

RICHLAND COUNTY COUNCIL ADMINISTRATION AND FINANCE COMMITTEE

Kit Smith, Chair Mike Montgomery Paul Livingston Joseph McEachern Valerie Hutchinson
District 5 District 8 District 4 District 7 District 9

*July 25, 2006
Immediately Following D&S*

**Richland County Council Chambers
County Administration Building
2020 Hamptou Street**

Call to Order

Approval of Minutes – June 27, 2006: Regular Session Meeting [Pages 3 – 5]

Adoption of Agenda

I. Items for Action

- A. Approval of the Comprehensive Economic Development Strategy (CEDS) for the Central Midlands Region**
[Pages 6 – 13]
- B. Sheriff: Grant Approvals (Matching Funds and Personnel Required)**
[Pages 14 – 16]
- C. Coroner: Request for Approval to Renew Contract with Professional Pathology Services, PC for FY 06-07**
[Pages 17 – 18]
- D. Resolution in Support of the Issuance of JEDA Bonds for the Young Men's Christian Association (YMCA) of Columbia, S.C. Project**
[Pages 19 – 22]
- E. Funding for Improvements in the Olympia Neighborhood**
[Pages 23 – 25]
- F. Ordinance to Amend Retiree Eligibility Requirements for Group Life, Health, and Dental Benefits**
[Pages 26 – 37]

G. Premiums for Retiree Dependent Health Insurance
[Pages 38 – 39]

**H. Ordinance to Approve the Issuance and Sale of Special Resource Revenue Bonds
for the Vulcan River Road Project**
[Pages 40 – 59]

II. Items for Discussion / Information

There are no items for discussion/information.

III. Items Pending Analysis

A. Business License Ordinance

B. Ordinance Restructuring the Public Works Department

Adjournment

Staffed by: Joe Cronin

MINUTES OF



**RICHLAND COUNTY COUNCIL
ADMINISTRATION AND FINANCE COMMITTEE
TUESDAY, JUNE 27, 2006
IMMEDIATELY FOLLOWING D&S**

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.

MEMBERS PRESENT

Member: Paul Livingston
Member: Joseph McEachern
Member: Valerie Hutchinson
Member: Mike Montgomery

Absent: Kit Smith

ALSO PRESENT: Damon Jeter, Joyce Dickerson, Greg Pearce, Bernice G. Scott, Doris Corley, Michielle Cannon-Finch, Milton Pope, Tony McDonald, Joe Cronin, Roxanne Matthews, Larry Smith, Amelia Linder, Stephany Snowden, Kendall Johnson, Jennifer Dowden, Monique Walters, Michael Criss, Susan Britt, Teresa Smith, David Chambers, Audrey Shifflett, Geo Price, Rodolfo Callwood, Michelle Onley

CALL TO ORDER

The meeting started at approximately 5:45 p.m.

APPROVAL OF MINUTES

May 23, 2006 (Regular Session) – Ms. Hutchinson moved, seconded by Mr. McEachern to approve the minutes as submitted. The vote in favor was unanimous.

ADOPTION OF AGENDA

Mr. McEachern moved, seconded by Ms. Hutchinson, to approve the agenda as submitted. The vote in favor was unanimous.

ITEMS FOR ACTION

Grant Approval for SE Richland Community Festivals (No Personnel/No Match) – Ms. Hutchinson moved, seconded by Mr. McEachern, to forward this item to Council with a recommendation for approval. The vote in favor was unanimous.

Amendment to Hospitality Tax Ordinance to Limit Distribution Increases to no more than 3% Annually – Mr. McEachern moved, seconded by Ms. Hutchinson, to forward this item to Council with a recommendation for approval with the following amendment to the ordinance: amend paragraph [c] to read—in fiscal year 2006-2007 the amount of Local Hospitality Tax to be distributed annually to each Agency named above shall be established in the fiscal year 2006-2007 budget ordinance; change numbering of [d] to [e] and insert a new paragraph [d] to read—Beginning in fiscal year 2007-2008 and continuing thereafter, the amount of Local Hospitality Tax to be distributed annually to each Agency named above shall be increased based on the revenue growth rate as determined by trend analysis of the past three years, but in any event not more than 3%.

The vote in favor was unanimous.

Transfer of Responsibility for Hospitality Tax Collections, Inspections, Audits, and Enforcement to the Business Center – A discussion took place.

Mr. McEachern moved to hold this item in committee. The motion failed for the lack of a second.

Mr. Montgomery moved, seconded by Mr. McEachern, to hold this item in committee and to have a proposed ordinance reconciling the differences brought back to the next committee meeting.

Ms. Hutchinson made a substitute motion, seconded by Mr. Livingston, to forward this item to Council without recommendation for approval.

<u>In favor</u>	<u>Oppose</u>
Livingston	Montgomery
Hutchinson	McEachern

The vote on the substitute motion failed.

<u>In favor</u>	<u>Oppose</u>
Montgomery	Livingston
McEachern	Hutchinson

The vote on the original motion failed.

There was no action taken on this item.

Mr. Montgomery moved, seconded by Ms. Hutchinson, to reconsider this item. The vote in favor was unanimous.

Mr. Montgomery moved, seconded by Ms. Hutchinson, to suspend the enforcement of the ordinance as it relates to the Hospitality Tax until we reach a resolution in this committee that Council adopts. A discussion took place. The vote in favor was unanimous.

Wesley United Methodist Property Purchase – Ms. Hutchinson moved, seconded by Mr. Montgomery, to forward this item to Council with a recommendation for approval of Option 2 with the inclusion of the quit claim of Marshall Alley to the church. The vote in favor was unanimous.

Columbia Housing Authority Resolution – Mr. Montgomery moved, seconded by Mr. McEachern, to forward this item to Council without recommendation for approval. The vote in favor was unanimous.

ITEMS PENDING ANALYSIS

Business Service Center Ordinance – This item is still being analyzed.

Retirement Service Requirements – This item is still be analyzed.

Ordinance Restructuring the Public Works Department – This item is still being analyzed.

Funding for Improvements in the Olympia Neighborhood – This item is still being analyzed.

ADJOURNMENT – The meeting adjourned at approximately 6:28.

Submitted by,

Kit Smith, Chair

The minutes were transcribed by Michelle M. Onley

Richland County Council Request of Action

Subject: U.S. Economic Development Administration – Comprehensive Economic Development Strategy (CEDS)

A. Purpose

County Council is requested to approve the Comprehensive Economic Development Strategy (CEDS) for the Central Midlands Region, noting in particular the elements of the plan relating to Richland County.

B. Background / Discussion

In order to remain eligible for U.S. Economic Development Administration (EDA) funding, EDA requires that each region have and maintain a CEDS, a Comprehensive Economic Development Strategy. This document has been called an OEDP (Overall Economic Development Plan) in the past. EDA requires that the CEDS must be updated annually, and every 5 years it must be revised. During 2003, the Central Midlands region completed the required 5 year revision to the CEDS in order to include 2000 Census Data. This year, the region is submitting an annual update. As part of the annual update, regional project priority listings must be revised and included in the document. Any project that EDA considers for funding from the region will come from these priority listings. If a project comes up later that is eligible for EDA funding but is not on the list, the list can be amended.

COG staff met on June 27, 2006 with Richland County staff (including staff from Administration and Community Development), as well as City of Columbia staff, Benedict College staff, among others. Based upon the group's recommendations, the attached list has been provided for your review and approval.

C. Financial Impact

The adoption of the CEDS allows the Central Midlands region to maintain eligibility for EDA funding in the future. Without the CEDS document, the region is not eligible to receive EDA funding consideration. In Richland County, EDA has most recently participated in funding of the new Benedict College Business Development Center.

D. Alternatives

1. Approve the CEDS for the Central Midlands region, particularly the project priorities related to Richland County. Approving the request will maintain the Central Midlands region's eligibility for EDA funding consideration.
2. Do not approve the CEDS for the Central Midlands region and the project priorities related to Richland County. Not approving the request will jeopardize the region's eligibility for EDA funding.

E. Recommendation

It is recommended for Council to approve the CEDS for the Central Midlands region, particularly the elements related to Richland County.

Recommended by: Robin Cooley, Central Midlands Council of Governments,

Date: July 11, 2006

F. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 7/12/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Amelia Linder

Date: 7/12/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval of the CEDS, but the priorities listed therein are at the discretion of Council.

Administration

Reviewed by: Tony McDonald

Date: 7/17/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

**ANNOTATION OF PROJECTS ON THE RICHLAND COUNTY
PRIORITY LIST FOR 2006-2007**

Mass Transit

1. The Central Midlands Regional Transit Authority (CMRTA) has been formally established by Lexington County, the City of Columbia, Richland County and 12 municipalities located within the two counties. The CMRTA assumed public ownership and responsibility for public transit services in the Columbia metropolitan area on October 16, 2002. The CMRTA has short range (5 year) plans to develop a new transit maintenance and operations facility. The CMRTA and CMCOG also have long range plans (10 year) to develop an intermodal transportation center for linking passenger rail services, local bus service, airport shuttle services, taxis, and intercity bus services. The CMCOG will take the lead on a feasibility study for the intermodal transportation center.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Central Midlands Regional Transit Authority	\$12 million
Addressed in Plan: Midlands Public Transit Study and COATS Long Range Transportation Plan	
Source of Funds: Federal Transit Administration, SCDOT and local funds	
When Begun: The site search/selection process for the Maintenance/Operations facility project began in early 2002 and is still underway.	

