

TOWN OF BATESBURG-LEESVILLE
AGENDA
REGULAR COUNCIL MEETING
October 8, 2018 7:00 P. M.
TOWN HALL COMPLEX
120 West Church Street (Bldg. B)

- I CALL TO ORDER**
- II INVOCATION – Kent Suits (Christ Community Church)**
- III PLEDGE OF ALLEGIANCE**
- IV APPROVAL OF AGENDA**
- V ADOPTION OF MINUTES**
 - A. Regular Council Meeting – September 10, 2018**
 - B. Council Work Session – September 24, 2018**
- VI MAYOR’S REPORT**
 - A. Next Regular Council Meeting – November 12, 2018**
 - B. Council Committee’s Report**
 - 1. Central Midlands – Councilman Olin Gambrell**
 - 2. Environmental Planning Advisory Committee – Councilman Jason Prouse**
 - 3. Joint Municipal Water/Sewer Commission – Mayor Lancer Shull**
 - C. B-L Chamber of Commerce Update – Mike Taylor, President of B-L Chamber of Commerce**
- VII PUBLIC COMMENT REGARDING ITEMS ON THE AGENDA**
- VIII UNFINISHED BUSINESS**
- IX NEW BUSINESS**
 - A. Approval of Contract Addendum with Code Red Community Notification to Add Weather Alert Function**
 - B. Approval of Funds for the Replacement of Street Department Vehicle Damaged by Fire**
 - C. First Reading – Ordinance for MASC Setoff Debt Program**
 - D. First Reading – Ordinance Adopting 5% Franchise Agreement with Mid-Carolina Electric Cooperative**
 - E. First Reading – Ordinance Adopting 5% Franchise Agreement with South Carolina Electric & Gas**
- X MANAGER'S REPORT**
 - A. Walk/Bike Pedestrian Study**
 - B. Hospitality Tax Business/Stakeholder Meetings and Update**
 - C. Halloween Fall Festival/Trick-or-Treat**
 - D. Possible New Lake Murray Water Customers from AAA Utilities**
 - E. B-L Fire Department Grant for New Firefighting Gear**
 - F. MASC Elected Officials Institute Upcoming Session**
- XI EXECUTIVE SESSION**
- XII POSSIBLE ACTIONS BY COUNCIL IN FOLLOW UP TO EXECUTIVE SESSION**
- XIII POTENTIAL AGENDA ITEMS FOR NEXT MONTH'S MEETING – November 12, 2018**
- XIV ADJOURNMENT**

Regular Council Meeting
September 10, 2018
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ADOPTION OF MINUTES

A motion was made by Council Member Simpkins with a second by Council Member Prouse to adopt the minutes from the August 13, 2018 Regular Council Meeting. With no discussion, a vote was taken by the show of hands.

VOTE: 7 Approved 0 Denied

A motion was made by Council Member Simpkins with a second by Council Member Prouse to adopt the minutes from the August 27, 2018 Council Work Session. With no discussion, a vote was taken by the show of hands.

VOTE: 7 Approved 0 Denied

MAYOR'S REPORT

Mayor Shull reported the next Regular Council Meeting will be October 8, 2018.

CENTRAL MIDLANDS - Council Member Gambrell

Council Member Gambrell had no report.

ENVIRONMENTAL PLANNING & ADVISORY COMMITTEE (E. P. A. C.) Council Member Prouse

Council Member Prouse reported they did not meet and the next meeting is in October.

JOINT MUNICIPAL WATER/SEWER COMMISSION - Mayor Shull

Mayor Shull reported they are to meet on Wednesday of this week.

B-L CHAMBER OF COMMERCE UPDATE - Mike Taylor, President

No report was given due to the absence of Mike Taylor.

E. Approval of the Contract with Central Midlands of Government Relating to the Comprehensive Plan Update.

A motion was made by Council Member Prouse with a second by Council Member Gambrell to approve. Manager Luckadoo stated this approval is to perform the updates to the Town's Comprehensive Plan which is one of the top priorities for the Annual Action Plan this year and the cost was budgeted in the current year's budget and approved. This Plan should be updated and reviewed every 5 years and our last update was in 2008. With no discussion, a vote was taken.

