

AGENDA
LEXINGTON COUNTY COUNCIL
Committee Meetings
Tuesday, August 26, 2008
Second Floor - County Administration Building
212 South Lake Drive, Lexington, SC 29072
Telephone - 803-785-8103 -- FAX 803-785-8101

***Times are tentatively scheduled committee meetings that may run behind or ahead of schedule; therefore, the times could change by as much as 30 minutes.**

12:30 p.m. - 1:00 p.m. - Economic Development

- (1) Batesburg Leesville Industrial Park Update (Project Fish Bowl aka Project Wind)
Economic Development - Chuck Whipple, Senior Project Manager and Tracy McMillan,
Central Alliance Project Manager.....**A**
- (2) Approval of Minutes - Meetings of June 24 and July 22, 2008.....**B**
- (3) Old Business/New Business
- (4) Adjournment

1:00 p.m. - 1:05 p.m. - Planning & Administration

- (1) Approval of Minutes - Meetings of June 24 and July 22, 2008.....**C**
- (2) Old Business/New Business - Land Use Growth
- (3) Adjournment

1:05 p.m. - 1:15 p.m. - Justice

- (1) FY 08 Justice Assistance Grant (JAG) Program Grant Award (Goal 1) - Sheriff's
Department - Colonel Allan Paavel**D**
- (2) Crime Scene Investigation Unit Grant Award (Goals 1, 2) - Sheriff's Department -
Colonel Allan Paavel**E**
- (3) School Resource Officers Grant Award (Goal 1) - Sheriff's Department - Colonel
Allan Paavel**F**
- (4) Violent Crime Task Force Grant Award (Goal 1) - Solicitor's Office - Shawn Graham,
Deputy Solicitor**G**
- (5) Approval of Minutes - Meeting of June 24, 2008.....**H**
- (6) Old Business/New Business - City of Columbia Bond Court Cases
- (7) Adjournment

1:15 p.m. - 1:20 p.m. - Health & Human Services

- (1) Appointment of Code Enforcement Officer - Animal Services (Goal 1) - Chris Folsom, Animal Services Coordinator..... **I**
- (2) Approval of Minutes - Meetings of June 24 and July 22, 2008..... **J**
- (3) Old Business/New Business - No Smoking Ban
- (4) Adjournment

1:20 p.m. - 2:05 p.m. - Public Works

- (1) FY 08-09 "C" Fund Update (Goals 1, 2) - Public Works - Jim Starling, Engineering Associate III..... **K**
- (2) SCDOT FY 08-09 Match Program (Goal 2) - Public Works - John Fechtel, Director **L**
- (3) Taylor Road Update - Public Works - John Fechtel, Director..... **M**
- (4) Approval of Minutes - Meetings of June 24 and July 22, 2008..... **N**
- (5) Old Business/New Business - Policy for Skip Paving, Road Right-of-Way Issues, Traffic Congestion
- (6) Adjournment

2:05 p.m. - 2:10 p.m. - Airport

- (1) Approval of Minutes - Meeting of July 22, 2008 **O**
- (2) Old Business/New Business
- (3) Adjournment

2:10 p.m. - 3:25 p.m. - Solid Waste

- (1) Briefing on Changes to SC Landfill Regulations (Goal 1) - Solid Waste Management - Dave Eger, Director
- (2) Briefing on Changes to County Solid Waste Management Plan (Goal 1) - Solid Waste Management - Dave Eger, Director
- (3) Carolina Materials Corporation (CMC) Request to Expand C&D Landfill - Solid Waste Management - Dave Eger, Director **P**
- (4) Status of Wood Waste Grinder/Program - Solid Waste Management - Dave Eger, Director
- (5) Old Business/New Business
- (6) Adjournment

3:25 p.m. - 4:15 p.m. - Committee of the Whole

- (1) Proposed Branding Campaign - Midlands Authority for Conventions, Sports and Tourism - Ric Luber, President and CEO
- (2) Frequency Reconfiguration Agreement with Nextel **Q**

- (3) Lexington County's Bank Deposit Collateralization Update (Goal 3) - Finance and Treasurer's Office - Larry Porth, Finance Director and Assistant County Administrator and Brad Mathis, Deputy Treasurer (Collections & Investments)
- (4) Mid-Year Local Government Fund Cut Update (Goal 3) - Finance - Larry Porth, Finance Director and Assistant County Administrator
- (5) Ordinance 08-03 - Landscape Ordinance Amendments (Goal 2) - Planning and GIS - Charlie Compton, Director**R**
- (6) Update on Out-of-State Vehicle License Tags - Auditor's Office - Chris Harmon, Auditor
- (7) Approval of Minutes - Meetings of June 24, July 22 and August 12, 2008 **S**
- (8) Old Business/New Business
- (9) Adjournment

Economic Development

S. Davis, Chairman
B. Banning, Sr., V Chairman
J. Kinard
J. Jeffcoat
T. Cullum
B. Derrick

Justice

B. Banning, Sr., Chairman
J. Kinard, V Chairman
S. Davis
B. Keisler
B. Derrick

Public Works

D. Summers, Chairman
T. Cullum, V Chairman
B. Keisler
J. Carrigg, Jr.
B. Derrick

Solid Waste

J. Kinard, Chairman
B. Keisler, V Chairman
S. Davis
J. Jeffcoat
B. Derrick

Planning & Administration

J. Jeffcoat, Chairman
S. Davis, V Chairman
D. Summers
J. Carrigg, Jr.
B. Banning, Sr.
B. Derrick

Health & Human Services

J. Carrigg, Jr., Chairman
J. Jeffcoat, V Chairman
D. Summers
B. Keisler
B. Banning, Sr.
B. Derrick

Airport

T. Cullum, Chairman
J. Carrigg, Jr., V Chairman
J. Kinard
D. Summers
B. Derrick

Committee of the Whole

B. Derrick, Chairman
D. Summers, V Chairman
J. Kinard
S. Davis
B. Keisler
J. Jeffcoat
J. Carrigg, Jr.
B. Banning, Sr.
T. Cullum

A G E N D A
LEXINGTON COUNTY COUNCIL

Tuesday, August 26, 2008

Second Floor - Dorothy K. Black Council Chambers - County Administration Building

212 South Lake Drive, Lexington, South Carolina 29072

Telephone - 803-785-8103 FAX - 803-785-8101

4:30 P.M. - COUNCIL CHAMBERS

Call to Order/Invocation

Pledge of Allegiance

Presentation of the 2008 Golden Palmetto Award to County of Lexington and Solid Waste Management by the South Carolina Commission on Disabilities and Special Needs -

Presented by Ms. Lois Park Mole, Program Director-Executive Compliance and Dr. Bill Bishop, Board Member 2nd Congressional District

The 2008 J. Mitchell Graham Memorial Award

(1) **Power Point Presentation of the 2008 J. Mitchell Graham Memorial Competition for the Jail Overcrowding Committee -** Presented by Joe Mergo, Deputy County Administrator and Keith Kirchner, Chief Deputy, LCSD

(2) **Presentation of the 2008 J. Mitchell Graham Memorial Award by the South Carolina Association of Counties -** Presented by Mr. L. Gregory Pearce, Jr., President

Chairman's Report

Administrator's Report

Employee Recognition - Katherine Hubbard, County Administrator

(1) Employee of the 2nd Quarter 2008

Resolutions..... T

(1) Family Day

(2) Resident Deputy Wayne Wilson

(3) Lieutenant John E. "J. J." Jones

Appointments	U
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Bids/Purchases/RFPs

(1) Replacement Switches - Administration Building - Information Services	V
(2) Wireless Access Point Upgrade - Information Services	W
(3) Construction of Gaston Library Building Addition - Library Services	X
(4) Gaston Library Building Addition - Architectural and Engineering - Library Services.....	Y
(5) Crushed Concrete - Term Contract - Public Works	Z
(6) Eight (8) 800 MHz Radios with Accessories - Sheriff's Department.....	1
(7) Desktop Computers, Laptops and Accessories, Sheriff's Department/Information Services.....	2
(8) Fleet Vehicle Replacement - Sheriff's Department	3
(9) Request for Approval to Utilize the Competitive Sealed Proposal Process for the Acquisition of a Comprehensive Law Enforcement Records Management System - Sheriff's Department	4
(10) Fleet Vehicle Replacements/Additions - Various Departments.....	5
(11) Technical and Currency Support Software - Various Departments/Planning & GIS	6