Water and Sewer Facilities

2. Extension of water and sewer service in Richland County in concert with the recommendations of the Imagine Richland County 2020 Comprehensive Plan adopted by the Richland County Council and with the Central Midlands Water Quality Management Plan.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Richland County	\$12 million
Addressed in Plan: Imagine Richland County 2020 Plan and Regional Water Quality Plan	
Source of Funds: EDA, CDBG, State Infrastructure	
When Begun: 2003	

Commercial Revitalization

3. Commercial business revitalization efforts in Columbia to include public works, business lending, etc., as part of a general project to assist Columbia in its efforts to gain grants and other funding to implement a number of neighborhood plans that call for a variety of physical improvements as well as lending to businesses through the Title IX revolving loan program.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
City of Columbia	\$ 1 million
Addressed in Plan: Community Development Plans for the City of Columbia	
Source of Funds: EDA and HUD	
When Begun: 2000	

Technology/Industrial Park Facility

- 4. Development of a new Technology/Industrial Park in Richland County by the City of Columbia. Project includes development of water, sewer, storm drainage, streets and utility support infrastructure including high-speed data transmitting capability. The infrastructure will be designed to attract technology related companies.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
City of Columbia and Richland County	\$10 million
Addressed in Plan: City of Columbia Comprehensive Plan	
Source of Funds: City of Columbia, Richland County, State of South Carolina, EDA, and others	
When Begin: 2002	

Commercial Corridor Improvements

- 5. Infrastructure improvements on commercial corridors in the City of Columbia which will enhance the appearance and ability of these areas to attract and retain viable businesses as well as strengthen the desirability of the adjacent residential areas.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
City of Columbia & Richland County	\$ 64 million
Addressed in the Plan: City of Columbia Comprehensive Plan and Sumter-Columbia Empowerment Zone (SCEZ Bonds) Plan-Corridor Improvement for Main Street, Lady Street, North Main Street, Harden Street, Two Notch Road, Rosewood Drive and other commercial corridors; Transportation Improvement Plan for the COATS area	
Source of Funds: USDOT-TEA-21 Transportation Enhancement Program, TIF, EDA, SCEZ Bonds, FHLB, HUD, other federal and local funds	
When begun: 2000	

Storm Drainage Facilities

- 6. Storm drainage improvements throughout Richland County and the City of Columbia that are in accord with the regional storm drainage plans prepared by CMCOG as well as a localized plan developed by local governments.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Richland County & various municipalities	\$15 million
Addressed in Plan: City and County Storm Water Improvements Plan	
Source of Funds: Storm Water Enterprise Funds of the City and County	
When Begun: 2003	

Mixed Use Redevelopment of Old Correctional Facility Property

- 7. Installation of publicly owned and maintained drainage, streets, water and sewer as part of the redevelopment of the former Central Correctional Institution site for residential, commercial and institutional purposes.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
City of Columbia	\$13 million
Addressed in Plan: Capital Improvements Plans for the City of Columbia	
Source of Funds: Local funds and tax increment financed debt	
When Begun: 1997	

Commercial/Industrial Development

8. Infrastructure improvements in conjunction with commercial/industrial development projects designed to assist in implementing the City’s Comprehensive and/or the Sumter-Columbia Empowerment Zone (SCEZ) Plan.

<u>Primary Applicant</u>	<u>Estimate Cost</u>
City of Columbia	\$25 million
Addressed in Plan: City of Columbia Comprehensive Plan and the Sumter-Columbia Empowerment Zone Plan	
Source of Funds: TEA-21 funds, TIF, EDA, SCEZ Bonds, FHLB, HUD, other federal and local funds	
When begun: 2001	

COMMERCIAL REVITALIZATION

- 9 Commercial business revitalization efforts in the Decker Boulevard Corridor, Ridgewood community and Arthurtown community. Activities will include physical improvements, major marketing efforts, efforts to retain viable businesses as well as strengthen the desirability of the adjacent residential area.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Richland County	\$5 million
Addressed in Plan:	
Source of Funds: CDBG, EDA, other federal and local funds	
When begun: 2005	

Sewer Facilities

10. Construction of a wastewater treatment plant and system in the Lower Richland area in order to provide wastewater treatment and sewer lines to the Hopkins area. These improvements will serve residential customers as well as an elementary and middle school and an adult care facility. A planning study to develop cost estimates is nearly complete.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Richland County	\$14 million
Addressed in Plan:	
Source of Funds: CDBG, USDA other federal and local funds	
When begun: 2007	

WATER AND SEWER FACILITIES

11. Installation of public water and sewer facilities in the Booker Heights community in order to provide an increased quality of life for residents in this community.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Richland County	\$700,000
Addressed in Plan: Richland County CDBG Consolidated Plan	
Source of Funds: CDBG, Richland County	
When begun: 2006	

TECHNOLOGY/ENTERPRISE CAMPUS FACILITY AND INFRASTRUCTURE DEVELOPMENT

12. The Midlands Technical College Enterprise Campus has been established to attract facilities dedicated to second-tier incubation, research commercialization and public-private development

of 100 acres of college property in Northeast Richland County. The college, through the MTC Enterprise Campus Authority, proposes the initial development of a 32,000 square foot multi-purpose building containing four 5,000 square foot bays with water, compressed air, electronic multi-power, and computer drops, along with classrooms, five offices, storage areas, restrooms and a lobby. Infrastructure improvements for the entire 100 acres include development of water, sewer, storm drainage, streets and utility support, including connectivity to the college's phone and intranet.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Midlands Technical College	\$6.5 million
Addressed in Plan: Midlands Technical College Master Plan	
Source of Funds: EDA, local funds	
When Begun: 2004	

WATER FACILITIES

13. The City of Columbia proposes extension of water service to serve the Blythewood area of Richland County. Engineering and design work has been underway and is projected for completion during 2004.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
City of Columbia	
Addressed in Plan: City of Columbia Capital Improvements Plan	
Source of Funds: Local funds	
When Begun: 2004	

Neighborhood/Community Master Planning

14. Master plans will be completed for ten identified focal areas in the County. The plans will detail specific recommendations about how to use and develop land and will include measurable and fundable improvement projects. Areas/communities to be addressed include: Lower Richland Boulevard/Garners Ferry Road; Broad River Heights/Riverview Terrace/Village at Rivers Edge; Decker Boulevard/Woodfield Park; Crane Creek Community; Trenholm Acres; Candlewood; Piney Grove/St. Andrews; Dutch Square/Lower Broad River; Spring Hill; Olympia and Hopkins.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Richland County	\$650,000
Addressed in Plan:	
Source of Funds: Richland County, local funds	
When begun: 2005/2006	

Technology/Enterprise Campus Facility and Infrastructure Development

15. The Midlands Technical College proposes the construction of a 68,000 SF engineering technology and general purpose classroom facility at their Northeast Richland County Technology Campus. The facility will allow MTC to expand their engineering technology program.

<u>Primary Applicant</u>	<u>Estimated Cost</u>
Midlands Technical College	\$19.0 million
Addressed in Plan: Midlands Technical College Master Plan	
Source of Funds: EDA, bonds, local cash	
When Begun: 2008	

Technology

16. Promote development of alternative fuel/hydrogen cell technology in the region through partnerships with local government, the University of South Carolina and other appropriate entities.

Primary Applicant

Estimated Cost

\$

Addressed in Plan:

Source of Funds:

When Begun: 2008

Technology

17. Development of widespread Wi-Fi capabilities in the downtown Columbia area. Eventual expansion of Wi-Fi technology into the surrounding neighborhoods.

Primary Applicant

Estimated Cost

City of Columbia

\$

Addressed in Plan:

Source of Funds: CDBG, other local funds

When Begun: 2008

TOTAL

\$197.85 million

All projects are priority #1 to the CEDS Priority Setting Committee

DRAFT

July 25, 2006

Mr. H. Philip Paradice, Jr., Acting Director
U.S. Department of Commerce
Economic Development Administration
401 West Peachtree Street, NW
Suite 1820
Atlanta, GA 30308-3510

Dear Mr. Paradice:

At a Richland County Council meeting on July 25, 2006, Council approved the Comprehensive Economic Development Strategy (CEDS) for the Central Midlands region, and particularly the elements of that plan relating to Richland County. The regional CEDS was prepared for your consideration, as well as for the board of the Central Midlands Council of Governments, by Central Midlands staff working with appointees to the Economic Development Planning Advisory Committee. They assisted in the identification of project priorities contained within the Comprehensive Economic Development Strategy.

The CEDS, as it applies to Richland County, will aid the County in evaluating its economic status, progress, and needs. The plan contains a list of economic development projects of great need by Richland County and its municipalities. EDA participation in funding these projects will greatly assist in relieving long-term economic distress and mitigate hardship among the low and moderate income segments of the population. The plan, as prepared, will also assist the county in obtaining funding from other federal agencies as well as from the State of South Carolina.

Sincerely,

Anthony G. Mizzell, Chairman
Richland County Council

Richland County Council Request of Action

Subject: Grant Match/ Temporary Part Time Employee Approval

F. Purpose

County Council is requested to approve 2 grants in the amount of \$89,193 with a match amount of \$11,365. There is a temporary part time personnel cost associated with one program.

The grants are as follows:

COPS Secure Our Schools

Grantor (50%) \$11,365 Match (50%) \$11,365 = \$22,730 Total Project Costs

This project will involve three area school districts within Richland County located in Columbia, South Carolina. They are Richland County School District One, Richland County School District Two, and Lexington/Richland County School District Five. Our agency serves 73 schools within the districts, with a collective population estimate of over 62,000 students within the county of Richland. The Richland County Sheriff's Department will acquire new technology and equipment to identify, monitor, prevent, and detect areas of concern around school zones, and improve school safety assessments. This will be combined with educational presentations utilizing our Command Post mobile data unit on-site in order to apprise school communities (emergency response agencies and school staff) on proper response, and key areas of concern for an integrated approach to crisis situations in and around school zones. Additionally, officers will receive training in order to improve school safety practices, personal knowledge, and skills as School Resource Officers. This information will be disseminated to other officers, school staff, students, and parents.

SCDPS – Project Safe Neighborhoods, Anti-Gang Initiative

Grantor (100%) \$66,463, One temporary part time position (Intern) (\$12,028 salary and fringes)

The bulk of this program involves partnering with the University of South Carolina's Department of Criminology and Criminal Justice for contractual services in order to address crime investigation and suppression, and data sharing/gathering in relation to gang activities in the Midlands region through collaboration with local, state, and federal agencies within the criminal justice system. The funds will be utilized for computer hardware, software, training, some suppression supplies, and one temporary part time Intern in order to establish a gang database, protocols, and for the overall reduction of gang activity in Richland County.

B. Background / Discussion

These applications became available after the grant budget request was submitted and there was no longer an avenue to request additional funds. The Project Safe Neighborhoods grant involves one temporary part time personnel. Full copies may be obtained from the Grant Development Manager, Ms. Audrey Shifflett.

These projects were designed to a direct need within our agency and the communities in which we serve.

C. Financial Impact

	Amount
Match funding request	\$11,365
Total	\$11,365

D. Alternatives

2. Accept the grant awards.
3. Do not approve and refuse to accept the grants.

E. Recommendation

The Sheriff's Department recommends that Council approve the grants amounting to 89,193.

Recommended by: Hubert F. Harrell, Chief Deputy **Dept.:** Sheriff's **Date:** 07/05/06

G. Reviews

Grants Manager

Reviewed by: Audrey Shifflett

Date: 7/12/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: The funding opportunities became available after the budget process for FY07 concluded. The COPS Secure our Schools project requires a match of \$11,365 and involves no personnel. The SC Department of Public Safety – Project Safe Neighborhoods, Anti-Gang Initiative does not require any matching fund and involves a part-time intern.