VOTE: 7 Approved 0 Denied

MANAGER'S REPORT - Ted Luckadoo

A. Bike and Pedestrian Study

Central Midlands COG and contracted consultants will be in Batesburg-Leesville from 8:00 A. M. until 8:00 P. M. on Wednesday, September 19th to perform field work, stakeholder interviews, and an open house to the public related to the study and all are invited to attend. This will be the opportunity for people to share their ideas, needs, wants, and concerns regarding walkability and bikeability inside the Town. Information will be going out within the week encouraging people to share their thoughts and ideas.

B. District 1 and 6 Special Election

The filing period for both District 1 and District 6 Special Elections will begin on Friday, September 14th at noon and will end Monday, September 24th at noon and the election will take place on Tuesday, November 27, 2018. Petitions can be picked up at Town Hall or the Lexington County Election Commission Office in Lexington.

C. Town Pond Water Supply Status

At this point, the Town pond reservoir is close to 5 feet low; the top strainer is now about 1 foot out of the water with 2 strainers left under water. We are about 1 foot from being to the top of the second strainer. As of today, Brodie Mill Pond was overflowing the dam but without rain that will not be the case in a day or two. If needed, we will ask Mr. Shealy if he will remove a board from the dam and get water. We recently had some issues not getting adequate flow from the Brodie Pump Station and today we had Pascon dredge the area around the sump pumps. After pumping, it was found that this area was built up close to 4 feet with silt material.

POSSIBLE ACTIONS BY COUNCIL IN FOLLOW-UP TO EXECUTIVE SESSION

A. Discussion of Contractual Matters Relating to Proposal of Auditing Services for Fiscal Year 2019

A motion was made by Council Member Simpkins with a second by Council Member Gambrell that we approve the contract with Dooley & Company to provide the auditing services to the Town for Fiscal Year 2018/2019. With no discussion, a vote was taken.

VOTE: 6 Approved 0 Denied

B. Discussion Regarding the Annual Performance Evaluation Relating to the Town Manager

A motion was made by Council Member Prouse with a second by Council Member Simpkins that we accept and seat Council Member Gambrell on the Town Manager Performance Evaluation Committee. With no discussion, a vote was taken,

VOTE: 6 Approved 0 Denied

No further actions from Executive Session.

POTENTIAL AGENDA ITEMS FOR OCTOBER 8, 2018 MEETING

ADJOURNMENT

A motion was made by Council Member Simpkins with a second by Council Member Gambrell to adjourn at 8:30 P. M. With no discussion, a vote was taken by the show of hands.

VOTE: 6 Approved 0 Denied

Approved this 8th day of October 2018.

Lancer D. Shull, Mayor

ATTEST:

Judy E. Edwards, Town Clerk

In compliance with the Freedom of Information Act, the news media and the public was notified of the time, date, and place along with a copy of the agenda of this meeting and a notice was posted on the outdoor bulletin board at the Batesburg-Leesville Town Hall and the Town's website no later than twenty-four hours prior to the meeting.

COUINCIL WORK SESSION

SEPTEMBER 24, 2018

The Council Work Session for the Town of Batesburg-Leesville, held in Building B of the Town Hall Complex, was called to order by Mayor Shull at 6:03 P. M. Members present were Mayor Shull, Council Member Simpkins, S. Mitchell, and Hallman. Council Member Prouse arrived at 6:08 and Council Member Gambrell and Cain were absent. District 1 and District 6 are vacant.

INVOCATION

The invocation was given by Council Member Simpkins.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the American Flag was held.

APPROVAL OF AGENDA

A motion was made by Council Member Simpkins with a second by Council Member Hallman to approve. With no discussion, a vote was taken by the show of hands.

VOTE: 4 Approved 0 Denied

***Council Member Prouse arrived.*

DISCUSSION TOPICS

A. Advanced Disposal Recycling Costs and Options

Manager Luckadoo stated in June the Town renewed the contract with Advanced Disposal for five years which began July 1st. A big component in one of the changes that occurred in that was with the recycling, setting the cap at \$25/ton. The Town was notified in late August of the recycling process increasing to \$53.13/ton. Annualized the Town is facing potentially \$5,000 in additional costs and recycling prices are not likely to decrease in the next 2-3 years. We have to look at this and arrive at a solution for the recycling costs. Mr. Erik Sankey, General Manager of Advanced Disposal, spoke on the global recycling market which was at an all-time high of complexity and constraint and

Recycling Cont'd.

how the China ban is creating global stress on the industry, which is felt at the local level. After Mr. Sankey spoke, Manager Luckadoo presented potential solutions to the recycling situation.