Approval of Minutes - Meeting of June 24, 2008.....	7
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Zoning Amendments

(1) Zoning Map Amendment M08-04 - East Side of Garden Valley Lane and South of the CSX Railroad - 3 rd and Final Reading	8
(2) Zoning Text Amendment T08-06 - To Amend the Lexington County Zoning Ordinance for the Purpose of Defining the Qualifications for Those Who May Request Map or Text Amendments - 3 rd and Final Reading.....	9
(3) Zoning Map Amendment M08-09 - Southern Intersection of Tram Road and Jamil Road - 1 st Reading by Title	10

Ordinance

(1) Ordinance 08-09 - An Ordinance for the Approval of a Fee in Lieu of Tax and Special Source Tax Credit Agreement With CMC - 3 rd and Final Reading	11
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Committee Reports

Justice, B. Banning, Sr., Chairman

(1) FY 08 Justice Assistance Grant (JAG) Program Grant Award (Goal 1) - Tab D
(2) Crime Scene Investigation Unit Grant Award (Goals 1, 2) - Tab E
(3) School Resource Officers Grant Award (Goal 1) - Tab F
(4) Violent Crime Task Force Grant Award (Goal 1) - Tab G

Health & Human Services, J. Carrigg, Jr., Chairman

- (1) Appointment of Code Enforcement Officer - Animal Services (Goal 1) -**Tab I**

Public Works, D. Summers, Chairman

- (1) FY 08-09 "C" Fund Update (Goal 1, 2) -**Tab K**
- (2) SCDOT FY 08-09 Match Program (Goal 2) -**Tab L**
- (3) Taylor Road Update -**Tab M**

Committee of the Whole, B. Derrick, Chairman

- (1) Frequency Reconfiguration Agreement with Nextel - **Tab Q**

Budget Amendment Resolutions

OLD BUSINESS/NEW BUSINESS

EXECUTIVE SESSION/LEGAL BRIEFING

MATTERS REQUIRING A VOTE AS A RESULT OF EXECUTIVE SESSION

ADJOURNMENT

GOALS

- 1. Provide for public services to citizens of Lexington County.**
- 2. Manage growth to meet needs of Lexington County.**
- 3. Provide innovative Financial Management.**

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The Committee Minutes are left out intentionally until approved by the Committee. Upon the Committee's approval, the minutes will be available on the Internet.

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COUNTY OF LEXINGTON
FY 08 JUSTICE ASSISTANCE GRANT
Annual Budget
FY 2007-08 Estimated Revenue

Object Code	Revenue Account Title	Actual 2006-07	11 Months Received Thru May 2007-08	Amended Budget Thru May 2007-08	Projected Revenues Thru Jun 2007-08	Requested Revenues 2008-09	Total Recommend 2008-09
* FY 08 Justice Assistance Grant							
Revenues:							
457000	Federal Grant Income	0	0	0	0	18,999	18,999
		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>18,999</u>	<u>18,999</u>
	***Total Appropriations				0	18,999	18,999
FUND BALANCE							
	Beginning of Year				<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE - Projected							
	End of Year				<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

COUNTY OF LEXINGTON
FY 08 JUSTICE ASSISTANCE GRANT
Annual Budget
Fiscal Year - 2007-08

Fund 2495
Division: Judicial
Organization: 142000 - Magistrate Court Services

		<i>BUDGET</i>					
Object Expenditure		2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
Code	Classification	Expenditure	Expenditure	Amended	Requested	Recommend	Approved
			(May)	(May)			
Personnel							
* Total Personnel		0	0	0	0	0	0
Operating Expenses							
* Total Operating		0	0	0	0	0	0
** Total Personnel & Operating		0	0	0	0	0	0
Capital							
540000	Small Tools and Minor Equipment	0	0	0	1,310	1,310	1,310
5A9369	(1) Recorder	0	0	0	970	970	970
** Total Capital		0	0	0	2,280	2,280	2,280
*** Total Budget Appropriation		0	0	0	2,280	2,280	2,280

COUNTY OF LEXINGTON
FY 08 JUSTICE ASSISTANCE GRANT
Annual Budget
Fiscal Year - 2007-08

Fund 2495
Division: Non-departmental
Organization: 999900 Non-departmental

		<i>BUDGET</i>					
Object Expenditure		2006-07	2007-08	2007-08	2008-09	2008-09	2008-09
Code	Classification	Expenditure	Expenditure	Amended	Requested	Recommend	Approved
			(May)	(May)			
Personnel							
* Total Personnel		0	0	0	0	0	0
Operating Expenses							
520306	Counseling Services	0	0	0	2,090	2,090	2,090
* Total Operating		0	0	0	2,090	2,090	2,090
** Total Personnel & Operating		0	0	0	2,090	2,090	2,090
Capital							
** Total Capital		0	0	0	0	0	0
*** Total Budget Appropriation		0	0	0	2,090	2,090	2,090

SECTION III. – PROGRAM OVERVIEW

The County of Lexington has been awarded \$18,999 of the FY 08 Edward Byrne Memorial Justice Assistance Grant (JAG) Program, which is about 30% of the JAG funds we received last year. The JAG program is an annual grant we receive. The JAG program funds will be used to fund certain components in the criminal justice system (examples are Law Enforcement programs, Court programs, Crime Victim programs, etc.).

SECTION V. C. - CAPITAL LINE ITEM NARRATIVES

540000 SMALL TOOLS AND MINOR EQUIPMENT **\$1,310**

These funds will be used to purchase new or replacement equipment that may be needed throughout the grant period. The Magistrate Court Service's currently has six District Courts, one Bond Court, One Central Court, and offices at the Judicial Center. Each year numerous items are purchased for each of these locations.

5A9369 - (1) RECORDER **\$970**

The new recorder will be purchased and installed by Lowman Communications. The price of the recorder is \$820 and installation will be \$150. This recorder will be used at the Lexington County Summary Court Center in the Main Courtroom.

SECTION V. C. - CAPITAL LINE ITEM NARRATIVES

5A9370 - (1) EVIDENCE ROOM RENOVATION \$14,629

Additional climate control area is needed for the preservation of evidence. Items such as weapons, drugs, and evidence soiled with bodily fluids require a climate controlled space to maintain evidentiary integrity.

The County Building Services Manager has estimated the renovations at \$14,629.

SECTION V. B. - OPERATING LINE ITEM NARRATIVES

520306 COUNSELING SERVICES **\$2,090**

These funds will be used to offset the cost of community counseling support group services for Lexington County battered women and their children. It will also help provide crime victim services and break the intergenerational cycle of domestic violence.



Department of Justice

Office of Justice Programs

Bureau of Justice Assistance

Office of Justice Programs

Washington, D.C. 20531

August 13, 2008

Mrs. Katherine Hubbard
Lexington County
212 South Lake Drive
Lexington, SC 29072-3437

Dear Mrs. Hubbard:

On behalf of Attorney General Michael B. Mukasey, it is my pleasure to inform you that the Office of Justice Programs has approved your application for funding under the FY 08 Edward Byrne Memorial Justice Assistance (JAG) Grant Program: Local Solicitation in the amount of \$18,999 for Lexington County.

Enclosed you will find the Grant Award and Special Conditions documents. This award is subject to all administrative and financial requirements, including the timely submission of all financial and programmatic reports, resolution of all interim audit findings, and the maintenance of a minimum level of cash-on-hand. Should you not adhere to these requirements, you will be in violation of the terms of this agreement and the award will be subject to termination for cause or other administrative action as appropriate.

If you have questions regarding this award, please contact:

- Program Questions, Samuel K. Beamon, Program Manager at (202) 353-8592; and
- Financial Questions, the Office of the Chief Financial Officer, Customer Service Center (CSC) at (800) 458-0786, or you may contact the CSC at ask.ocfo@usdoj.gov.

Congratulations, and we look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Herraiz'.