Finance

Reviewed by: Daniel Driggers

Date: 7/12/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Approval of the COPS Secure our Schools grant requires the identification of funds for the \$11,365 and may require a budget amendment based on funding source.

Legal

Reviewed by: Amelia Linder

Date: 7/13/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Both alternatives appear to be legally sufficient; therefore this request is at the discretion of Council. In addition, I concur with the comments made by Finance.

Administration

Reviewed by: J. Milton Pope

Date: 7-21-06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approving the \$11,365 grant match out of existing grant match funds. Historically not all grant match requests are awarded however if the trend changes staff will work with the Sheriff's Department to cover the shortfall or a budget amended will be recommended to County Council.

Richland County Council Request of Action

Subject: Coroner – Request for approval to renew contract with Professional Pathology Services, PC for FY 06-07

A. Purpose

Council is requested to approve the renewal of the contract with Professional Pathology Services, PC to perform autopsies and postmortem examination for the Coroner's Office for FY '06-'07 and the encumbrance of funds for these services.

B. Background/Discussion:

The contract with Professional Pathology Services, PC went into effect in July 1992 with the option to renew each year. This pathology group is the only group that can meet the specifications of the Coroner's Office to perform autopsy services. Therefore, it is requested that the contract be approved as a sole-source service provided to the county. The contract should provide for autopsy services by this group at a cost of \$850.00 per autopsy and \$100.00 per forensic consult exam.

C. Financial Impact:

Based on the prior year and estimates, I would request an initial amount of \$270,000.00 be approved for autopsy and forensic consult exam services for FY '06-'07. It is possible that this amount will not be sufficient and will have to be increased during the year.

D. Alternatives:

1. Approve the request to renew the contract with Professional Pathology Services, PC and to encumber initial funds of \$270,000.00 for autopsy and exam services by Professional Pathology Services, PC.

Approval of this request to renew the contract with Professional Pathology Services, PC and to encumber the funds requested will allow autopsies and forensic consult exams to be done and payment for these services without interruption.

2. Do not approve.

If this request is not approved, autopsies and forensic consult exams will not be done and/or payment for autopsy services will be delayed.

E. Recommendation

It is recommended that Council approve the request to renew the contract with Professional Pathology Services, PC and that funds be encumbered in the amount of \$270,000.00 for autopsy services.

Recommended by: Coroner Gary Watts **Department:** Coroner-2400 **Date:** 7/12/06

F. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 7/12/06

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Funds are available in the FY 07 budget.

Procurement

Reviewed by: Rodolfo Callwood

Date: 7/12/06

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Amelia Linder

Date: 7/13/06

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Administration

Reviewed by: J. Milton Pope

Date: 7-13-06

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval....

Richland County Council Request of Action

Subject: YMCA of Columbia: JEDA Bond Issuance

A. Purpose

The Council is being requested to approve a Resolution in Support of the issuance by the South Carolina Jobs-Economic Development Authority ("JEDA") of its not exceeding \$12,000,000 Economic Development Revenue Bonds (Young Men's Christian Association of Columbia, S.C. Project), in one or more series, pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended. Approval of the Resolution in Support is a condition under State law to the issuance of the Bonds by JEDA.

B. Background / Discussion

The Young Men's Christian Association of Columbia, S.C., a South Carolina nonprofit corporation (the "YMCA"), proposes to finance the acquisition, by construction or purchase, of an approximately 10,000 square foot addition to its existing facility located at 1501 Kennerly Road, Irmo, South Carolina, an expansion of the existing fitness area and a new multipurpose room, office space and outdoor children's play areas, and other related land, improvements, furnishings and equipment located at such facilities and the acquisition, by construction or purchase, of a new facility located near the Lake Carolina development in Columbia, South Carolina, including but not limited to, a building, an indoor pool, a splash park, tennis courts, soccer field, wellness center, double-court gymnasium, child watch center, aerobics, playground, specialized fitness programs and administrative offices, and other related land, improvements, furnishings and equipment and to refinance the outstanding portion of its \$3,800,000 original principal amount Economic Development Variable Rate Demand Revenue Bonds (Young Men's Christian Association Project), Series 1999, and to pay certain costs of issuance with respect to the Bonds.

C. Financial Impact

There is no financial impact associated with this request.

D. Alternatives

1. Do not approve the Resolution in support of the JEDA Bond issuance. The YMCA could use proceeds of a higher interest rate taxable borrowing as an alternative.
2. Approve the Resolution in support of the JEDA Bond issuance.

E. Recommendation

It is recommended that Richland County Council approve the Resolution in Support of the financing of the YMCA's proposed Project.

Recommended by: William M. Musser, Bond Counsel; McNair Law Firm, P.A.

Date: July 7, 2006

F. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 7/12/06

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Amelia Linder

Date: 7/13/06

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation: The public hearing was held on July 11, 2006.

Administration

Reviewed by: Tony McDonald

Date: 7/17/06

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Approval of this request does not in any way place financial responsibility for the project on the County.

STATE OF SOUTH CAROLINA) A RESOLUTION OF THE
) RICHLAND COUNTY COUNCIL
COUNTY OF RICHLAND)

A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS NOT EXCEEDING \$12,000,000 ECONOMIC DEVELOPMENT REVENUE BONDS (YOUNG MEN'S CHRISTIAN ASSOCIATION OF COLUMBIA, S.C. PROJECT), IN ONE OR MORE SERIES, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended (the "Act"), to utilize any of its program funds to establish loan programs for the purpose of reducing the cost of capital to business enterprises which meet the eligibility requirements of Section 41-43-150 of the Act and for other purposes described in Section 41-43-160 of the Act and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State of South Carolina (the "State"); and

WHEREAS, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues in order to provide funds for any purpose authorized by the Act; and

WHEREAS, in furtherance of the purposes of the Act and in order to promote the prosperity, health, safety and welfare of the citizens of the State, the Authority on behalf of the Young Men's Christian Association of Columbia, S.C., a South Carolina nonprofit corporation (the "Borrower"), proposes to finance the acquisition, by construction or purchase, of an approximately 10,000 square foot addition to its existing facility located at 1501 Kennerly Road, Irmo, South Carolina, an expansion of the existing fitness area and a new multipurpose room, office space and outdoor children's play areas, and other related land, improvements, furnishings and equipment located at such facilities and the acquisition, by construction or purchase, of a new facility located near the Lake Carolina development in Columbia, South Carolina, including but not limited to, a building, an indoor pool, a splash park, tennis courts, soccer field, wellness center, double-court gymnasium, child watch center, aerobics, playground, specialized fitness programs and administrative offices, and other related land, improvements, furnishings and equipment (collectively, the "Project") and to refinance the outstanding portion of its \$3,800,000 original principal amount Economic Development Variable Rate Demand Revenue Bonds (Young Men's Christian Association Project), Series 1999 (the "Refinancing Project"), and to pay certain costs of issuance with respect to the Bonds; and

WHEREAS, the Borrower is projecting that the Project will benefit the State generally, and Richland County, South Carolina (the "County") in particular, by assisting the Borrower in maintaining approximately 24 jobs, and creating approximately nine new jobs in the County and surrounding areas within 12 months after completion of the Project and approximately ten

additional new jobs within 24 months when operating at full capacity, with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of such businesses not otherwise provided locally; and

WHEREAS, the County Council of the County (the "County Council") and the Authority have on July 11, 2006 jointly held a public hearing, duly noticed by publication in a newspaper having general circulation in the County, not less than 15 days prior to the date hereof, at which all interested persons have been given a reasonable opportunity to express their views;

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County, as follows:

SECTION 1. It is hereby found, determined and declared that the Project is anticipated to subserve the purposes of the Act and to benefit the general public welfare of the County by maintaining services, employment, recreation or other public benefits not otherwise provided locally.

SECTION 2. The County Council supports the Authority in its determination to issue the Bonds to finance the costs related to the Project.

SECTION 3. The amount of Bonds required to undertake the Project is not exceeding \$12,000,000.

SECTION 4. The Project will not give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

SECTION 5. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its adoption.

ADOPTED this _____ day of _____, 2006.

Anthony G. Mizzell, Chair

(SEAL)

Richland County Council

ATTEST:

Michielle R. Cannon-Finch
Clerk of Council

Richland County Council Request of Action

Subject: Olympia Neighborhood Projects Funding Options

A. Purpose

Council is requested to approve a funding mechanism for projects in the Olympia neighborhood totaling approximately \$2,000,000.

B. Background/Discussion

At the January 3, 2006 Regular Session Council Meeting, a motion was made to create a finance mechanism for up to \$2 million dollars for projects in Olympia. The motion also included this item being forwarded to the Administration and Finance Committee.

A meeting was held with Olympia community leaders to determine the following funding priorities:

1. Streetscaping / Traffic calming: Funds will be used for lighting, sidewalks, landscaping, etc. in the county portion of Olympia along Olympia Avenue. Street design will be coordinated with the City.
2. Commercial Redevelopment: Public parking for retail and commercial development will be provided
3. Rocky Branch Restoration: Funds will be used to clean up Rocky Branch and take care of the flooding issues in the unincorporated area from Olympia Avenue to Assembly Street. This will open up more land to development and connect Olympia to the University and Five Points.

Monies will be expended according to the priority list above.

At the March 28, 2006 A&F Committee, a Request of Action outlining the issuance and sale of general obligation bonds to fund the aforementioned improvements in the Olympia neighborhood was presented. The committee members made a motion to keep this item in committee to allow time to further explore other available financing mechanisms.

A financing option suggested in the A&F meeting was a Special Source Revenue Bond (SSRB). Frannie Heizer, bond counsel, reviewed this request, and has presented staff with a memorandum regarding the SSRB.

Counties that receive and retain fees-in-lieu-of taxes (FILOTs) may issue SSRBs. The SSRBs must be issued solely for the purpose of paying the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the issuer and for improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the issuer and costs of issuance of the SSRBs. While a SSRB is typically used in connection with a well-defined economic development project, use of such a financing mechanism for public infrastructure in Olympia

should be within the statutory authorizations. Further review of the proposed projects is necessary before proceeding with the SSRB option, as well as the first step of establishing the Olympia neighborhood (or portions thereof) as a multi-county industrial park (MCIP). If a portion of the MCIP is located within the limits of the City of Columbia, the City's consent will be required. The SSRB funding mechanism will require a lot of foundational work, but may be a potential option.

C. Financial Impact

A funding mechanism totaling \$2 million is requested.