- ≈ **Option 1 - Absorb Extra Cost** - No change to monthly rate structure and absorb all costs with other dollars.
- ≈ **Option 2 - Pass Along Extra Cost** - Increase monthly trash rates to anticipate higher recycling fees.
- ≈ **Option 3 - Limit Recycling** - Eliminate glass from recyclable materials to save money.
- ≈ **Option 4 - End Recycling** - Terminate recycling as a curbside service by Advanced Disposal.

Each option has their pros and cons but a solution has to be reached.

ADJOURNMENT

A motion was made by Council Member Prouse with a second by Council Member Hallman to adjourn at 7:09 P. M. With no discussion, a vote was taken by a show of hands.

VOTE: 5 Approved 0 Denied

Approved this 8th day of October 2018.

Lancer D. Shull, Mayor

ATTEST:

Judy E. Edwards. Town Clerk

CodeRED Weather Warning® Service Addendum

This is an addendum (the "Addendum") to that certain CodeRED® NEXT Services Agreement effective **November 10, 2015** (the "Agreement") and is made and entered into by and between the **Town of Batesburg-Leesville** (hereinafter "Licensee"), a body politic and corporate of the State of **South Carolina** located at **120 West Church Street, Batesburg-Leesville, SC 29006**, and ONSOLVE, LLC fka Emergency Communications Network, LLC (hereinafter "Licensor"). This Addendum shall be effective as of the **last dated signed below** (the "Amendment Effective Date"). In consideration of the promises set forth herein and outlined in the Agreement, Licensee and Licensor agree to amend the Agreement in the following manner:

- 1. Terms used herein which are not otherwise defined shall have the meanings given to them in the Agreement. All references to Licensor and Licensor's address in the Agreement shall be deemed to mean the Licensor and address listed above. The following terms shall be added to the Agreement:

CodeRED Weather Warning® Service: Licensor's CodeRED Weather Warning® Service ("CRWW") expands the benefits of the Service to include the automatic launching of prerecorded CRWW notifications to members of Licensee's Calling Area who opt-in to CRWW (each a "Subscriber" and collectively, the "Subscribers"). These automated notifications are initiated by the issuance of severe weather alerts by the National Weather Service ("NWS"), with no intervention on the part of Licensee or Licensor. Subscribers to be notified are determined by matching the geographic location associated with each Subscriber against the geographic polygon(s) associated with severe weather alerts issued by NWS. CRWW is available only as an add-on module for the Service. CRWW will not be provided under the terms of this Addendum unless the Agreement is in effect.

Subscribers: Severe weather events can occur at any time of day or night. Accordingly, CRWW notifications will automatically be launched in response to the issuance of NWS severe weather alerts at any time, 24 hours/day. CRWW will notify ONLY those Subscribers that have CHOSEN to participate through the opt-in process. CRWW will be limited to Subscribers located within the **Town of Batesburg-Leesville, South Carolina** who have added their name and geographic location to the CRWW Subscriber database via the Licensee's community notification enrollment site. This site is hosted by Licensor for the purpose of allowing Subscribers to add their contact information to both the CodeRED® database and the CRWW database via the Internet. Subscribers shall be subject to the terms and conditions for CRWW, which can be reviewed at: <https://www.onsolve.com/privacy-statement/>. ONLY THOSE SUBSCRIBERS WHO OPT-IN TO CRWW WILL BE ELIGIBLE TO RECEIVE CRWW NOTIFICATIONS. LICENSEE MAY BE REQUIRED TO APPROVE SUBSCRIBER ENTRIES PRIOR TO THE SUBSCRIBERS BEING ACTIVATED AND ENTERED INTO THE DATABASE.

CodeRED® System Minutes: Notifications placed automatically via CRWW have no effect on the System Minutes associated with the Service.

Cost for CRWW: As a value added service to the Agreement, Licensor will include CRWW at **NO COST** for the Initial Term. The cost for CRWW for each Renewal Term is **NO COST**. CRWW is separate and independent from the Agreement. CRWW can be removed from the Service by Licensee or Licensor by providing 30 days written notice prior to the commencement of any Renewal Term. This Addendum will automatically renew unless Licensee or Licensor provides notice as set forth herein. Licensee will be notified of any price change for CRWW a minimum of 90 days in advance of any Renewal Term. Payment terms shall be identical to the terms contained in the Agreement.