Domingo S. Herraiz
Director, Bureau of Justice Assistance

Enclosures



Department of Justice
Office of Justice Programs
Office for Civil Rights

Washington, D.C. 20531

August 13, 2008

Mrs. Katherine Hubbard
Lexington County
212 South Lake Drive
Lexington, SC 29072-3437

Dear Mrs. Hubbard:

Congratulations on your recent award. In establishing financial assistance programs, Congress linked the receipt of Federal funding to compliance with Federal civil rights laws. The Office for Civil Rights (OCR), Office of Justice Programs (OJP), U.S. Department of Justice is responsible for ensuring that recipients of financial aid from OJP, its component offices and bureaus, the Office on Violence Against Women (OVW), and the Office of Community Oriented Policing Services (COPS) comply with applicable Federal civil rights statutes and regulations. We at OCR are available to help you and your organization meet the civil rights requirements that come with Justice Department funding.

Ensuring Access to Federally Assisted Programs

As you know, Federal laws prohibit recipients of financial assistance from discriminating on the basis of race, color, national origin, religion, sex, or disability in funded programs or activities, not only in respect to employment practices but also in the delivery of services or benefits. Federal law also prohibits funded programs or activities from discriminating on the basis of age in the delivery of services or benefits.

Providing Services to Limited English Proficiency (LEP) Individuals

In accordance with Department of Justice Guidance pertaining to Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d, recipients of Federal financial assistance must take reasonable steps to provide meaningful access to their programs and activities for persons with limited English proficiency (LEP). For more information on the civil rights responsibilities that recipients have in providing language services to LEP individuals, please see the website at <http://www.lep.gov>.

Ensuring Equal Treatment for Faith-Based Organizations

The Department of Justice has published a regulation specifically pertaining to the funding of faith-based organizations. In general, the regulation, Participation in Justice Department Programs by Religious Organizations; Providing for Equal Treatment of all Justice Department Program Participants, and known as the Equal Treatment Regulation 28 C.F.R. part 38, requires State Administering Agencies to treat these organizations the same as any other applicant or recipient. The regulation prohibits State Administering Agencies from making award or grant administration decisions on the basis of an organization's religious character or affiliation, religious name, or the religious composition of its board of directors.

The regulation also prohibits faith-based organizations from using financial assistance from the Department of Justice to fund inherently religious activities. While faith-based organizations can engage in non-funded inherently religious activities, they must be held separately from the Department of Justice funded program, and customers or beneficiaries cannot be compelled to participate in them. The Equal Treatment Regulation also makes clear that organizations participating in programs funded by the Department of Justice are not permitted to discriminate in the provision of services on the basis of a beneficiary's religion. For more information on the regulation, please see OCR's website at <http://www.ojp.usdoj.gov/ocr/etfbo.htm>.

State Administering Agencies and faith-based organizations should also note that the Safe Streets Act, as amended; the Victims of Crime Act, as amended; and the Juvenile Justice and Delinquency Prevention Act, as amended, contain prohibitions against discrimination on the basis of religion in employment. Despite these nondiscrimination provisions, the Justice Department has concluded that the Religious Freedom Restoration Act (RFRA) is reasonably construed, on a case-by-case basis, to require that its funding agencies permit faith-based organizations applying for funding under the applicable program statutes both to receive DOJ funds and to continue considering religion when hiring staff, even if the statute that authorizes the funding program generally forbids considering of religion in employment decisions by grantees.

Questions about the regulation or the application of RFRA to the statutes that prohibit discrimination in employment may be directed to this Office.

Enforcing Civil Rights Laws

All recipients of Federal financial assistance, regardless of the particular funding source, the amount of the grant award, or the number of employees in the workforce, are subject to the prohibitions against unlawful discrimination. Accordingly, OCR investigates recipients that are the subject of discrimination complaints from both individuals and groups. In addition, based on regulatory criteria, OCR selects a number of recipients each year for compliance reviews, audits that require recipients to submit data showing that they are providing services equitably to all segments of their service population and that their employment practices meet equal employment opportunity standards.

Complying with the Safe Streets Act or Program Requirements

In addition to these general prohibitions, an organization which is a recipient of financial assistance subject to the nondiscrimination provisions of the Omnibus Crime Control and Safe Streets Act (Safe Streets Act) of 1968, 42 U.S.C. § 3789d(c), or other Federal grant program requirements, must meet two additional requirements: (1) complying with Federal regulations pertaining to the development of an Equal Employment Opportunity Plan (EEOP), 28 C.F.R. § 42.301-.308, and (2) submitting to OCR Findings of Discrimination (see 28 C.F.R. §§ 42.205(5) or 31.202(5)).

1) Meeting the EEOP Requirement

In accordance with Federal regulations, Assurance No. 6 in the Standard Assurances, COPS Assurance No. 8.B, or certain Federal grant program requirements, your organization must comply with the following EEOP reporting requirements:

If your organization has received an award for \$500,000 or more and has 50 or more employees (counting both full- and part-time employees but excluding political appointees), then it has to prepare an EEOP and submit it to OCR for review **within 60 days from the date of this letter**. For assistance in developing an EEOP, please consult OCR's website at <http://www.ojp.usdoj.gov/ocr/eeop.htm>. You may also request technical assistance from an EEOP specialist at OCR by dialing (202) 616-3208.

If your organization received an award between \$25,000 and \$500,000 and has 50 or more employees, your organization still has to prepare an EEOP, but it does not have to submit the EEOP to OCR for review. Instead, your organization has to maintain the EEOP on file and make it available for review on request. In addition, your organization has to complete Section B of the Certification Form and return it to OCR. The Certification Form can be found at <http://www.ojp.usdoj.gov/ocr/eeop.htm>.

If your organization received an award for less than \$25,000; or if your organization has less than 50 employees, regardless of the amount of the award; or if your organization is a medical institution, educational institution, nonprofit organization or Indian tribe, then your organization is exempt from the EEOP requirement. However, your organization must complete Section A of the Certification Form and return it to OCR. The Certification Form can be found at <http://www.ojp.usdoj.gov/ocr/eeop.htm>.

2) Submitting Findings of Discrimination

In the event a Federal or State court or Federal or State administrative agency makes an adverse finding of discrimination against your organization after a due process hearing, on the ground of race, color, religion, national origin, or sex, your organization must submit a copy of the finding to OCR for review.

Ensuring the Compliance of Subrecipients

If your organization makes subawards to other agencies, you are responsible for assuring that subrecipients also comply with all of the applicable Federal civil rights laws, including the requirements pertaining to developing and submitting an EEOP, reporting Findings of Discrimination, and providing language services to LEP persons. State agencies that make subawards must have in place standard grant assurances and review procedures to demonstrate that they are effectively monitoring the civil rights compliance of subrecipients.

If we can assist you in any way in fulfilling your civil rights responsibilities as a recipient of Federal funding, please call OCR at (202) 307-0690 or visit our website at <http://www.ojp.usdoj.gov/ocr/>.

Sincerely,



Michael L. Alston
Director

cc: Grant Manager
Financial Analyst



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

Grant

PAGE 1 OF 4

1. RECIPIENT NAME AND ADDRESS (Including Zip Code) Lexington County 212 South Lake Drive Lexington, SC 29072-3437		4. AWARD NUMBER: 2008-DJ-BX-0151	
		5. PROJECT PERIOD: FROM 10/01/2007 TO 09/30/2011 BUDGET PERIOD: FROM 10/01/2007 TO 09/30/2011	
		6. AWARD DATE 08/13/2008	7. ACTION Initial
1A. GRANTEE IRS/VENDOR NO. 576000378		8. SUPPLEMENT NUMBER 00	
		9. PREVIOUS AWARD AMOUNT \$ 0	
3. PROJECT TITLE Lexington County Equipment Upgrade		10. AMOUNT OF THIS AWARD \$ 18,999	
		11. TOTAL AWARD \$ 18,999	
12. SPECIAL CONDITIONS THE ABOVE GRANT PROJECT IS APPROVED SUBJECT TO SUCH CONDITIONS OR LIMITATIONS AS ARE SET FORTH ON THE ATTACHED PAGE(S).			
13. STATUTORY AUTHORITY FOR GRANT This project is supported under 42 U.S.C. 3751(a) (BJA - JAG Formula)			
15. METHOD OF PAYMENT PAPRS			
[REDACTED] AGENCY APPROVAL [REDACTED]		[REDACTED] GRANTEE ACCEPTANCE [REDACTED]	
16. TYPED NAME AND TITLE OF APPROVING OFFICIAL Domingo S. Herraiz Director, Bureau of Justice Assistance		18. TYPED NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL Katherine Hubbard County Administrator	
17. SIGNATURE OF APPROVING OFFICIAL 		19. SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL	19A. DATE
[REDACTED] AGENCY USE ONLY [REDACTED]			
20. ACCOUNTING CLASSIFICATION CODES FISCAL YEAR FUND CODE BUD. ACT. DIV. REG. SUB. POMS AMOUNT X B DJ 80 00 00 18999		21. HDJUGT0071	