D. Alternatives

1. Approve a \$2 million dollar bond for the aforementioned projects in the Olympia neighborhood.
2. Approve an SSRB for the aforementioned projects in the Olympia neighborhood.
3. Do not approve any financing mechanisms for the aforementioned projects in the Olympia neighborhood.
4. Approve another funding mechanism for the aforementioned projects in the Olympia neighborhood. At Retreat, a suggestion was made to create a Revolving Neighborhood Development Fund from Vista TIF increment funds once the TIF bonds are paid off. The annual increment amount is approximately \$1 million.
5. Approve another funding mechanism for the aforementioned projects in the Olympia neighborhood. An additional one-half mill could be assessed along with the currently dedicated Neighborhood Development Millage of one-half mill, for a total of one mill per year.

E. Recommendation

This decision is at Council's discretion.

Recommended By: Council Motion Date: January 3, 2006

F. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 5/18/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: There is no recommendation included and is left to Council discretion. All alternatives are viable funding options but would require additional research and evaluation based on Council's direction for next steps.

Legal

Reviewed by: Amelia R. Linder

Date: 5/18/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: All of the alternatives appear to be legally sufficient; therefore, this request is at the discretion of County Council.

Administration

Reviewed by: J. Milton Pope

Date: 5-18-06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: If Council approves the funding of the Olympia Neighborhood projects, Administration would recommend option #4 or #5 as funding mechanisms. A bond may certainly be the most expedient method by which to fund the projects; however, the precedent of using bonds for future neighborhood projects is one that Council should be very critical and cautious of.

Options #4 and #5 already have a nexus to existing redevelopment initiatives or neighborhood projects. Preferably an increase of the Neighborhood Millage dedicated to Olympia may be the best option because the TIF increment may not be available until January 2009.

Richland County Council Request of Action

Subject: Ordinance to Amend Retiree Eligibility Requirements for Group Life, Health and Dental Benefits

A. Purpose

Consider revision to the current ordinance relating to retiree insurance benefit to include minimum Richland County service requirements to qualify for benefits and tiered premium payments based on years of service to Richland County.

B. Background / Discussion

The current ordinance does not stipulate any minimum number of years of service with Richland County for an employee to be eligible for retiree benefits paid for by the County. Administration and Human Resources believe the intent of the County's retiree benefit is to reward employees for years of services with Richland County and not just years of service in the SC Retirement System with another employer (i.e. City of Columbia, Lexington County, etc.). Practically all employers stipulate minimum years of service with their company for an employee to be eligible for retiree benefits. Therefore, Administration and Human Resources are proposing that retiree benefits be tied to some minimum years of service with Richland County.

- The County pays 100% of the cost for retiree health insurance regardless to the number of years of service with Richland County.
- There are no minimum years of service requirement to qualify for County retiree benefits.
- Many private sector employers have reduced and/or eliminated retiree health insurance benefit because of the escalating cost and accounting liability requirements.
- The County has not made any revisions to retiree health care plan and/or payment structure in over 10 years.
- GASB will require local governments, the size of Richland County, to report future cost obligations for retiree insurance on their financial statements beginning FY 2007/2008.
- The expectation factor should not be overlooked.
- The County continues to extend the obligation and/or expectation of providing retiree health insurance to retirees [at no cost to the retiree for life] until the current ordinance is changed.
- The current actual cost for an early County retiree is \$633.32 per month and \$7,600.00 per year and \$381.25 per month and \$4,575.00 annually for Medicare retirees, based on data provided from Carolina Care Plan, Inc.
- Retiree health care costs are escalating rapidly for all employers (see article that appeared in The State on military retiree insurance).
- Implementing a change on future employees (and therefore retirees) will have no immediate financial impact on the County. For example, changing eligibility

requirements on future employees will not have any financial impact for at least five years. Changes would have to be made to the current retiree health care plan and/or payment structure.

C. Financial Impact

Approving the changes as presented will have no immediate financial impact. The County Council would have to reduce the health care benefit and/or increase the premium paid by current retirees in order for the County to achieve any immediate financial savings.

D. Alternatives

Regarding minimum years of Richland County service to qualify and tiers of Richland County service requirements for premiums;

1. Approve changes for future employees. In summary, no current employees or retirees would be affected by these changes. These type changes that only affect future employees will take the longest to have any impact and consequently for the County to reap any financial savings.
2. Approve changes for current employees or future retirees. In summary, current employees who have not retired would be affected by these changes but not former employees who have already retired. Depending on the effective date, this change could result in some financial savings almost immediately.
3. Approve changes for current retirees. In summary, this change will yield the greatest potential savings to the County and probably the greatest opposition.
4. Implement tiers for premium payments. In summary, the longer an employee worked for the County the greater the percentage the County would pay for their retiree health care coverage. This systems provides a greater reward for employees that remain with the County the longest, reduces the County's financial obligation, and encourages employee retention.
5. Designate a different effective date for implementation. In summary, whatever option(s) County selects an effective date must be determined. The further the date is in the future, the longer it will be before any changes and/or potential financial saving will be realized by the County.
6. Any combination of the options above.
7. Do not approve.

E. Recommendation

Human Resources prepared this action at the direction at the request of County Council, from direction of County Administration.

F. Reviews

Human Resources

Reviewed by:

Date: May 9, 2006

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Human Resources supports Council's efforts in considering changes to retirees benefits because an employee can now retire from the County with less than a year of service and be eligible for retiree benefits the remainder of their life, retiree benefits are usually provided as an incentive to encourage employee longevity, the rapidly escalating cost of health care for retirees in particular, the trend of employers to pass on more cost to the retiree or drop coverage completely, and the new GASB 45 requirements that will soon increase the County's liability on the financial statements. While the County needs to consider the impact on employees and retirees, the County can realize a significant potential savings by making some changes.

If the Council wishes to change the plan for current retirees, Human Resources recommends that Legal be involved in researching this matter relating to the current ordinance.

Administration

Reviewed by: Tony McDonald

Date: July 21, 2006

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval as presented.

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-06HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION; ARTICLE VIII, PERSONNEL REGULATIONS; DIVISION 6, CONDITIONS OF EMPLOYMENT; SECTION 2-439, GROUP LIFE, HEALTH AND DENTAL INSURANCE; SO AS TO AMEND RETIREE ELIGIBILITY REQUIREMENTS AND BENEFITS.

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE RICHLAND COUNTY COUNCIL:

SECTION I. The Richland County Code of Ordinances, Chapter 2, Administration; Article VIII, Personnel Regulations; Division 6, Conditions of Employment; Section 2-439, Group Life, Health and Dental Insurance; is hereby amended to read as follows:

Sec. 2-439. Group life, health and dental insurance.

(a) The county shall pay the premium cost for group life, health, and dental insurance for each eligible employee. Employees may elect various dependent coverages. The cost of dependent health coverage will be shared between the county and the employee. The cost of all other dependent coverage will be the responsibility of the employee.

(b) The county's portion of the employee's insurance benefit plan shall not be paid for any employee on leave without pay or on a nonpay status for a period of more than thirty (30) days. Such an employee may elect to continue his optional coverage during his leave period by remitting to the county such payments, as well as paying the county's portion. If the leave without pay status is not a considerable length of time, these payments may be withheld from the employee's check after returning to work but arrangements should be made through the personnel department. Employees will automatically be dropped from coverage and the county's billing if a valid check is not received in the finance office by the twentieth day of each month or arrangements regarding payment have not been made for the employee on nonpay status.

(c) If an employee is eligible for retirement, has a minimum number of years of continuous service with Richland County as stipulated in paragraph (d), below, and retires from county employment directly to retirement under the South Carolina Retirement System, South Carolina Disability Retirement System, or South Carolina Police Officers' Retirement System and the appropriate documentation is provided to the county in a designated timely manner, the county shall continue to provide health, life and dental coverage for such retiring employee subject to the limitations of paragraph (d) below and subject to the terms and conditions of the insurance contract in existence at the time of application, so long as health, life and dental insurance are administered county-wide; however, such employee must elect coverage within ~~sixty (60)~~ thirty (30) days after retirement eligibility or forever forfeit such coverage. Further, all such retiring employees ~~shall~~ may be required to pay a portion for health insurance premiums and

shall pay all insurance premiums for dental and life coverage during their participation. Failure of such retiring employees to timely pay such health, life, and/or dental insurance premiums shall result in a lapse and forfeiture of dental all insurance coverage.

~~The county shall provide written notice of this coverage election requirement to the employee upon his or her separation from the county. A copy of such notice and acceptance or waiver of such coverage signed by the employee shall be placed and retained in such separating employee's personnel file. If such separating employee shall refuse or fail to sign such acceptance or waiver, the county shall note such waiver or refusal by signed affidavit, which shall likewise be placed and retained in such separating employee's personnel file. Such insurance coverage shall may or may not be identical to that provided for active county employees; except that when the retired employee becomes eligible for Medicare, the retiree is responsible to enroll and pay the county health insurance coverage shall be supplemental. Further, a retired employee may include eligible dependents for health, dental, and life insurance, at the expense of the retired employee subject to the terms and conditions of the insurance contract and county procedures, by timely paying premiums directly to a location designated by the county.~~

(d) Beginning ~~July 1, 1989~~ _____, county payment for retirees insurance (hereinafter termed "payment") under paragraph (c) of this section will be available as follows:

(1) The amount of premiums to be proportionately paid by retirees and the county is as follows:

<u>Total Number of Years of Richland County Service</u>	<u>County's Contribution</u>	<u>Employee's Contribution</u>
<u>25 years or greater</u>	<u>100%</u>	<u>0%</u>
<u>At least 20 years, but less than 25 years</u>	<u>90%</u>	<u>10%</u>
<u>At least 15 years, but less than 20 years</u>	<u>80%</u>	<u>20%</u>
<u>At least 12 years, but less than 15 years</u>	<u>70%</u>	<u>30%</u>
<u>At least 5 years, but less than 12 years</u>	<u>30%</u>	<u>70%</u>
<u>Less than 5 years</u>	<u>0%</u>	<u>100%</u>

* Employees who retire on disability directly from Richland County will be considered to have 20 years of County service for the purpose of calculating premiums.

~~(1) Any employee who has retired from the county and at the time of his or her retirement began receiving benefits from the state or police retirement system shall be eligible for county paid group life and hospitalization insurance, providing such insurance is administered county-wide.~~

(2) Payments will begin and shall accrue only after a retired employee has been approved and has provided documentation to the Human Resources Department that he or she receives benefits from the South Carolina Retirement System, state the South Carolina Disability Retirement System, or police the South Carolina Police Officers' Retirement System retirement systems.

