services under this franchise in accordance with rates and tariffs and terms and conditions as established by law.

H. None of the electric energy furnished hereunder shall be sold, disposed of, or exchanged by the City to others without the expressed written consent of the Cooperative.

I. The electric energy hereunder is not guaranteed or warranted to be free from minor interruptions or from major outages or electrical surges beyond the control of the Cooperative.

#### Section 8

All work upon the streets and public places of the City shall be done under the general supervision of the Mayor and Council (or other legally constituted governing body) of the City, and all sidewalks or street pavements or street surfaces which may be displaced by reason of such work shall be properly replaced and relayed by the Cooperative, its successors and assigns, to the reasonable requirements of the Mayor and Council (or other legally constituted governing body) of the City.

#### Section 9

The Cooperative shall, as to all other conditions and elements of service not fixed herein, be and remain subject to the reasonable Service Rules and Regulations of the Cooperative as approved by the Cooperative's Board of Trustees applicable to electric service in the City.

#### Section 10

A. As payment for the right to provide electric service, and any other services as may be permitted under this Franchise Ordinance, in the succeeding calendar year, the Cooperative shall pre-pay into the Treasury of the City, on or before the first business day of July each year, beginning with the year 2019, a sum of money (the "Franchise Fee") equal to five percent (5%) of the gross sales revenue accruing to the Cooperative during the preceding calendar year from all residential and commercial sales of electricity within the corporate limits of the City, not including sales made under legally authorized special sales programs which allow the Cooperative to reduce prices to meet customers' competitive energy prices. Prior to the effective date of this Ordinance, the Cooperative made payment of the Franchise Fee of three percent (3%) in July 2018 under the terms of the Franchise Ordinance which became effective on July 8, 2005; payment of an additional two percent (2%) for the upcoming 2018 through July 2019 term will be made in July of 2019 upon acceptance of this Ordinance by the Cooperative. To change the percentage of the

revenue on which the Franchise Fee is calculated, the City must both (1) amend this Franchise Ordinance by means of an Amendatory Ordinance solely addressed to that purpose, and (2) provide the Cooperative written notice including an attested copy of the Amendatory Ordinance at least ninety (90) days prior to the next Franchise Fee payment due date. So long as both conditions are met, the increase will apply to the next Franchise Fee payment due from the Cooperative and the recovery of the higher fee will begin during the calendar year for which the Franchise Fee applies. During the term of this Franchise Ordinance, the percentage of the revenue on which the Franchise Fee is based shall not exceed the highest percentage paid by the Cooperative to any other town or city under a franchise agreement.

B. Subject to Section 10(A) above, the City's right to receive franchise fees as provided for herein shall be in lieu of all occupation, license, excise and special franchise taxes and fees, and shall be in full payment of all money demands, charges, or fees of any nature whatsoever imposed by the City, except ad valorem taxes on property. The Cooperative may at its option pay and deduct from its franchise fee payments any amount that shall be required or exacted from the Cooperative for the benefit of the City other than ad valorem taxes on property.

C. It is expressly understood that all franchise fees imposed by the City on the Cooperative shall be collected from customers of the Cooperative within the municipal boundaries. From time to time, but no more than once a year and no less than once every three years, the Cooperative will provide the City a list of service addresses to which franchise fees are being applied (the "List"). The City shall have sixty (60) days from receipt to verify that all addresses included on the List are accurate and that no addresses are missing. Unless the City notifies the Cooperative of any error: (1) the City shall be required to reimburse the Cooperative for any Franchise Fee refund based on an address incorrectly included on the List; (2) the Cooperative shall not be responsible for Franchise Fees for any service addresses not included on the List. Reimbursement shall be made to the Cooperative within sixty (60) days of receipt of request by the City or the Cooperative may agree, in its sole discretion, to deduct the amounts owed under this Subsection from the next Franchise Fee payment to the City. This information is confidential and proprietary and shall not be disclosed to any third party under the Freedom of Information Act or otherwise without a court order or the Cooperative's prior written consent.

D. Should the City itself ever at any time construct, purchase, lease, acquire, own, hold or operate an electric distribution system to provide electric service within the City, then the payment of

percentages of gross sales revenue herein provided to be paid by the Cooperative, shall abate, cease and no longer be due and no other fee for the franchise rights shall be required.

Section 11

This Franchise Ordinance is subject to the constitution and laws of the State of South Carolina.

Section 12

This Franchise Ordinance shall not become effective until accepted in writing by the Cooperative, which shall be within thirty (30) days from the date of its ratification by the City and on the same date that the Franchise Ordinance for SCE&G becomes effective. The terms, obligations and rights granted by this Franchise Ordinance, when accepted by the Cooperative, shall constitute a contract between the City and the Cooperative, and shall be in full force and effect for a term of thirty (30) years from the effective date. Upon acceptance by the Cooperative in writing, this Franchise Ordinance supersedes and replaces the Franchise Ordinance which became effective on July 8, 2005.

Section 13

The rights hereunder accrue exclusively to the parties, their successors and assigns. It is the express intent of the parties that this Franchise Ordinance shall not create any rights in third parties.

**PASSED AND ADOPTED** this \_\_\_\_\_ 2018.

(originally signed by:) \_\_\_\_\_  
Elise Partin, Mayor

ATTEST:

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ACCEPTANCE of the franchises granted by this Ordinance is acknowledged by MID-CAROLINA ELECTRIC COOPERATIVE, INC., THIS \_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_.

MID-CAROLINA ELECTRIC COOPERATIVE, INC.

(originally signed by) \_\_\_\_\_  
B. Robert Paulling  
President & Chief Executive Officer

ATTEST:

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