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

**AWARD CONTINUATION
SHEET
Grant**

PAGE 2 OF 4

PROJECT NUMBER 2008-DJ-BX-0151

AWARD DATE 08/13/2008

SPECIAL CONDITIONS

1. The recipient agrees to comply with the financial and administrative requirements set forth in the current edition of the Office of Justice Programs (OJP) Financial Guide.
2. The recipient acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if recipient is required to submit one pursuant to 28 C.F.R. Section 42.302), that is approved by the Office for Civil Rights, is a violation of its Certified Assurances and may result in suspension or termination of funding, until such time as the recipient is in compliance.
3. The recipient agrees to comply with the organizational audit requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, as further described in the current edition of the OJP Financial Guide, Chapter 19.
4. Recipient understands and agrees that it cannot use any federal funds, either directly or indirectly, in support of the enactment, repeal, modification or adoption of any law, regulation or policy, at any level of government, without the express prior written approval of OJP.
5. The grantee agrees to assist BJA in complying with the National Environmental Policy Act (NEPA) and other related federal environmental impact analyses requirements in the use of these grant funds, either directly by the grantee or by a subgrantee. Accordingly, prior to obligating grant funds, the grantee agrees to first determine if any of the following activities will be related to the use of the grant funds.

The grantee understands that this special condition applies to its following new activities whether or not they are being specifically funded with these grant funds. That is, as long as the activity is being conducted by the grantee, a subgrantee, or any third party and the activity needs to be undertaken in order to use these grant funds, this special condition must first be met. The activities covered by this special condition are:

- a. New construction;
- b. Minor renovation or remodeling of a property either (a) listed on or eligible for listing on the National Register of Historic Places or (b) located within a 100-year flood plain;
- c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size; and,
- d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments.

Application of This Special Condition to Grantee's Existing Programs or Activities: For any of the grantee's or its subgrantees' existing programs or activities that will be funded by these grant funds, the grantee, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

**AWARD CONTINUATION
SHEET
Grant**

PAGE 3 OF 4

PROJECT NUMBER 2008-DJ-BX-0151

AWARD DATE 08/13/2008

SPECIAL CONDITIONS

6. This special condition facilitates compliance with the provisions of the National Environmental Policy Act (NEPA) relating to clandestine methamphetamine laboratory operations, including the identification, seizure, or closure of clandestine methamphetamine laboratories [hereinafter, "meth lab operations"]. No monies from this award may be obligated to support meth lab operations unless the grantee implements this special condition.

The Office of Justice Programs (OJP), in consultation with the Bureau of Justice Assistance, the Drug Enforcement Administration, and the Office for Community Oriented Policing Services, prepared a Program-level Environmental Assessment (Assessment) governing meth lab operations. The Assessment describes the adverse environmental, health, and safety impacts likely to be encountered by law enforcement agencies as they implement specific actions under their methamphetamine laboratory operations. Consistent with the Assessment, the following terms and conditions shall apply to the grantee for any OJP funded methlab operations:

A. The grantee shall ensure compliance by OJP funded sub-grantees with federal, state, and local environmental, health, and safety laws and regulations applicable to meth lab operations, to include the disposal of the chemicals, equipment, and wastes resulting from those operations.

B. The grantee shall have a Mitigation Plan in place that identifies and documents the processes and points of accountability within its state. This plan will be used to ensure that the adverse environmental, health, and safety impacts delineated in the Assessment are mitigated in a manner consistent with the requirements of this condition.

C. The grantee shall monitor OJP funded meth lab operations to ensure that they comply with the following nine mitigation measures identified in the Assessment and whose implementation is addressed in the grantee's Mitigation Plan. These mitigation measures must be included as special conditions in all subgrants: (See Part II of this special condition)

7. 1. Provide medical screening of personnel assigned or to be assigned by the grantee to the seizure or closure of clandestine methamphetamine laboratories;
2. Provide Occupational Safety and Health Administration (OSHA) required initial and refresher training for law enforcement officials and all other personnel assigned to either the seizure or closure of clandestine methamphetamine laboratories;
3. As determined by their specified duties, equip the personnel with OSHA required protective wear and other required safety equipment;
4. Assign properly trained personnel to prepare a comprehensive contamination report on each seized/closed laboratory;
5. Utilize qualified disposal personnel to remove all chemicals and associated glassware, equipment, and contaminated materials and wastes from the site(s) of each seized laboratory;
6. Dispose of the chemicals, equipment, and contaminated materials and wastes at properly licensed disposal facilities or, when allowable, at properly licensed recycling facilities;
7. Monitor the transport, disposal, and recycling components of subparagraphs numbered 5. and 6. immediately above in order to ensure proper compliance;
8. Have in place and implement a written agreement with the responsible state environmental agency. This agreement must provide that the responsible state environmental agency agrees to (i) timely evaluate the environmental condition at and around the site of a closed clandestine laboratory and (ii) coordinate with the responsible party, property owner, or others to ensure that any residual contamination is remediated, if determined necessary by the state environmental agency and in accordance with existing state and federal requirements; and
9. Have in place and implement a written agreement with the responsible state or local service agencies to properly respond to any minor, as defined by state law, at the site. This agreement must ensure immediate response by qualified personnel who can (i) respond to the potential health needs of any minor at the site; (ii) take that minor into protective custody unless the minor is criminally involved in the meth lab activities or is subject to arrest for other criminal violations; (iii) ensure immediate medical testing for methamphetamine toxicity; and (iv) arrange for any follow-up medical tests, examinations, or health care made necessary as a result of methamphetamine toxicity.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

**AWARD CONTINUATION
SHEET
Grant**

PAGE 4 OF 4

PROJECT NUMBER 2008-DJ-BX-0151

AWARD DATE 08/13/2008

SPECIAL CONDITIONS

8. The recipient is required to establish a trust fund account. (The trust fund may or may not be an interest-bearing account.) The fund may not be used to pay debts incurred by other activities beyond the scope of the Edward Byrne Memorial Justice Assistance Grant Program (JAG). The recipient also agrees to obligate and expend the grant funds in the trust fund (including any interest earned) during the period of the grant. Grant funds (including any interest earned) not expended by the end of the grant period must be returned to the Bureau of Justice Assistance no later than 90 days after the end of the grant period, along with the final submission of the Financial Status Report (SF-269).
9. The grantee agrees to comply with all reporting, data collection and evaluation requirements, as prescribed by the BJA in the program guidance for the Justice Assistance Grant (JAG). Compliance with these requirements will be monitored by BJA.
10. The recipient agrees that any information technology system funded or supported by OJP funds will comply with 28 C.F.R. Part 23, Criminal Intelligence Systems Operating Policies, if OJP determines this regulation to be applicable. Should OJP determine 28 C.F.R. Part 23 to be applicable, OJP may, at its discretion, perform audits of the system, as per 28 C.F.R. 23.20(g). Should any violation of 28 C.F.R. Part 23 occur, the recipient may be fined as per 42 U.S.C. 3789g(c)-(d). Recipient may not satisfy such a fine with federal funds.
11. The recipient agrees to ensure that the State Information Technology Point of Contact receives written notification regarding any information technology project funded by this grant during the obligation and expenditure period. This is to facilitate communication among local and state governmental entities regarding various information technology projects being conducted with these grant funds. In addition, the recipient agrees to maintain an administrative file documenting the meeting of this requirement. For a list of State Information Technology Points of Contact, go to <http://www.ojp.usdoj.gov/ec/states.htm>.
12. To avoid duplicating existing networks or IT systems in any initiatives funded by BJA for law enforcement information sharing systems which involve interstate connectivity between jurisdiction, such systems shall employ, to the extent possible, existing networks as the communication backbone to achieve interstate connectivity, unless the grantee can demonstrate to the satisfaction of BJA that this requirement would not be cost effective or would impair the functionality of an existing or proposed IT system.
13. The grantee agrees to comply with the applicable requirements of 28 C.F.R. Part 38, the Department of Justice regulation governing "Equal Treatment for Faith Based Organizations" (the "Equal Treatment Regulation"). The Equal Treatment Regulation provides in part that Department of Justice grant awards of direct funding may not be used to fund any inherently religious activities, such as worship, religious instruction, or proselytization. Recipients of direct grants may still engage in inherently religious activities, but such activities must be separate in time or place from the Department of Justice funded program, and participation in such activities by individuals receiving services from the grantee or a sub-grantee must be voluntary. The Equal Treatment Regulation also makes clear that organizations participating in programs directly funded by the Department of Justice are not permitted to discriminate in the provision of services on the basis of a beneficiary's religion.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