- (3) In no event shall retroactive payments be made.
- ~~(4) Any separating employee who is participating in any county provided insurance program at the time of his or her separation from the county who has accumulated service with the county amounting to one half (1/2) of the time necessary to retire under either the South Carolina Retirement System or the South Carolina Police Officers' Retirement System shall qualify for county group dental, life and hospitalization insurance in accordance with the terms and conditions of the insurance contract in existence at the time of application, providing such insurance is administered county wide, and providing such employee pays the premium therefor until retirement under the South Carolina Retirement System or under the South Carolina Police Officers' Retirement System.~~

~~Upon such separating employee's receipt of benefits from either the state or police retirement system and the appropriate documentation being provided to the county, the county shall pay the premiums for his or her health and life insurance. However, the premiums for dependent coverages and dental insurance shall remain the sole responsibility of the separating employee. When the retired employee becomes eligible for Medicare, such insurance shall be supplemental; but such employee must elect coverage within sixty (60) days of separation from the county or forever forfeit such coverage.~~

- (54) Any payment on behalf of an employee who withdraws or is rejected by either any retirement system shall immediately terminate when benefits cease from the retirement system.
- (65) Beginning July 1, 1989 _____, any payments for a former county employee who does not qualify under this section shall be terminated.
- (76) All benefits under this section will be provided only if the applicant is accepted by the county's insurance carriers.
- (7) The County Council has the sole discretion to change, modify, revise, or increase the premiums for which retirees are responsible, and reserves the right to cease offering any retiree benefit with or without advance notice.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be enforced from and after _____, 2006.

RICHLAND COUNTY COUNCIL

BY: _____
Anthony G. Mizzell, Chair

ATTEST THIS THE ____ DAY

OF _____, 2006

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading:
Second Reading:
Public Hearing:
Third Reading:

PURPOSE:

To outline Richland County's Retiree Benefit Program, retiree obligations, and the criteria for eligibility. This program offers eligible Richland County employees the opportunity, under certain stipulations, to participate in retiree benefits. This procedure is effective for all employees hired (**who retire?**) after January 1, 2007.

DEFINITIONS:

- A. Police Officer Retirement System (PORS) – A state retirement system that provides retirement, disability, and death benefits to participants who qualify as sworn law enforcement officers, firefighters, Magistrates, or Probate Judges and meet the earnings and hours limitations/requirements.
- B. Richland County Retiree Benefit Program – As defined by the Richland County Insurance Program. May or may not consist of health, dental, life and dependent life benefits.
- C. South Carolina Retirement System (SCRS) – A state retirement system that provides retirement, disability and death benefits to participants other than those who qualify under PORS.

PROCEDURE:

ELIGIBILITY:

1. Any eligible employee who was hired with Richland County (**who retires directly from Richland County**) before January 1, 2007 may remain under the same plan as current Richland County retirees, which the County Council may revise later.
 - 1.1. Any eligible employee who has retired directly from the SCRS and at the time of his or her retirement began receiving benefits from SCRS/PORS or Disability Retirement shall be eligible for group life and hospitalization benefits, provided such benefits are administered county-wide and the eligible employee/retiree elects coverage in writing within 30 days of retirement from the County, in accordance with the plan at the time of their retirement.
2. Any employee hired with (**who retires from**) Richland County after January 1, 2007 shall abide by the criteria set forth in #3 below. Richland County service requirements guidelines, the payment schedule set forth in this guideline and subsequent changes as amended at the discretion of the County Council.
3. **Rate of County contributions toward the cost of coverage will initially be as follows:**
 - 3.1. **At least 25 years of continued Richland County service with SCRS or PORS and age 50 or above – 100% paid by County.**

- 3.2. At least 20 years and up to 25 years of continued Richland County service with SCRS or PORS and age 50 or above – 90% paid by County**
 - 3.3. At least 15 – 19 years of Richland County service and age 50 or above – 80% paid by County, balance by member**
 - 3.4. At least 12 – 14 years of Richland County service and age 50 or above – 70% paid by County, balance by member**
 - 3.5. At least 5 – 12 years of Richland County service or less than 50 years old – 30% paid by County, balance by member.**
 - 3.6. Less than 5 years of Richland County service and age 55 or above – will not be allowed to participate.**
 - 3.7. Employees who retire on disability directly from Richland County will be considered to have 20 years of County service for the purpose of calculating premiums.**
- 4. Years of service will be calculated based on the most recent continuous service hire date with Richland County. However, if an employee had a break in employment service with Richland County, the employee may revert back to their original hire date provided both of the following criteria are met:
 - 4.1. The employee’s current employment period is equal to or greater than five (5) continuous years and
 - 4.2. The employee’s original employment period was equal to or greater than five (5) continuous years.
 - 5. Enrollment in the Retiree Health Benefit Program is totally optional for eligible participants and contingent upon timely election and prompt payment of premiums by the employee or retiree.
 - 5.1. Enrollment in the Retiree Health Benefit Program is not automatic, even if eligible. The responsibility to take initial action to request enrollment within the time period stipulated is solely up to the eligible employee or retiree.
 - 5.2. Employees must be eligible and enrolled in Richland County health plan on their last day of employment to be eligible for retiree insurance.
 - 6. Upon eligibility for Medicare (usually at age 65) participants are expected to become enrolled and become a member of the Medicare Program Part A and Part B at the retiree’s expense. Medicare Part A and Part B shall be designated as the primary. Refusal to comply with this criterion may result in automatic denial or suspension from County Retiree benefits, cancellation of health insurance coverage, and/or coverage for only the eligible coverage amount minus what Part A and Part B would have paid.

7. **Individuals who have previously retired from other public entities and receiving or eligible to receive health insurance from such public entities are not eligible for the Richland County Retiree Insurance Program.**
8. **Failure to make timely and complete payments will result in permanent cancellation of coverage and loss of future eligibility for County Retiree benefits. If enrollment is cancelled for late payment, County Retiree benefits will not be reinstated in the future. Health coverage is subject to cancellation if premiums become 60 days past due.**
9. A retiring employee meeting all the qualifications of retirement set forth by the SCRS, PORS, or Retirement Disability and Richland County who directly retires from County employment under the SCRS, Disability, or PORS, may be eligible to participate in the Richland County Retiree Benefit Program (see specific TERI and LERI policies for further details) contingent on certain requirements being met. The County reserves the sole right to make eligibility and/or premium determination.
10. Eligible participants must submit an enrollment form to participate on the County's Retiree Benefits Program no later than effective date of retirement, or be permanently ineligible.
 - 10.1. Upon being informed by the employee in writing of retirement, the County will attempt to provide written notice of this coverage election option to the retiree upon his/her separation from the County. If provided, a copy of such notice and acceptance or waiver of such coverage, signed by the retiree, and returned to HRD, should be placed and retained in the separating employee's file.
 - 10.2. If the retiree refuses or fails to sign such acceptance of waiver, the County notes such waiver or refusal and places in the separating employee's file and will deem to have refused the retiree benefits permanently.
11. Eligible retirees shall be responsible to pay the full cost of health, dental and dependent life benefit premiums for coverage they elect on their dependents.
 - 11.1. No dependent is eligible if the retiree is not eligible.
 - 11.2. Failure of retiree to pay premiums within sixty (60) days of the due date shall result in a lapse and permanent forfeiture of all retiree coverage.

ENROLLMENT/QUALIFYING EVENT:

12. **Only eligible dependents enrolled on last day of retiree's employment are eligible to enroll in the Retiree Benefit Program.**
13. Any benefit coverage on behalf of a retiree who withdraws or is rejected by either retirement system shall terminate immediately when benefits cease from the retirement system.
14. A retiree will not be eligible at any time in the future if participation in the Retiree Program is not timely elected, waived, or later cancelled due to late payment of premiums.

15. COBRA enrollees will not be eligible for Retiree Benefits. COBRA is not considered County employment.
16. The County anticipates continuing these programs, but Richland County Council reserves the sole right to determine eligibility change in any way, and/or terminate offering the Retiree Health Benefit Program and/or the current Retiree Plan at any time and/or at any way in the future. The County cannot foresee and anticipate all future conditions that may affect the County.

RESPONSIBILITIES:

1. Employee

- 1.1. Contact HRD in the event of a disability or at least three (3) months prior to anticipated retirement date to obtain the appropriate paperwork.
- 1.2. Timely provide Human Resources Department all necessary documentation.
- 1.3. Complete and submit the necessary documentation to the SCRS.

2. Finance Department

- 2.1. Invoice retirees and receive premium payments.
- 2.2. Accordingly record retiree payments received to appropriate fund and coverage type.
- 2.3. Provide HRD monthly report of retiree premiums billed and due or when requested.

3. Human Resources Department

- 3.1. Promptly make retiree eligibility determinations based on County policy.
- 3.2. Maintain accurate database of eligible retiree plan participants.
- 3.3. Provide accurate and timely billing change information to Finance Department.
- 3.4. Promptly notify participants of cancellation or change in benefits coverage due to non-payment or other reason.
- 3.5. Promptly update participants on program changes relating to cost, benefits or other areas.
- 3.6. Provide information and respond to questions from employees and retirees.
- 3.7. Keep County Administration informed about status of retiree benefit program and trends relating to retiree health coverage.

3.8. Propose changes to County Administration in the best interest of the County.

4. County Administrator

4.1. Propose changes to County Council in the best interest of the County.

5. County Council

5.1. Retains sole authority to revise, eliminate, change, terminate, cancel, and modify this and any other County benefit not required by law at any time with or without notice.

Richland County Council Request of Action

Subject: Premiums for Retiree Dependent Health Insurance

A. Purpose

To inform the Council in advance of how retirees will be affected by bringing dependent health insurance premiums for retirees in line with the existing Code. (Section 2-439. Group life, health and dental insurance, paragraph (c) which states that "...a retired employee may include eligible dependents for health, dental, and life insurance, at the expense of the retired employee. . ."). Current retiree dependent health insurance premiums have been subsidized because the health plan has been using blended premiums for employees and retirees.

B. Background / Discussion

As part of the annual health insurance contract renewal, medical premiums for active and retired employees are reviewed and adjusted annually by the health care provider prior to open enrollment (in August). Adjustments are necessary when the medical plan provider, for example, passes on a premium increase to the County.

A review by the GASB Study of the actual cost (based on claims) for the retiree group highlighted the fact that the County has been subsidizing a portion of retiree dependent premiums, which is a departure from the Richland County Code.

Because the County does not wish to cause undue hardship to current retirees with insured dependents, Administration recommends grandfathering only the current retirees with dependent health insurance coverage by continuing their current subsidy at but not to exceed the current dependent levels. Increases due to claims experience will, of course, continue to be applied to this group as it is to all active employees.

Once this change is approved by Council, new retirees and current retirees without dependent coverage will no longer receive a subsidy on dependent coverage but will assume the full cost of insuring their dependents. At this time the County will continue to subsidize 100% of only the retiree's portion of the coverage [Subject to change at the discretion of County Council].