Term: The term of this Addendum shall commence as of the Amendment Effective Date and shall be for so long as Licensee maintains the Agreement and has paid the fees listed above. Upon termination of the Agreement, access to CRWW will terminate and Licensor shall terminate all individual Subscriber accounts.

- 2. This Addendum shall not modify any terms and conditions of the Agreement, except as set forth herein.

Licensee:
Town of Batesburg-Leesville, South Carolina

Licensor:
ONSOLVE, LLC

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

CodeRED Weather Warning

Automated Weather Warning

When severe weather strikes, seconds can make a difference in how people prepare and respond. Protect residents with automatic notifications delivered by CodeRED Weather Warning®.

Automation alerts the public quickly

CodeRED Weather Warnings are launched just moments after a bulletin has been issued by the National Weather Service (NWS) with no staff action required. This sophisticated feature of the CodeRED® system takes pressure off of internal resources while continually ensuring citizens and staff that may be threatened by local severe weather are notified and informed throughout a disruptive time.



National Weather Service Polygon Methodology

Using information provided by NWS to define a storm's direction and speed, CodeRED Weather Warning geographically targets notifications to reach only those in the projected path of the storm, increasing relevance and reducing false alarms.

Types of warnings issued are varied, and each is available to areas prone to specific weather conditions, including:

- Severe thunderstorms
- Tornadoes
- Tsunamis
- Flash floods
- Winter storms



We had a tornado go through our city and CodeRED Weather Warning helped our citizens with early notification. Fortunately we didn't have any fatalities, but 300 homes were completely destroyed. CodeRED Weather Warning gave residents early warning with extra time to prepare.

Fire Chief Thomas Griffith, City of Lancaster, TX

OnSolve:

Always On. Solving Problems.

OnSolve is the market leader in real-time, mass notification and collaboration solutions used by the world's largest organizations. The OnSolve suite of critical communication tools is a key component of effective business continuity, emergency response, IT alerting, and security programs around the globe.

AN ORDINANCE

RELATING TO THE RECOVERY OF COLLECTION COSTS AS A PART OF DELINQUENT DEBTS COLLECTED PURSUANT TO THE SETOFF DEBT COLLECTION ACT

WHEREAS, the Town of Batesburg-Leesville is a claimant agency as defined in the Setoff Debt Collection Act, S.C. Code Ann. 12-56-10, et seq. (the Act) and is therefore entitled to utilize the procedures set out in the Act to collect delinquent debts owed to the Town of Batesburg-Leesville;

AND WHEREAS, “delinquent debt” is defined in the Act to include “collection costs, court costs, fines, penalties, and interest which have accrued through contract, subrogation, tort, operation of law, or any other legal theory regardless of whether there is an outstanding judgement for that sum which is legally collectible and for which a collection effort has been or is being made;”

AND WHEREAS, the Town of Batesburg-Leesville has contracted with the Municipal Association of South Carolina to submit claims on its behalf to the SC Department of Revenue pursuant to the Act;

AND WHEREAS, the Municipal Association of South Carolina charges an administrative fee for the services it provides pursuant to the Act;

AND WHEREAS, the administrative fee charged by the Municipal Association of South Carolina is a cost of collection incurred by the Town of Batesburg-Leesville that arises through contract, and is therefore properly considered as a part of the delinquent debt owed to the Town of Batesburg-Leesville as that term is defined in the Act;

AND WHEREAS, the Town of Batesburg-Leesville also incurs internal costs in preparing and transmitting information to the Municipal Association, which costs are also collection costs that are a part of the delinquent debt owed to the Town of Batesburg-Leesville;

AND WHEREAS, the Town of Batesburg-Leesville may desire to recover its internal costs of collection by adding such costs to the delinquent debt;

NOW THEREFORE, be it enacted by the Mayor and Council of the Town of Batesburg-Leesville as follows:

1. The Town of Batesburg-Leesville may impose a collection cost of up to \$25.00 to defray its internal costs of collection for any delinquent debts that are sought to be collected pursuant to the provisions of the Setoff Debt Collection Act, S.C. Code Ann. 12-56-10 et. seq. This cost is hereby declared to be a collection cost that arises by operation of law and shall be added to the delinquent debt and recovered from the debtor.