Washington, D.C. 20531

Memorandum To: Official Grant File

From: Maria Berry, Environmental Coordinator

Subject: Incorporates NEPA Compliance in Further Developmental Stages for Lexington County

All grants funded under the Edward Byrne Memorial Justice Assistance Grant Program (JAG) will carry the following NEPA special condition:

1) The grantee agrees to assist BJA in complying with the National Environmental Policy Act (NEPA) and other related federal environmental impact analyses requirements in the use of these grant funds, either directly by the grantee or by a subgrantee. Accordingly, prior to obligating grant funds, the grantee agrees to first determine if any of the following activities will be related to the use of the grant funds. The grantee understands that this special condition applies to its following new activities whether or not they are being specifically funded with these grant funds. That is, as long as the activity is being conducted by the grantee, a subgrantee, or any third party and the activity needs to be undertaken in order to use these grant funds, this special condition must first be met. The activities covered by this special condition are:

- a. New construction;
- b. Minor renovation or remodeling of a property either (a) listed on or eligible for listing on the National Register of Historic Places or (b) located within a 100-year flood plain;
- c. A renovation, lease, or any proposed use of a building or facility that will either (a) result in a change in its basic prior use or (b) significantly change its size; and,
- d. Implementation of a new program involving the use of chemicals other than chemicals that are (a) purchased as an incidental component of a funded activity and (b) traditionally used, for example, in office, household, recreational, or education environments.

Application of this special condition to grantee's existing programs or activities: For any of the grantee's or its subgrantees' existing programs or activities that will be funded by these grant funds, the grantee, upon specific request from BJA, agrees to cooperate with BJA in any preparation by BJA of a national or program environmental assessment of that funded program or activity.



Department of Justice
Office of Justice Programs
Bureau of Justice Assistance

**GRANT MANAGER'S MEMORANDUM, PT. I:
PROJECT SUMMARY**

Grant

PROJECT NUMBER
2008-DJ-BX-0151

PAGE 1 OF 1

This project is supported under 42 U.S.C. 3751(a) (BJA - JAG Formula)

1. STAFF CONTACT (Name & telephone number)

Samuel K. Beamon
(202) 353-8592

2. PROJECT DIRECTOR (Name, address & telephone number)

Adam DuBose
Grants Manager
212 South Lake Drive
Lexington, SC 29072-3437
(803) 785-8111

3a. TITLE OF THE PROGRAM

BJA FY 08 Edward Byrne Memorial Justice Assistance Grant Program: Local Solicitation

3b. POMS CODE (SEE INSTRUCTIONS
ON REVERSE)

4. TITLE OF PROJECT

Lexington County Equipment Upgrade

5. NAME & ADDRESS OF GRANTEE

Lexington County
212 South Lake Drive
Lexington, SC 29072-3437

6. NAME & ADDRESS OF SUBGRANTEE

7. PROGRAM PERIOD

FROM: 10/01/2007 TO: 09/30/2011

8. BUDGET PERIOD

FROM: 10/01/2007 TO: 09/30/2011

9. AMOUNT OF AWARD

\$ 18,999

10. DATE OF AWARD

08/13/2008

11. SECOND YEAR'S BUDGET

12. SECOND YEAR'S BUDGET AMOUNT

13. THIRD YEAR'S BUDGET PERIOD

14. THIRD YEAR'S BUDGET AMOUNT

15. SUMMARY DESCRIPTION OF PROJECT (See instruction on reverse)

The Edward Byrne Memorial Justice Assistance Grant Program (JAG) allows states, tribes, and local governments to support a broad range of activities to prevent and control crime based on their own local needs and conditions. Grant funds can be used for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice for any one or more of the following purpose areas: 1) law enforcement programs; 2) prosecution and court programs; 3) prevention and education programs; 4) corrections and community corrections programs; 5) drug treatment programs; 6) planning, evaluation, and technology improvement programs; and 7) crime victim and witness programs (other than compensation).

Lexington County will utilize its Fiscal Year (FY) 2008 JAG award to support the Sheriff's Department, Magistrate Court, and a counseling service entity. The Sheriff's Department will renovate their evidence room that requires a climate controlled space to help with the preservation of evidence such as weapons, drugs, and bodily fluids. Providing climate control allows deputies to adjust the temperatures to maintain the integrity of the items contained in the room. The Magistrate's Office will purchase a new recorder for its main Summary Court courtroom to replace the current recorder and other supplies (office furniture, tools, etc.) as needed throughout the Magistrate Court's six districts, Bond Court, Central Court, and offices Judicial Center. Lexington County also works with Sistercare, a community support group, that provides counseling services to victims of domestic violence and their children.

NCA/NCF

**COUNTY OF LEXINGTON
MULTI-CRIME SCENE INVESTIGATIVE UNIT
Annual Budget
Fiscal Year - 2008-09**

Object Code	Revenue Account Title	Actual 2006-07	Received Thru May 2007-08	Amended Budget Thru May 2007-08	Projected Revenues Thru Jun 2007-08	Requested 2008-09	Approved 2008-09
*LE - Multi-Crime Scene Investigative Unit 2490:							
Revenues (Organization: 000000)							
457000	Federal Grant Income	0	21,193	283,680	283,680	163,417	129,595
461000	Investment Interest	0	777	0	777	0	448
801000	Op Trn From General Fund/LE	0	94,560	94,560	94,560	54,472	43,198
** Total Revenue		<u>0</u>	<u>116,530</u>	<u>378,240</u>	<u>379,017</u>	<u>217,889</u>	<u>173,241</u>
***Total Appropriation					378,240	217,889	174,018
FUND BALANCE							
Beginning of Year					<u>0</u>	<u>777</u>	<u>777</u>
FUND BALANCE - Projected							
End of Year					<u><u>777</u></u>	<u><u>777</u></u>	<u><u>0</u></u>

This grant is split 75% coming from SCDPS and 25% is the County's match.