C. Financial Impact

There is no additional financial cost impact associated with this change; however, the change will mitigate future cost increases over the current plan structure as new retirees and some of the current retirees assume the full cost of dependent premiums or elect not to cover dependents.

D. Alternatives

1. Leave the current subsidy for dependent coverage in place and amend the code to reflect this. This subsidy is currently costing the County approximately \$186,000 based on the current levels of coverage.
2. Assign payment responsibility of premiums to current and future retirees so that the full cost of dependent coverage is assumed by the retiree. This would be in compliance with the Code.
3. Assign payment responsibility of dependent health premiums to current and future retirees so that the full cost of dependent coverage is assumed by the retiree and continue to subsidize the retiree health insurance dependent premium at but not to exceed the current level for those retirees currently with dependent health coverage.

E. Recommendation

Alternative #3 above is the recommendation from Administration--that future retirees assume the full cost of dependent coverage, and current retirees as of the date specified in the ordinance be allowed to continue under the existing retiree dependent premium structure.

H. Reviews

Administration

Reviewed by: Tony McDonald

Date: 7/21/06

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Approval of this request would be consistent with the County code. Recommend approval.

Richland County Council Request of Action

Subject: Vulcan River Road Project: Special Source Revenue Bonds

A. Purpose

County Council is requested to approve the issuance and sale of not exceeding \$3,000,000 principal amount Richland County, South Carolina Special Resource Revenue Bonds (Vulcan River Road Project) Series 2006; the application of the proceeds of those Bonds to defray the costs of the construction of certain infrastructure improvements in the county; and other matters relating thereto.

B. Background / Discussion

This matter arose in 2004-05, as a result of various large trucks traveling through the Olympia Neighborhood to service the Olympia Quarry. After much negotiation, the County and Vulcan Construction Materials, L.P. (the Quarry's Owner) agreed in a Memorandum of Understanding, of May, 2005 (copy attached), that the County would extend Rosewood to the rear entrance of the Quarry, and in return, Vulcan would upgrade existing facilities onsite, such that it could use the Rosewood extension for truck travel, rather than the Olympia Neighborhood.

As a part of that agreement, (A) the County further agreed to issue Special Source Revenue Bonds on behalf of Vulcan, (B) which would in turn purchase the Bonds from the County, (C) pay monies to the County in lieu of taxes (for its Olympia Quarry and a second Quarry located in Richland County) for the purpose of paying (i) the cost of designing, acquiring, constructing, improving or expanding certain economic development improvements, (ii) capitalized interest on the Bonds, and (iii) the costs of issuance of the Bonds and (D) from which monies the County would service the debt on the Bonds. Essentially, no money-exchange between the County and Vulcan will be involved in this transaction.

Likewise, as part of the MOU, Council has already approved inclusion of this property and a second Quarry property (located in Richland County) in a Multi-County Park with Fairfield for the duration of the issuance of the SSRB (that is, until maturity or termination, whichever comes first). The final MCIP should be pending before Council for a first reading on June 6 to be handled in conjunction with the proposed SSRB Ordinance, and is already pending before the Fairfield County Council.

C. Financial Impact

There should be no out-of-pocket financial impact to the County associated with this request. The financial impact, which will be equal to not to exceed the \$3,000,000 principle amount of the bonds, plus interest, plus the cost of issuance, will come in the form of fore-going the tax revenues from the two Quarry properties during the period of bond repayment.

D. Alternatives

1. Because this matter has already been approved by the County in principal, as part of the MOU, action by the A&F Committee would simply confirm that Agreement and finalize the authority to issue the Special Source Revenue Bonds.
2. Violate the earlier MOU and decline to approve the issuance of the Special Source Revenue Bonds.

E. Recommendation

Recommended by: Ray E. Jones, Esquire
Department: County Attorney for Economic Development
Date: 07/11/2006

F. Reviews

Finance

Reviewed by: Daniel Driggers Date: 7/17/06
✓ Recommend Council approval Recommend Council denial
Comments regarding recommendation:

Legal

Reviewed by: Amelia Linder Date: 7/18/06
✓ Recommend Council approval Recommend Council denial
Comments regarding recommendation:

Administration

Reviewed by: Tony McDonald Date: 7/18/06
✓ Recommend Council approval Recommend Council denial
Comments regarding recommendation: Approval of this request is consistent with the MOU previously adopted by the County Council.

**STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-06HR**

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$3,000,000 PRINCIPAL AMOUNT RICHLAND COUNTY, SOUTH CAROLINA SPECIAL SOURCE REVENUE BONDS (VULCAN RIVER ROAD PROJECT) IN ONE OR MORE SERIES; THE APPLICATION OF THE PROCEEDS OF SAID BONDS TO DEFRAY THE COSTS OF THE CONSTRUCTION OF CERTAIN INFRASTRUCTURE IMPROVEMENTS IN THE COUNTY; AND OTHER MATTERS RELATING THERETO.

WHEREAS, Richland County, South Carolina (the “County”), is a body politic and corporate and a political subdivision of the State of South Carolina (the “State”) and is authorized and empowered by the provisions of Title 4, Chapters 1 and 29, of the Code of Laws of South Carolina 1976, as amended (collectively, the “Act”), to acquire or cause to be acquired, whether by design, construction, purchase, gift or lease, one or more projects (as defined in the Act) which shall be located within the County, for the purpose of expanding the infrastructure serving the County and/or promoting industrial development and trade in the State by inducing new industries to locate in the State and by encouraging industries now located in the State to expand their investments and thus utilize and employ manpower and other resources of the State; and

WHEREAS, pursuant to the Act and the terms of a Memorandum of Understanding approved by the County Council of the County (the “County Council”) dated as of May 1, 2006 (the “MOU”), between the County and Vulcan Construction Materials, L.P. (the “Company”), the County has agreed to assist the Company in the design, construction, improvement and expansion of certain infrastructure and related facilities used in the operation of a commercial and/or manufacturing enterprise, more specifically including the design and construction of a road along the western boundary of the property connecting to Rosewood Drive (the “Roadway”); and

WHEREAS, the Project will provide an alternative route for truck traffic to and from the Company’s quarry site located in the County (TMS# RO8814-01-07), more specifically identified in Exhibit A attached hereto (the “Olympia Quarry”); and

WHEREAS, the Company continues to invest capital and certain real estate improvements, equipment and personal property (the “Facilities”) at the Olympia Quarry and another quarry situated in the County more specifically described in Exhibit B attached hereto (the “Dreyfus Quarry”) (collectively, the Dreyfus Quarry and the Olympia Quarry shall be referred to as the “Quarries”); and

WHEREAS, the County and Fairfield County, South Carolina (collectively, the “Counties”), as authorized under Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (the “Act”), have jointly developed the I-77 Corridor Regional Industrial Park (the “Park”); and,

WHEREAS, on April 15, 2003, the Counties entered into an agreement entitled “Master Agreement Governing the I-77 Corridor Regional Industrial Park” (the “Master Agreement”), the provisions of which replaced all existing Phase Agreements and now govern the operation of the Park; and

WHEREAS, by Ordinances dated July 11, 2006, and May 22, 2006 (each an “MCIP Ordinance”), the Counties provided for the inclusion of the Quarries in the Park; and

WHEREAS, under the provisions of Sections 4-1-70 and 4-29-68 of the Act (collectively, the “SSRB Act”), the County is authorized to issue bonds secured by and payable from revenues it receives from payments in lieu of taxes under the Act for the purpose of paying (i) the cost of designing, acquiring, constructing, improving or expanding certain economic development improvements, including the infrastructure serving the County and any improved or unimproved real property used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of County, (ii) capitalized interest on such bonds, and (iii) the costs of issuance of such bonds; and

WHEREAS, as further inducement to the Company to expand the Facilities, pursuant to the MOU, the County has agreed to issue up to \$3,000,000 Richland County, South Carolina Special Source Revenue Bonds (Vulcan River Road Project) in one or more Series (the “Bonds”), for the purpose of defraying the cost of design and construction of the Project and related improvements, including without limitation, the Roadway, buildings and other qualifying economic development improvements under the SSRB Act to real property located thereon, and capitalized interest on the Bonds (collectively, the “Project”); and

WHEREAS, the County Council, having found that the Project will serve the County and as a direct result of the construction thereof will assist the County in its economic development efforts in the areas adjacent to the Olympia Quarry by inducing the Company to re-route its truck traffic, proposes to issue the Bonds for purchase by the Company and provide for the securing of the Bonds; and

WHEREAS, it has been determined that the estimated amount necessary to pay the costs of the Project and the other related items recited above requires that the Bonds be authorized to be issued in the principal amount of not exceeding \$3,000,000 as hereinafter provided; and

WHEREAS, County Council has caused to be prepared and presented to this meeting the form of the Bonds and an Assignment Agreement to be dated as of September __, 2006, between the County and the Company, as purchaser of the Bonds (the “Assignment”); and

WHEREAS, it appears that the form of the Bonds which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered or approved by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by the County Council of Richland County, as follows:

SECTION 1. *Authorization of the Project.* In order to enhance the economic development of the County, the construction of the Project is hereby authorized, ratified, and approved.

SECTION 2. *Authorization of Bonds; Details Thereof.* Pursuant to the authority of the SSRB Act, and for the purpose of defraying the cost of the Project, including capitalized interest thereon and necessary expenses incidental thereto, there is hereby authorized to be issued, and shall be issued, revenue bonds of the County in the principal amount of not exceeding \$3,000,000 to be designated “Richland County, South Carolina, Special Source Revenue Bonds (Vulcan River Road Project)” in one or more Series with such further and other designation as is deemed appropriate

therefore. The Bonds shall be issuable in fully registered form without coupons. The Bonds shall be payable as to principal and interest, if any, in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts.

Principal of and interest on the Bonds shall be due and payable on the dates provided in the form of the Bonds attached hereto as Exhibit A. The Bonds shall be dated as of the first day of the month of their original delivery, bear interest at the rate of 6.0% per annum and mature either in the year in which the SSRB is fully repaid or January 15, 2026, whichever is earlier.

SECTION 3. *Sources of Payment for Bonds; Pledge of Net FILOT Payments; Liability of County.* (a) The Bonds shall be payable from that portion of the fees in lieu of taxes payable to the County by the Company under the Act and pursuant to the Master Agreement, with respect to the Project, remaining after payment by the County of the 1% MCIP revenue share with respect to the Project to Fairfield County (the "Net FILOT Payments"), but only to the extent the Net FILOT Payments are paid on those assets, both real and personal, placed in service by the Company at the Quarries after December 31, 2000 (the "SSRB Assets"). Pursuant to the Assignment, the County will irrevocably pledge to the Company as purchaser of the Bonds, among other things, the County's right, title and interest in the Net FILOT Payments received by it as security for the Bonds; provided, however, that all Net FILOT Payments received in any year in excess of those FILOT payments attributable to the SSRB Assets shall be retained by the County and applied as provided in the Master Agreement.