2. The Town of Batesburg-Leesville hereby declares that the administrative fee charged by the Municipal Association of South Carolina is also a collection cost to the Town, which shall also be added to the delinquent debt and recovered from the debtor.
3. All Ordinances in conflict with this Ordinance are hereby repealed.
4. This Ordinance shall be effective on the date of final reading, provided however, that this ordinance is declared to be consistent with prior law and practice and shall not be construed to mean that any fees previously charged to debtors as costs of collection under the Act were not properly authorized or properly charged to the debtor.

Lancer D. Shull, Mayor
Town of Batesburg-Leesville

ATTEST:

Judy E. Edwards, Clerk

First Reading: _____

Public Hearing held: _____

Second and Final Reading: _____

Approved as to form: _____
Chris Spradley, Town Attorney

AN ORDINANCE

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AND WHEREAS, “delinquent debt” is defined in the Act to include “collection costs, court costs, fines, penalties, and interest which have accrued through contract, subrogation, tort, operation of law, or any other legal theory regardless of whether there is an outstanding judgement for that sum which is legally collectible and for which a collection effort has been or is being made;”

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AND WHEREAS, the Town of Batesburg-Leesville may desire to recover its internal costs of collection by adding such costs to the delinquent debt;

NOW THEREFORE, be it enacted by the Mayor and Council of the Town of Batesburg-Leesville as follows:

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~~4.2.~~ The Town of Batesburg-Leesville hereby declares that the administrative fee charged by the Municipal Association of South Carolina is also a collection cost to the Town, which shall also be added to the delinquent debt and recovered from the debtor.

~~2.3.~~ All Ordinances in conflict with this Ordinance are hereby repealed.

~~3.4.~~ This Ordinance shall be effective on the date of final reading, provided however, that this ordinance is declared to be consistent with prior law and practice and shall not be construed to mean that any fees previously charged to debtors as costs of collection under the Act were not properly authorized or properly charged to the debtor.

Lancer D. Shull, Mayor
Town of Batesburg-Leesville

ATTEST:

Judy E. Edwards, Clerk

First Reading: _____

Public Hearing held: _____

Second and Final Reading: _____

Approved as to form: _____
Chris Spradley, Town Attorney

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON) ORDINANCE NO. _____
TOWN OF BATESBURG-LEESVILLE)

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 TOWN: (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 TOWN OF BATESBURG-LEESVILLE, SOUTH CAROLINA FROM THOSE FACILITIES; TO SET THE AMOUNT OF FRANCHISE FEE TO BE PAID BY MID-CAROLINA ELECTRIC COOPERATIVE, INC TO THE TOWN; 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 BATESBURG-LEESVILLE IN TOWN 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 Town: (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.

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 Town, 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 Town, and, in default thereof, the Town may make such repairs and charge the reasonable cost thereof to and collect the same from the Cooperative. The Cooperative shall hold the Town 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 Town 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 10, 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 Town, 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 Town 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 Town 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. If requested by the Town, install underground electric distribution and service lines in new residential subdivisions of twenty-five lots or more in the Town 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 Town, as said system may be hereafter installed and/or changed by order of the Town, 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 Town.

E. Render to the Town 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 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 Town shall:

A. Take electric street lighting and other Town electric services from the Cooperative during the period covered by this Franchise Ordinance in all areas of the Town 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 Town 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 Town, 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 Town 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 Town shall pay the full and applicable non-municipal rate for such fixture(s) and pole(s).

Section 7

The Town 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 Town, 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 Town shall have the right at any time to order the installation of new fixtures and poles in new areas of the Town.

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

F. Subject to applicable rates and terms and conditions, throughout the life of the franchise the Cooperative will supply to the Town, and the Town agrees that it will purchase from the Cooperative, electric energy required by the Town 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 Town and for all other uses in all areas served by or to be served by the Cooperative, as allowed by law. However, should the Town request to provide electric service to any of its facilities utilizing an alternative energy facility owned by the Town, 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 Town 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 Town facilities.

G. The Cooperative shall charge and the Town 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 Town 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 Town shall be done under the general supervision of the Mayor and Council (or other legally constituted governing body) of the Town, and all sidewalks or street pavements or street surfaces which may be displaced by reason of such work shall be properly replaced and relaid by the Cooperative, its successors and assigns, to the reasonable requirements of the Mayor and Council (or other legally constituted governing body) of the Town.

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 Town.