**COUNTY OF LEXINGTON
MULTI-CRIME SCENE INVESTIGATIVE UNIT**

**Annual Budget
Fiscal Year - 2008-09**

Fund: 2490
Division: Law Enforcement
Organization: 151200 - LE/Operations

Object Expenditure Code Classification		<i>BUDGET</i>					
		2006-07 Expend	2007-08 Expend (May)	2007-08 Amended (May)	2008-09 Requested	2008-09 Recommend	2008-09 Approved
Personnel							
510100	Salaries & Wages - 2	0	76,885	88,000	88,000	89,219	89,219
	Salaries & Wages Adjustment	0			4,400	3,809	3,181
510199	Special Overtime	0	1,845	6,000	6,000	6,000	6,000
511112	FICA - Employer's Portion	0	5,470	7,191	7,528	7,575	7,528
511114	Police Retirement - Employer's Portion	0	8,425	9,416	10,530	10,943	10,530
511120	Insurance Fund Contribution - 2	0	9,600	12,000	12,600	12,000	12,600
511130	Workers Compensation	0	2,647	3,281	3,336	3,208	3,336
511131	SC Unemployment	0	0	0	1,500	0	1,500
515600	Clothing Allowance	0	0	0	1,000	1,000	1,000
	* Total Personnel	0	104,872	125,888	134,894	133,754	134,894
Operating Expenses							
521000	Office Supplies	0	168	590	500	500	400
521200	Operating Supplies	0	7,703	8,200	8,000	8,000	5,000
521206	Training Supplies	0	0	0	1,000	1,000	0
521208	Police Supplies	0	804	820	400	400	0
522300	Vehicle Repairs & Maintenance	0	0	1,180	2,000	2,000	2,000
524100	Vehicle Insurance # 2	0	0	1,200	1,400	1,092	1,092
524201	General Tort Liability Insurance	0	1,698	1,500	1,875	1,875	1,875
524202	Surety Bonds	0	0	0	0	20	20
525020	Pagers and Cell Phones	0	642	1,080	5,160	5,160	1,320
525030	800 MHz Radio Service Charges	0	195	1,100	1,560	1,560	1,080
525041	E-mail Service Charges	0	0	0	240	240	240
525210	Conference & Meeting Expenses	0	5,504	6,500	6,000	6,000	6,000
525400	Gas, Fuel, & Oil	0	4,507	9,260	10,000	10,000	9,913
525600	Uniforms & Clothing	0	0	1,900	1,200	1,200	0
529903	Contingency	0	0	0	0	2,653	0
	* Total Operating	0	21,221	33,330	39,335	41,700	28,940
	** Total Personnel & Operating	0	126,093	159,218	174,229	175,454	163,834
Capital							
540000	Small Tools & Minor Equipment	0	1,729	1,850	3,400	3,400	0
540010	Minor Software	0	1,720	1,721	1,300	1,300	0
	All Other Equipment	0	189,671	215,451			
5A9299	(2) Metal Detectors				1,200	1,200	1,200
5A9300	(2) Dust Lifters				4,000	4,000	1,334
5A9301	(2) Alternate Light Source				5,400	5,400	1,800
5A9302	(1) Fire Resistant Storage Cabinet				1,500	1,500	1,500
5A9303	(1) Ductless Fume Extractor Hood				5,000	5,000	2,500
5A9304	(2) Fingerprint File Cabinet				3,000	3,000	0
5A9305	(1) Hydrocarbon Detectors				1,600	1,600	350
5A9306	(6) Digital Video Camcorders & Accessories				7,260	7,260	0
5A9307	(1) Projector w/ Screen				2,000	2,000	0
5A9308	(1) Microscope				1,500	1,500	1,500
5A9309	Printing Software				5,000	5,000	0
5A9310	(1) Laptop Computer & Accessories				1,500	1,500	0
	** Total Capital	0	193,120	219,022	43,660	43,660	10,184
	*** Total Budget Appropriation	0	319,213	378,240	217,889	219,114	174,018



South Carolina Department of Public Safety
Office of Justice Programs



June 20, 2008

Mrs. Katherine Hubbard
County Administrator
Lexington County
212 South Lake Drive
Lexington, South Carolina 29072

RE: Justice Assistance Grant Program No. 1G08017
Lexington County Sheriff's Department Crime Scene Investigative Unit

Dear Mrs. Hubbard:

I am pleased to provide you with a grant award approved by this office in the amount of \$129,595. In order to complete the contract for this award, it is necessary that the official authorized to sign the application return the original grant award with an original signature within 30 days from the date of this award. The signed original should be sent to:

Ms. Penny Baskin
Senior Accountant
S.C. Department of Public Safety
Accounting-Grants
Post Office Box 1993, Building D, Floor 1
Blythewood, South Carolina 29016

Copies of the grant Request for Financial Payment/Quarterly Fiscal Report Forms can be found on our website at www.scdps.org/ojp/cjgp.asp. The financial reports should be completed for each calendar quarter ending date and are due 30 days after the end of the quarter. The Programmatic Progress Report Form can also be found on this page under Justice Assistance Grants. The due dates and periods covered for programmatic progress reports are indicated on the progress report forms.

Sincerely,


Burke O. Fitzpatrick
Administrator

BOF:tr

Enclosures

c: Ms. Nandalyn S. Heaitley
JAG Official File

SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY
OFFICE OF JUSTICE PROGRAMS
POST OFFICE BOX 1993
BLYTHEWOOD, SOUTH CAROLINA 29016

GRANT AWARD

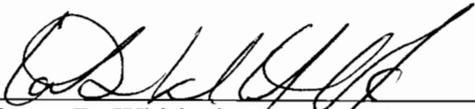
Subgrantee: Lexington County
Grant Title: Lexington County Sheriff's Department Crime Scene Investigative Unit
Grant Period: 7/1/2008 - 6/30/2009 Date of Award: June 20, 2008
Amount of Award: \$129,595 Grant No.: 1G08017

In accordance with the provisions of the Edward Byrne Memorial Justice Assistance Grant Program (JAG), CFDA No. 16.738, and on the basis of the application submitted, the South Carolina Department of Public Safety hereby awards to the foregoing subgrantee a grant in the federal amount shown above, for the projects specified in the application and within the purposes and categories authorized for Justice Assistance Grant program grants.

This grant is subject to the terms and conditions set forth in the application and to the special conditions attached to the grant award.

Payment of Funds: Grant funds will be disbursed to subgrantees (according to the project budget) upon receipt of evidence that funds have been invoiced and products received or that funds have been expended (e.g., invoices, contracts, itemized expenses, etc.). A copy of the Budget Detail Page of the grant application is available on our website for the subgrantee's use in completing the request for payment forms.

The grant shall become effective, as of the date of the award, upon return to Accounting-Grants of an originally signed copy of this form signed by the Official Authorized to Sign in the space provided below. This award must be accepted within thirty (30) days from the date above, and such quarterly and other reports required by the South Carolina Department of Public Safety must be submitted to Accounting-Grants in accordance with regulations.



Laura D. Whitlock, Program Manager
Office of Justice Programs

ACCEPTANCE FOR THE SUBGRANTEE

Signature of Official Authorized to Sign



Burke O. Fitzpatrick, Administrator
Office of Justice Programs

GRANT AWARD DATA: THIS AWARD IS SUBJECT TO SPECIAL CONDITIONS ATTACHED.

**COUNTY OF LEXINGTON
SCHOOL RESOURCE OFFICERS
Annual Budget
Fiscal Year - 2008-09**

Object Code	Revenue Account Title	Actual 2006-07	Received Thru May 2007-08	Amended Budget Thru May 2007-08	Projected Revenues Thru Jun 2007-08	Requested 2008-09	Approved 2008-09
*LE - School Resource Officers 2437:							
Revenues (Organization: 000000)							
456400	Narcotics Confiscation	0	0	0	0	0	0
457000	Federal Grant Income	0	59,633	248,545	248,545	183,784	175,936
461000	Investment Interest	0	344	0	344	0	0
801000	Op Trn From General Fund/LE	0	82,848	82,848	82,848	61,261	58,645
** Total Revenue		<u>0</u>	<u>142,825</u>	<u>331,393</u>	<u>331,737</u>	<u>245,045</u>	<u>234,581</u>
***Total Appropriation					331,393	245,045	234,925
FUND BALANCE							
Beginning of Year					<u>0</u>	<u>344</u>	<u>344</u>
FUND BALANCE - Projected							
End of Year					<u><u>344</u></u>	<u><u>344</u></u>	<u><u>0</u></u>

This grant is split 75% coming from SCDPS and 25% is the County's match.