(b) The Bonds shall be limited obligations of the County, the principal and interest, if any, on which shall be payable solely from that portion of the Net FILOT Payments required under (a) above and such other amounts as are pledged therefore pursuant to the Assignment. The Bonds and the interest, if any, thereon are not secured by, or in any way entitled to, a pledge of the full faith, credit or taxing power of the County. The Bonds and the interest, if any, thereon shall never constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall be payable solely from the Net FILOT Payments and such other amounts as are pledged therefore pursuant to the Assignment and shall never constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers. The foregoing limitations shall be plainly stated on the face of the Bonds.

(c) Nothing in this Ordinance, the Master Agreement or the Richland MCIP Ordinance, shall be construed as an obligation or commitment by the County to expend any of its funds other than (i) the proceeds of the Bonds, (ii) the Net FILOT Payments, and (iii) any moneys arising out of the investment or reinvestment of said proceeds, revenues or moneys.

SECTION 4. *Execution of Bonds.* The Bonds shall be executed in the name of the County with the manual or facsimile signature of the County Administrator, shall be attested by the manual or facsimile signature of the Clerk to County Council, and shall have the seal of the County Council impressed or imprinted thereon.

SECTION 5. *Form of Bonds.* The Bonds shall be in substantially the form set forth in the Exhibit C hereto, with necessary or appropriate variations, omissions and insertions as permitted or required hereby.

SECTION 6. *Conformity with Certain Acts.* The Bonds shall be issued in compliance with and under authority of the provisions of the Act and this Ordinance.

SECTION 7. *Findings.* It is hereby found, determined and declared by County Council, as follows:

- (a) The Project constitutes economic development improvements and/or infrastructure improvements as described in Section 4-29-68(A)(2) of the Act, and the issuance of the Bonds in the principal amount of not to exceed \$3,000,000 to finance the Project and to pay capitalized interest on and costs of issuance of the Bonds, will serve to enhance the economic development of the County and in all respects conform to the provisions and requirements of the Act;
- (b) It is anticipated that the Quarries and the Project will benefit the general public welfare of the County by maintaining employment and other public benefits not otherwise provided locally;
- (c) Adequate provision shall be made for the payment of the principal of and the interest, if any, on the Bonds and any necessary reserves therefore and other arrangements have been made to assure that moneys will be available for the operation, repair and maintenance of the Project at the expense of the Company;
- (d) Neither the Project, the Bonds proposed to be issued by the County to defray the costs thereof, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to any pecuniary liability of the County or a charge against its general credit or taxing power;
- (e) The issuance of the Bonds by the County in the principal amount of not to exceed \$3,000,000 will be required to defray that portion of the cost of the Project, as well as capitalized interest on and costs of issuance of the Bonds, to be undertaken by the County; and
- (f) The Project will be made available by the County to the Company upon the terms and conditions heretofore set forth herein and in the Bonds.

SECTION 8. *Sale and Payment for Bonds.* The Bonds are hereby authorized to be delivered to the Company in consideration for the advances thereunder by the Company as purchaser thereof towards qualified costs of the Infrastructure Improvements or payment of costs of issuance related to the Bonds, as provided in the Bonds and in the Assignment Agreement. With each such purchase, expenditure or payment, the value thereof shall be recorded in the schedule of advances attached to the Bonds as an advance of the principal amount of the Bonds. The County may require the Company, at the Company's expense, to establish to the County's satisfaction that any such purchases, expenditures or payments (i) have in fact been made and (ii) represent costs of qualified economic development or infrastructure improvements within the meaning of the Act.

SECTION 9. *General Authorization for Certain Officials.* The County Administrator, the Chairman of County Council and the Clerk to County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Bonds and the performance of all obligations of the County under and pursuant to the Bonds.

SECTION 10. Severability, Captions. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder. The captions, section headings and table of contents are provided for convenience of reference and are not a part of this Ordinance.

SECTION 11. General Repealer. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

SECTION 12. Effectiveness. This Ordinance is effective after third and final reading.

RICHLAND COUNTY COUNCIL

By: _____
Anthony G. Mizzell, Chairperson

(SEAL)

Attest this _____ day of
_____, 2006.

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only.
No Opinion Rendered As To Content

First Reading: September ____, 2006
Second Reading: September ____, 2006
Public Hearing: October ____, 2006
Third Reading: October ____, 2006

EXHIBIT A
OLYMPIA QUARRY
LEGAL DESCRIPTION

All that certain piece parcel or lot of land together with improvements thereon, (formerly known as 738 Maryland Street) now known as 770 Maryland Street, situate, lying and being on the eastern side of Maryland Street (formerly known as Seventh Street) south of Berkley Street or Avenue, south of the City of Columbia, in School District 1-A of Richland County, State of South Carolina, being known and designated as Lot Number Eight (8), Block Twenty Seven (27) on Drawing No. 1 of map showing property of Ebert Realty Company, and also showing property of Pacific Mills, said drawing made by Tomilson Engineering Company dated October 1939 (with title of drawing changed to include property of Ebert Realty Company in July 1940, said Drawing No. 1 being recorded in the Register of Deeds for Richland County, South Carolina in Deed Book "1" at Page 76, and being more delineated on a plat for Robert C. Wislinski and John M. Lawson by Belter and Associates, Inc. Land Surveyors dated February 19, 1981, said lot to be bound and measuring as follows to-wit: on the North by Lot 7, Block 27, whereon it measures 109.40 feet; on the east by Alleyway 10 feet wide, whereon it measures 66.65 feet; on the south by property now or formerly of Ebert Realty Company, whereon it measures 109.4 feet and on the west by Maryland Street (formerly Seventh Street) whereon it measures 66.65 feet, be all measurements a little more or less.

This is the same property conveyed to Tarmac America, Inc. by deed of Michael Goodlett dated August 29, 1996 in Book D1335 at Page 823 on August 29, 1996.

EXHIBIT B
DREYFUS QUARRY
LEGAL DESCRIPTION

All that certain piece, parcel or tract of land situate, lying and being in the County of Richland, State of South Carolina, located between Broad River and U.S. Highway 215, approximately 8 miles North of the City of Columbia; and containing approximately 295.0 acres, more or less. Said property is more particularly shown on a plat prepared by B.P. Barber & Associates, Inc., dated October 18, 1960 and has the following boundaries: on the North by properties now or formerly owned by W.E. Caughman and W. H. Caughman; on the East by Old Monticello Road; on the South by property now or formerly owned by Sanders R. Guignard, Trustee; and on the West by the Broad River.

Said property is divided by a right-of-way of the Southern Railway Company running in the North-South direction and by a South Carolina Electric and Gas Co. Transmission line right-of-way running in a North-South direction.

EXHIBIT C

[Form of Special Source Revenue Bond]

This security has not been registered under the Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state ("blue sky laws"). The registered owner hereof, by purchasing this security, agrees that this security may be resold, pledged or otherwise transferred, only in compliance with Rule 144A under the Securities Act, to a person whom such registered owner believes is a qualified institutional buyer, within the meaning of said Rule 144A and as may be otherwise required to comply with applicable blue sky laws.

**STATE OF SOUTH CAROLINA
RICHLAND COUNTY
SPECIAL SOURCE REVENUE BOND
(VULCAN RIVER ROAD PROJECT) SERIES 2006**

No. 1

\$2,800,000

KNOW ALL MEN BY THESE PRESENTS that Richland County, South Carolina, a body politic and corporate, and a political subdivision of the State of South Carolina (the "County"), for value received, does promise to pay, but only from the sources and upon the terms hereinafter set forth, to Vulcan Construction Materials, L.P., a limited partnership organized and existing under the laws of the State of Delaware, but authorized to and conducting business in the State of South Carolina (the "Company"), or registered assigns (the "registered owner"), the principal sum of **TWO MILLION EIGHT HUNDRED THOUSAND DOLLARS (\$2,800,000)** or such lesser amount as is set forth on the schedule of advances annexed hereto as Schedule I or as hereinafter specified, and interest on the outstanding balance of said principal sum from the date of the initial advance hereunder at the rate of six percent (6.0%) per annum, until maturity or the payment of such principal sum, whichever occurs first. Payments of principal and accrued interest hereunder are due on January 15 of each year beginning January 15, 2007 and ending January 15, 2026 (the "Bond Payment Dates"), unless sooner paid in full. On each Bond Payment Date, 100% of the Net FILOT Revenues (hereinafter defined) but only to the extent the Net FILOT Revenues are attributable to these assets, both real and personal, placed in service by the Company at the Quarries (hereinafter defined) after December 31, 2000 (The "SSRB Assets") shall be applied, first, to the amount of interest then due and payable and, second, to the outstanding principal payable hereunder. It is anticipated that principal and interest shall be payable with respect hereto in accordance with Schedule II annexed hereto; provided, however, in the event that the Net FILOT Revenues attributable to the SSRB Assets exceed those projected to be received by the County, the County shall prepay this Bond, in whole or in part, at par.

All advances hereunder shall be made in accordance with Section 3.03 of the Assignment Agreement dated as of September __, 2006 between the County and the Company, as purchaser of this Bond (the "Assignment").

In the event that any payment date hereunder shall fall on a Saturday, Sunday or banking holiday in the State of South Carolina (the "State"), then payment shall be made on the next business day.

This Bond is issued pursuant to and in accordance with Title 4, Chapters 1 and 29, Code of Laws of South Carolina 1976, as amended (collectively, the "Act") and an Ordinance of the County Council of Richland County, South Carolina (the "County Council") with respect hereto enacted on September ___, 2006 (the "Bond Ordinance"), for the purpose of defraying the cost of design and construction of a roadway on the western boundary of property owned by the Company more specifically described in the Bond Ordinance which will provide access to Rosewood Drive. The cost includes the design and construction of other improvements required as a result of the construction of the roadway, as well as other qualifying economic development improvements under the Act to capitalize interest on the Bonds.

The Company will invest capital and certain real estate improvements, including personal property at its Quarries situated in the County specifically described in the Bond Ordinance (the "Quarries").

Interest on this Bond is payable by check or draft or wire transfer of collected funds of the United States of America, which at the respective times of payment is legal tender for the payment of public and private debts. The final installment of the principal of and interest on this Bond shall be paid upon presentation and surrender hereof to the County. All other installments of principal and interest hereon shall be paid by check or draft (via first class mail) or wire transfer of collected funds to the registered owner at its orders last appearing on the Bond Register (hereinafter defined).