Section 10

A. As payment for the right to provide electric services, 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 Town, 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 Cooperative during the preceding calendar year from all residential and commercial sales of electricity in the municipality and all wheeling or transportation service to such customers within the corporate limits of the Town, not including sales made under legally authorized special sales programs which allow the Cooperative to reduce prices to meet customers' competitive energy prices. To change the percentage of the revenue on which the Franchise Fee is calculated, the Town 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 Town'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 Town, 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 Town other than ad valorem taxes on property.

C. It is expressly understood that all franchise fees imposed by the Town 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 Town a list of service addresses to which franchise fees are being applied (the "List"). The Town 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 Town

notifies the Cooperative of any error: (1) the Town 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 Town 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 Town. 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 Town itself ever at any time construct, purchase, lease, acquire, own, hold or operate an electric distribution system to provide electric service within the Town, 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 Town 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 Town 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 November 3, 2006.

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.

Ratified in Town Council this
___ day of _____, 20__.

(originally signed by:) _____
Lancer Shull, Mayor

ATTEST:
(originally signed by:) _____
Clerk of Council

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/SALUDA) ORDINANCE NO. _____
TOWN OF BATESBURG-LEESVILLE)

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 TOWN: (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 TOWN OF BATESBURG-LEESVILLE, SOUTH CAROLINA FROM THOSE FACILITIES; TO SET THE AMOUNT OF FRANCHISE FEE TO BE PAID BY SOUTH CAROLINA ELECTRIC & GAS COMPANY TO THE TOWN; 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 BATESBURG-LEESVILLE IN TOWN 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 Town: (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.

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 Town, 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 Town, and, in default thereof, the Town may make such repairs and charge the reasonable cost thereof to and collect the same from the Company. The Company shall save the Town 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 Town 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 10, 2018 ("Electric Service Rights Agreement"), 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 Town, 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 Town 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 Town 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 Town limits and furnish gas, if available, to the Town and applicants residing therein upon request, under rates and general terms and conditions as authorized by law.

B. If requested by the Town, install underground electric distribution and service lines in new residential subdivisions of twenty-five lots or more in the Town 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 Town, as said system may be hereafter installed and/or changed by order of the Town, 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 Town.

E. Render to the Town 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 Town shall:

A. Take electric street lighting and other Town electric and gas services from the Company during the period covered by this Franchise Ordinance in all areas of the Town 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. 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 Town 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 Town, 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 Town 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 Town 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 Town, including the Town, shall enjoy rights equal to other similarly situated customers served by the Company.

Section 8

The Town 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 Town, 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 Town shall have the right at any time to order the installation of new fixtures and poles in new areas of the Town.

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

F. Subject to applicable rates and terms and conditions, throughout the life of the franchise the Company will supply to the Town, and the Town agrees that it will purchase from the Company, electric energy and gas required by the Town 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 Town and for all other uses in all areas served by or to be served by the Company, as allowed by law. However, should the Town request to provide electric service to any of its facilities utilizing an alternative energy facility owned by the Town, 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. If the Town receives service from such a facility, then the Company shall have the right to change the terms and conditions under which it provides any remaining services to Town facilities.

G. The Company shall charge and the Town 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 Town 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 Town shall be done under the general supervision of the Mayor and Council (or other legally constituted governing body) of the Town, 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 Town.

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 Town.

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 Town, 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 Town, 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 Town 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 Town'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 Town, 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 Town other than ad valorem taxes on property.

C. It is expressly understood that all franchise fees or other payments imposed by the Town 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 Town a list of service addresses to which franchise fees are being applied (the "List"). The Town 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 Town notifies the Company of any error: (1) the Town 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 Town 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 Town. 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 Town hereby levies, and the Company may collect and transmit to the Town, a franchise fee on electricity and gas sold by third parties to customers within the Town 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 Town, 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 Town 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 Town, 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 Town and Company further agree that:

A. In addition to the requirements above, the Town 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 Town, 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 Town 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 Town shall designate as the Town'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 Town's matching funds shall remain on deposit with the Town 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 Town'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 (25) existing customers, the Town 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 Town 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 Town 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 Town 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 Town 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 Town 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 Town 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 Town 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 Town 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 Town 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 the Franchise Ordinances which became effective on April 20, 2006.

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 Town Council this
___ day of _____, 20__.

(originally signed by:) _____
Lancer Shull, 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