**COUNTY OF LEXINGTON
SCHOOL RESOURCE OFFICERS
Annual Budget
Fiscal Year - 2008-09**

Fund: 2437
Division: Law Enforcement
Organization: 151200 - LE/Operations

		<i>BUDGET</i>				
Object Expenditure Code Classification	2006-07 Expend	2007-08 Expend (May)	2007-08 Amended (May)	2008-09 Requested	2008-09 Recommend	2008-09 Approved
Personnel						
510100 Salaries & Wages - 3	0	101,894	129,038	132,000	124,200	132,000
Salaries & Wages Adjustment Account				6,600	5,328	6,371
510199 Special Overtime	0	1,817	9,000	9,000	9,000	9,000
511112 FICA - Employer's Portion	0	7,557	10,785	11,292	10,598	11,291
511114 Police Retirement - Employer's Portion	0	11,097	14,667	15,794	15,308	15,793
511120 Insurance Fund Contribution - 3	0	14,400	18,000	18,900	18,000	18,900
511130 Workers Compensation	0	3,487	5,625	5,906	4,652	5,904
511131 S.C. Unemployment	0	0	1,500	1,500	0	1,500
* Total Personnel	0	140,252	188,615	200,992	187,086	200,759
Operating Expenses						
521000 Office Supplies	0	108	800	500	500	600
521200 Operating Supplies	0	655	1,400	300	300	0
521208 Police Supplies	0	765	1,300	600	600	0
522300 Vehicle Repairs & Maintenance	0	2,129	3,000	3,000	3,000	3,000
524100 Vehicle Insurance # 3	0	0	1,650	2,100	2,100	2,100
524201 General Tort Liability Insurance	0	2,547	2,776	2,813	2,623	2,623
524202 Surety Bonds	0	0	0	0	59	59
525020 Pagers and Cell Phones	0	614	1,200	2,340	2,340	1,980
525030 800 MHz Radio Service Charges	0	791	1,200	2,340	2,340	1,620
525041 E-mail Service Charges	0	49	210	360	360	360
525210 Conference & Meeting Expenses	0	2,982	6,000	6,000	6,000	6,000
525230 Subscriptions, Dues, & Books	0	0	300	600	600	0
525400 Gas, Fuel, & Oil	0	7,409	12,810	14,000	14,000	14,224
525600 Uniforms & Clothing	0	886	2,527	1,600	1,600	1,600
529903 Contingency					14,381	
* Total Operating	0	18,935	35,173	36,553	50,803	34,166
** Total Personnel & Operating	0	159,187	223,788	237,545	237,889	234,925
Capital						
540000 Small Tools & Minor Equipment	0	1,723	2,400	1,500	1,500	0
540010 Minor Software	0	860	900	0	0	0
All Other Equipment	0	104,239	104,305			
5A9292 (3) Ballistic Shields				6,000	6,000	0
** Total Capital	0	106,822	107,605	7,500	7,500	0
*** Total Budget Appropriation	0	266,009	331,393	245,045	245,389	234,925



South Carolina Department of Public Safety
Office of Justice Programs



June 20, 2008

Mrs. Katherine Hubbard
County Administrator
Lexington County
212 South Lake Drive
Lexington, South Carolina 29072

RE: Justice Assistance Grant Program No. 1G08018
Lexington County Sheriff's Department School Resource Officers

Dear Mrs. Hubbard:

I am pleased to provide you with a grant award approved by this office in the amount of \$175,936. In order to complete the contract for this award, it is necessary that the official authorized to sign the application return the original grant award with an original signature within 30 days from the date of this award. The signed original should be sent to:

Ms. Penny Baskin
Senior Accountant
S.C. Department of Public Safety
Accounting-Grants
Post Office Box 1993, Building D, Floor 1
Blythewood, South Carolina 29016

Copies of the grant Request for Financial Payment/Quarterly Fiscal Report Forms can be found on our website at www.scdps.org/ojp/cjgp.asp. The financial reports should be completed for each calendar quarter ending date and are due 30 days after the end of the quarter. The Programmatic Progress Report Form can also be found on this page under Justice Assistance Grants. The due dates and periods covered for programmatic progress reports are indicated on the progress report forms.

Sincerely,


Burke O. Fitzpatrick
Administrator

BOF:tr

Enclosures

c: Ms. Nandalyn Heaitley
JAG Official File

SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY
OFFICE OF JUSTICE PROGRAMS
POST OFFICE BOX 1993
BLYTHEWOOD, SOUTH CAROLINA 29016

GRANT AWARD

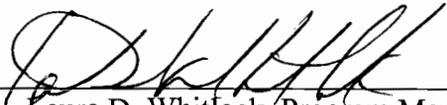
Subgrantee: Lexington County
Grant Title: Lexington County Sheriff's Department School Resource Officers
Grant Period: 7/1/2008 - 6/30/2009 Date of Award: June 20, 2008
Amount of Award: \$175,936 Grant No.: 1G08018

In accordance with the provisions of the Edward Byrne Memorial Justice Assistance Grant Program (JAG), CFDA No. 16.738, and on the basis of the application submitted, the South Carolina Department of Public Safety hereby awards to the foregoing subgrantee a grant in the federal amount shown above, for the projects specified in the application and within the purposes and categories authorized for Justice Assistance Grant program grants.

This grant is subject to the terms and conditions set forth in the application and to the special conditions attached to the grant award.

Payment of Funds: Grant funds will be disbursed to subgrantees (according to the project budget) upon receipt of evidence that funds have been invoiced and products received or that funds have been expended (e.g., invoices, contracts, itemized expenses, etc.). A copy of the Budget Detail Page of the grant application is available on our website for the subgrantee's use in completing the request for payment forms.

The grant shall become effective, as of the date of the award, upon return to Accounting-Grants of an originally signed copy of this form signed by the Official Authorized to Sign in the space provided below. This award must be accepted within thirty (30) days from the date above, and such quarterly and other reports required by the South Carolina Department of Public Safety must be submitted to Accounting-Grants in accordance with regulations.



Laura D. Whitlock, Program Manager
Office of Justice Programs

ACCEPTANCE FOR THE SUBGRANTEE

Signature of Official Authorized to Sign



Burke O. Fitzpatrick, Administrator
Office of Justice Programs

GRANT AWARD DATA: THIS AWARD IS SUBJECT TO SPECIAL CONDITIONS ATTACHED.

COUNTY OF LEXINGTON Grant Request Summary Form

Title of Grant: Violent Crime Task Force

Fund: 2469 Violent Crime Task Force **Department:** 141200 Solicitor
No. Title No. Title

Type of Summary: **Grant Application** _____ **Grant Award** X

Grant Overview:

This grant will fund the personnel, operating, and equipment cost for an Investigator and a Case Manager on the Violent Crime Task Force. This grant was approved in the budget process, but a BAR will be done to match the budget with the grant award.

This is the second year of funding for the officers and they will be eligible for one additional year of fund for the Fiscal Year 2009-10. Funding comes from the SC Department of Public Safety is split 75 % federal and 25% match from the Solicitor's State funds. The Solicitor is also transferring an additional \$3,900 to cover cost that will not be covered by the grant.

Grant Period: July 1, 2008 to June 30, 2009

Responsible Departmental Grant Personnel: Rick Hubbard, Deputy Solicitor

Date Grant Information Released: November 7, 2007 **Date Grant Application Due:** January 11, 2008

Grant Expenditures (Please attach a detailed budget with Excel spreadsheet, Overview, Line Item Narratives, etc.):

Personnel	\$	103,860.00
Operating	\$	16,650.00
Capital	\$	1,000.00
Total	\$	<u>121,510.00</u>

Local Match Required: Yes No

If Yes, What is the Percentage / Amount:	<u>75</u>	<u>\$88,207</u>
	<u>25</u>	<u>\$33,303</u>
	<i>%</i>	<i>\$ Amount</i>

Requirements at the End of this Grant (please explain in detail):

It is recommended that this program continue after the grant has ended.

Dept. Preparer:	<u>LC</u>	<u>8/18/2008</u>
Dept. Approval:	<u>RH</u>	<u>8/18/2008</u>
Finance Approval:	<u>AD</u>	<u>8/18/2008</u>
	<i>Initials</i>	<i>Date</i>

**COUNTY OF LEXINGTON
VIOLENT CRIME TASK FORCE
Annual Budget
Fiscal Year - 2008-09**

Object Code	Revenue Account Title	Actual 2006-07	Received Thru May 2007-08	Amended Budget Thru May 2007-08	Projected Revenues Thru Jun 2007-08	Requested 2008-09	Approved 2008-09
*Solicitor - Violent Crime Task Force 2469:							
Revenues (Organization: 000000)							
457000	Federal Grant Income	0	0	104,709	104,709	146,670	88,207
461000	Investment Interest	0	74	0	74	0	0
802611	Op Trn From Sol/State Funds	0	41,718	55,623	55,623	48,890	33,303
** Total Revenue		<u>0</u>	<u>41,792</u>	<u>160,332</u>	<u>160,406</u>	<u>195,560</u>	<u>121,510</u>
***Total Appropriation					160,332	195,560	121,510
FUND BALANCE							
Beginning of Year							
					<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE - Projected							
End of Year					<u><u>0</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

This grant is split 75% coming from SCDPS and 25% is the County's match.

* The Solicitor is matching above the required 25% with an additional \$3,900.