As prescribed by the Bond Ordinance, the sole source of payments on this Bond shall be the fee-in-lieu of taxes payable by the Company to the County with respect to the Quarries, as provided in the agreement entitled "Master Agreement Governing the I-77 Corridor Regional Industrial Park" (the "Master Agreement"), dated as of April 15, 2003, as from time to time amended (the "Master Agreement"), between the County and Fairfield County, which remain following the payment of the prescribed share of the FILOT to Fairfield County pursuant to the Master Agreement (the "Net FILOT Revenues"). Pursuant to the Assignment, for security of the payment of this Bond, the County has irrevocably pledged to the registered owner hereof, among other things, the Net FILOT Revenues received by the County; provided, however, that all Net FILOT Revenues received by it in any year in excess of the amounts payable on the SSRB Assets in that year shall be retained by the County and applied as provided in the Master Agreement.

By its purchase of this Bond, the registered owner assents to and takes its interest in this Bond subject to the terms of the Bond Ordinance. In this respect, the Bond Ordinance may not be amended without the prior written consent of the registered owner.

This Bond is secured by and payable solely from the Net FILOT Payments and certain other amounts pledged herefore under the Assignment. THIS BOND AND THE INTEREST HEREON IS NOT SECURED BY, OR IN ANY WAY ENTITLED TO, A PLEDGE OF THE FULL FAITH, CREDIT OR TAXING POWER OF THE COUNTY. THIS BOND AND THE

INTEREST, IF ANY, HEREON SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL BE PAYABLE SOLELY FROM THE NET PILOT PAYMENTS AND CERTAIN OTHER AMOUNTS PLEDGED UNDER THE ASSIGNMENT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

Copies of the Bond Ordinance, the MCIP Master Agreement and the MCIP Ordinance are on file with the Clerk of Court for Richland County, South Carolina. Reference is made to this Agreement and these Ordinances for a description of certain obligations of the County and the Company hereunder.

This bond is registered in the name of the Company on a registration book (the "Bond Register") kept by the Treasurer of Richland County as bond registrar, and no transfer hereof shall be valid unless made on said registration book at the written request of the Company.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and for the execution and delivery of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this bond, together with all other obligations of the County, does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA, has caused this bond to be duly executed, sealed and delivered as of the ____ day of September, 2006.

RICHLAND COUNTY, SOUTH CAROLINA

County Administrator
Richland County, South Carolina

SCHEDULE I

**RICHLAND SOUTH CAROLINA
SPECIAL SOURCE REVENUE BOND
(VULCAN RIVER ROAD PROJECT)
SERIES 2006**

**SCHEDULE OF ADVANCES
FOR THE PROJECT**

<u>Date</u>	<u>Amount of Advance</u>	<u>Outstanding Principal Balance</u>	<u>Signature of Authorized County Official</u>	<u>Signature of Authorized Official of Vulcan Construction Materials, L.P.</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Schedule II

Schedule 1
Assumptions
Vulcan Materials Company Property Tax Analysis

River Road

Model Summary

This model forecasts estimated taxes based on projected investments at the Columbia and Dreyfus quarries located in Richland County over a 20-year period beginning in 2004. The assessment rate used is 10.5%.

- a. Projected investments will be taxed at the abated rate (.3045) for the first five years of the asset's life.
 - b. After the first five years of service, project investments will be taxed at the non-abated rate (.3845) until the asset is abandoned.
 - We assumed no increase in millage rates (conservative treatment) on 2004 rates.
 - Depreciation is calculated at a rate of 12% per year for machinery and equipment to a total minimum value of 10%.
 - Project investments are abandoned and replaced after 12 years of service.
-
1. The "Olympia Tax Schedule" tab includes the estimated taxes expected to be generated from investments at the Columbia Quarry per the assumptions above.
 - a. Row 36 includes the total estimated tax savings for both Columbia and Dreyfus and is considered the "Yearly Payment" on the issued bond.
 2. The "Dreyfus Tax Schedule" tab includes the estimated taxes expected to be generated from investments at the Dreyfus Quarry per the assumptions above.
 3. The "6% Amort Schedule" amortizes the bond using a 6% rate per the MOU over the yearly tax payments mentioned in 1(a) above and discounts these payments gross and net of taxes. This schedule is used only as a reference check with the AFE model.
 - a. These payments are used in the AFE model as a reduction to period expense.
 - b. \$5,000 per year has been estimated as general maintenance expense on the road starting in 2006.

Schedule 2

VMC South Carolina
20 Year Capital Forecast -- Olympia

Year	Mobile		Major		Misc	Total
2005					\$1,146,000	\$1,146,000
2006	\$200,000	Water truck			\$350,000	\$550,000
2007					\$350,000	\$350,000
2008	\$325,000	Loader			\$350,000	\$675,000
2009	\$200,000	Haul truck			\$350,000	\$550,000
2010					\$350,000	\$350,000
2011	\$1,025,000	Two loaders			\$350,000	\$1,375,000
2012	\$750,000	Pit loader				
2012	\$225,000	Excavator / breaker			\$350,000	\$1,325,000
2013	\$1,275,000	Three haul trucks			\$350,000	\$1,625,000
2014					\$350,000	\$350,000
2015	\$425,000	Haul truck	\$6,000,000	Relocate primary		
2015	\$325,000	Loader			\$350,000	\$7,100,000
2016	\$425,000	Haul truck			\$350,000	\$775,000
2017					\$350,000	\$350,000
2018	\$325,000	Loader				
2018	\$200,000	Water truck			\$350,000	\$875,000
2019					\$350,000	\$350,000
2020			\$10,000,000	Relocate finish plant	\$350,000	\$10,350,000
2021	\$1,225,000	Three loader			\$350,000	\$1,575,000
2022	\$750,000	Loader				
2022	\$225,000	Excavator / breaker			\$350,000	\$1,325,000
2023	\$1,275,000	Three haul trucks			\$350,000	\$1,625,000
2024	\$325,000	Excavator / breaker			\$350,000	\$675,000
2025	\$425,000	Haul truck			\$350,000	\$775,000

Schedule 2

252 Dreyfus - 20 Year Capital Forecast

Year	Mobile		Major		Misc	Total
2005	\$200,000	Haul truck	\$1,090,000	Plant modification	\$492,000	\$1,782,000
2006					\$200,000	\$200,000
2007	\$325,000	Loader				
2007	\$200,000	Haul truck			\$200,000	\$725,000
2008	\$200,000	Haul truck			\$200,000	\$400,000
2009					\$200,000	\$200,000
2010	\$325,000	Loader	\$5,000,000	Primary relocation	\$200,000	\$5,525,000
2011					\$200,000	\$200,000
2012	\$200,000	Haul truck			\$200,000	\$400,000
2013	\$725,000	Pit loader				
2013	\$280,000	Excavator w/breaker			\$200,000	\$1,205,000
2014					\$200,000	\$200,000
2015					\$200,000	\$200,000
2016					\$200,000	\$200,000
2017	\$200,000	Haul truck			\$200,000	\$400,000
2018			\$12,000,000	New plant	\$200,000	\$12,200,000
2019	\$325,000	Loader				
2019	\$200,000	Haul truck			\$200,000	\$725,000
2020	\$200,000	Haul truck			\$200,000	\$400,000
2021					\$200,000	\$200,000
2022	\$325,000	Loader			\$200,000	\$525,000
2023	\$725,000	Pit loader			\$200,000	\$925,000
2024					\$200,000	\$200,000
2025	\$280,000	Excavator w/ breaker			\$200,000	\$480,000

Schedule 3
SSRB Payment Analysis

YR	ANALYSIS OF \$2,813,000 LOAN, 5% INTEREST RATE				Gross Cash Flow RYE DCF	2.813,000 Rate	Contribution Benefit Excluded	0.356	Merit Expense	Tangible "100000"	The Exp (Growth)	Net Cash Flow
	BAL	INT	PMT	BAL								
2005	2,813,000	87,390	337,833	2,652,467	3,850,842							3,473,683
2006	2,662,451	159,747	301,699	2,620,997	(807,429)							(1,032,127)
2007	2,690,307	151,230	289,817	2,491,820								2,913,000
2008	2,401,620	144,109	282,093	2,349,834		5.00%	144,560	317,853	5,000	192,293	74,798	263,135
2009	2,303,634	138,239	274,934	2,249,036		5.50%	179,795	301,699	5,000	24,953	9,711	291,987
2010	2,214,030	132,642	268,054	2,187,034		6.00%	224,331	282,093	5,000	37,255	6,922	351,804
2011	2,157,680	128,425	263,183	2,154,034		6.50%	281,871	228,054	5,000	28,493	10,177	317,165
2012	2,158,572	117,271	258,959	2,159,272		7.00%	351,480	169,203	5,000	6,313	5,234	465,659
2013	1,755,277	104,117	251,845	1,757,169		7.50%	441,887	117,887	5,000	161,126	52,280	269,704
2014	1,602,789	90,167	241,645	1,604,504		8.00%	551,877	73,504	5,000	164,638	84,944	272,661
2015	1,482,779	73,297	233,622	1,485,154		8.50%	671,887	58,004	5,000	164,448	53,970	272,635
2016	1,395,106	59,913	228,093	1,396,922		9.00%	801,887	45,504	5,000	159,979	77,792	264,654
2017	1,348,479	49,006	223,686	1,349,179		9.50%	941,887	34,504	5,000	153,954	102,133	249,374
2018	1,323,189	40,000	219,402	1,323,187		10.00%	1,091,887	25,504	5,000	149,541	127,133	234,161
2019	1,314,160	32,500	216,000	1,314,160		10.50%	1,251,887	18,504	5,000	147,159	149,989	219,958
2020	1,314,160	26,500	213,000	1,314,160		11.00%	1,421,887	13,504	5,000	146,167	170,989	206,958
2021	1,314,160	21,500	210,000	1,314,160		11.50%	1,601,887	9,504	5,000	146,167	193,989	193,958
2022	1,314,160	17,500	207,000	1,314,160		12.00%	1,791,887	6,504	5,000	146,167	217,989	181,958
2023	1,314,160	14,500	204,000	1,314,160		12.50%	1,991,887	4,504	5,000	146,167	242,989	171,958
2024	1,314,160	12,000	201,000	1,314,160		13.00%	2,201,887	3,504	5,000	146,167	268,989	162,958

Notes:
 1. Loan includes the balance of \$2,813,000 less cash balance included at 5% of the principal balance at the beginning of each year.
 2. The variable payments included in the table are the loan repayment amounts based on the schedule.
 3. The cash flow for each year is the difference between the cash flow and the loan repayment amount for that year (i.e., 2005 loan paid 1,032,127).