**COUNTY OF LEXINGTON
VIOLENT CRIME TASK FORCE
Annual Budget
Fiscal Year - 2008-09**

Fund: 2469
Division: Solicitor
Organization: 141200 - Solicitor

Object Expenditure Code Classification		<i>BUDGET</i>					
		2006-07 Expend	2007-08 Expend (May)	2007-08 Amended (May)	2008-09 Requested	2008-09 Recommend	2008-09 Approved
Personnel							
510100	Salaries & Wages - 2	0	43,462	62,625	116,128	73,765	73,765
	Salaries & Wages Adjustment				2,951	2,950	2,950
511112	FICA Cost	0	3,217	5,622	9,109	5,869	5,869
511113	State Retirement	0	0	3,420	7,420	3,442	3,442
511114	Police Retirement	0	2,402	4,151	4,386	4,426	4,426
511120	Insurance Fund Contribution - 2	0	6,720	11,520	18,000	12,000	12,000
511130	Workers Compensation	0	831	3,108	504	1,408	1,408
511213	State Retirement - Emplr. Port. (Retiree)	0	1,935	0	0	0	0
	* Total Personnel	0	58,567	90,446	158,498	103,860	103,860
Operating Expenses							
521000	Office Supplies	0	0	0	1,206	6,060	0
522300	Vehicle Repairs & Maintenance	0	3	1,000	1,000	1,000	1,000
524100	Vehicle Insurance - 1	0	594	600	546	546	600
524201	General Tort Liability Insurance	0	0	0	0	56	56
524202	Surety Bonds	0	0	0	0	25	25
525000	Telephone	0	0	720	720	480	480
525020	Pagers and Cell Phones	0	143	8,560	1,800	1,200	600
525021	Smart Phone Charges	0	943	1,500	0	0	0
525030	800 MHz Radio Service	0	1,284	1,845	650	650	1,560
525041	E-mail Service Charges	0	0	140	360	240	240
525210	Conference & Meeting Expenses	0	3,282	10,000	19,950	17,350	5,918
525400	Gas, Fuel, & Oil	0	1,406	3,000	3,000	3,000	5,820
525600	Uniform Shirts & Clothing	0	0	350	350	350	351
529903	Contingency	0	0	0	0	60,263	0
	* Total Operating	0	7,655	27,715	29,582	91,220	16,650
	** Total Personnel & Operating	0	66,222	118,161	188,080	195,080	120,510
Capital							
540000	Small Tools & Minor Equipment	0	964	250	980	480	600
540010	Minor Software	0	313	996	400	0	400
	All Other Equipment	0	30390	40925			
5A9285	(1) Nextel Phone				200	0	0
5A9286	(1) Cubicle				3,000	0	0
5A9287	(1) Laptop Computer w/ Accessories				2,450	0	0
5A9288	(1) Printer w/ Accessories				450	0	0
	** Total Capital	0	31,667	42,171	7,480	480	1,000
	*** Total Budget Appropriation	0	97,889	160,332	195,560	195,560	121,510



South Carolina Department of Public Safety
Office of Justice Programs

June 20, 2008



Mrs. Katherine Hubbard
County Administrator
Lexington County
212 South Lake Drive
Lexington, South Carolina 29072

RE: Justice Assistance Grant Program No. 1G08010
Eleventh Circuit Solicitor's Office Violent Crimes Task Force

Dear Mrs. Hubbard:

I am pleased to provide you with a grant award approved by this office in the amount of \$88,207. In order to complete the contract for this award, it is necessary that the official authorized to sign the application return the original grant award with an original signature within 30 days from the date of this award. The signed original should be sent to:

Ms. Penny Baskin
Senior Accountant
S.C. Department of Public Safety
Accounting-Grants
Post Office Box 1993, Building D, Floor 1
Blythewood, South Carolina 29016

Copies of the grant Request for Financial Payment/Quarterly Fiscal Report Forms can be found on our website at www.scdps.org/ojp/cjgp.asp. The financial reports should be completed for each calendar quarter ending date and are due 30 days after the end of the quarter. The Programmatic Progress Report Form can also be found on this page under Justice Assistance Grants. The due dates and periods covered for programmatic progress reports are indicated on the progress report forms.

Sincerely,

Burke O. Fitzpatrick
Administrator

BOF:tr

Enclosures

c: Mr. Samuel R. Hubbard III
JAG Official File

SOUTH CAROLINA DEPARTMENT OF PUBLIC SAFETY
OFFICE OF JUSTICE PROGRAMS
POST OFFICE BOX 1993
BLYTHEWOOD, SOUTH CAROLINA 29016

GRANT AWARD

Subgrantee: Lexington County
Grant Title: Eleventh Circuit Solicitor's Office Violent Crimes Task Force
Grant Period: 7/1/2008 - 6/30/2009 Date of Award: June 20, 2008
Amount of Award: \$88,207 Grant No.: 1G08010

In accordance with the provisions of the Edward Byrne Memorial Justice Assistance Grant Program (JAG), CFDA No. 16.738, and on the basis of the application submitted, the South Carolina Department of Public Safety hereby awards to the foregoing subgrantee a grant in the federal amount shown above, for the projects specified in the application and within the purposes and categories authorized for Justice Assistance Grant program grants.

This grant is subject to the terms and conditions set forth in the application and to the special conditions attached to the grant award.

Payment of Funds: Grant funds will be disbursed to subgrantees (according to the project budget) upon receipt of evidence that funds have been invoiced and products received or that funds have been expended (e.g., invoices, contracts, itemized expenses, etc.). A copy of the Budget Detail Page of the grant application is available on our website for the subgrantee's use in completing the request for payment forms.

The grant shall become effective, as of the date of the award, upon return to Accounting-Grants of an originally signed copy of this form signed by the Official Authorized to Sign in the space provided below. This award must be accepted within thirty (30) days from the date above, and such quarterly and other reports required by the South Carolina Department of Public Safety must be submitted to Accounting-Grants in accordance with regulations.



Laura D. Whitlock, Program Manager
Office of Justice Programs

ACCEPTANCE FOR THE SUBGRANTEE

Signature of Official Authorized to Sign



Burke O. Fitzpatrick, Administrator
Office of Justice Programs

GRANT AWARD DATA: THIS AWARD IS SUBJECT TO SPECIAL CONDITIONS ATTACHED.

The Committee Minutes are left out intentionally until approved by the Committee. Upon the Committee's approval, the minutes will be available on the Internet.



INTEROFFICE MEMORANDUM- ANIMAL SERVICES

TO: COUNTY COUNCIL
THROUGH: JOE MERGO III, DEPUTY COUNTY ADMINISTRATOR
FROM: CHRIS FOLSOM, ANIMAL SERVICES COORDINATOR
SUBJECT: APPOINTMENT OF CODE ENFORCEMENT OFFICER (ANIMAL SERVICES)
DATE: 8/18/2008
CC: FILE

Mr. John Wilson began his employment with the County of Lexington on June 30, 2008 in the position of Animal Control Officer. I respectfully request Mr. Wilson, being duly qualified, be appointed as a Lexington County Code Enforcement Officer.

MISSION STATEMENT:

PROVIDE QUALITY SERVICES TO OUR CITIZENS AT A REASONABLE COST.

VISION STATEMENT:

PLANNED GROWTH FOR OUR COMMUNITIES WITH ABUNDANT OPPORTUNITIES FOR ALL, IN A QUALITY

The Committee Minutes are left out intentionally until approved by the Committee. Upon the Committee's approval, the minutes will be available on the Internet.



COUNTY OF LEXINGTON
PUBLIC WORKS DEPARTMENT
ENGINEERING

Memorandum

To: Katherine Hubbard, County Administrator
From: Jim Starling, Engineering Associate III
CC: John Fechtel, Public Works Director
Date: 8/15/2008
Re: FY 08-09 "C"-Fund Update

There is approximately \$3,136,577.00 available in the "C"-Fund Program budget for FY 08-09 that can be allocated to roads previously programmed for paving by County Council.

Exhibit "A" shows a revenue summary identifying the available funds and is based on: the current FY 08-09 approved budget and the pending unencumbered carryover funds. The programmed roads will require a total of \$3,130,119.00. It is recommended by the Public Works Department that these funds be allocated to the roads as outlined in Exhibit "A". Location maps are included.

Please present this to County Council for their consideration.

Exhibit "A"

I. - Revenue Summary

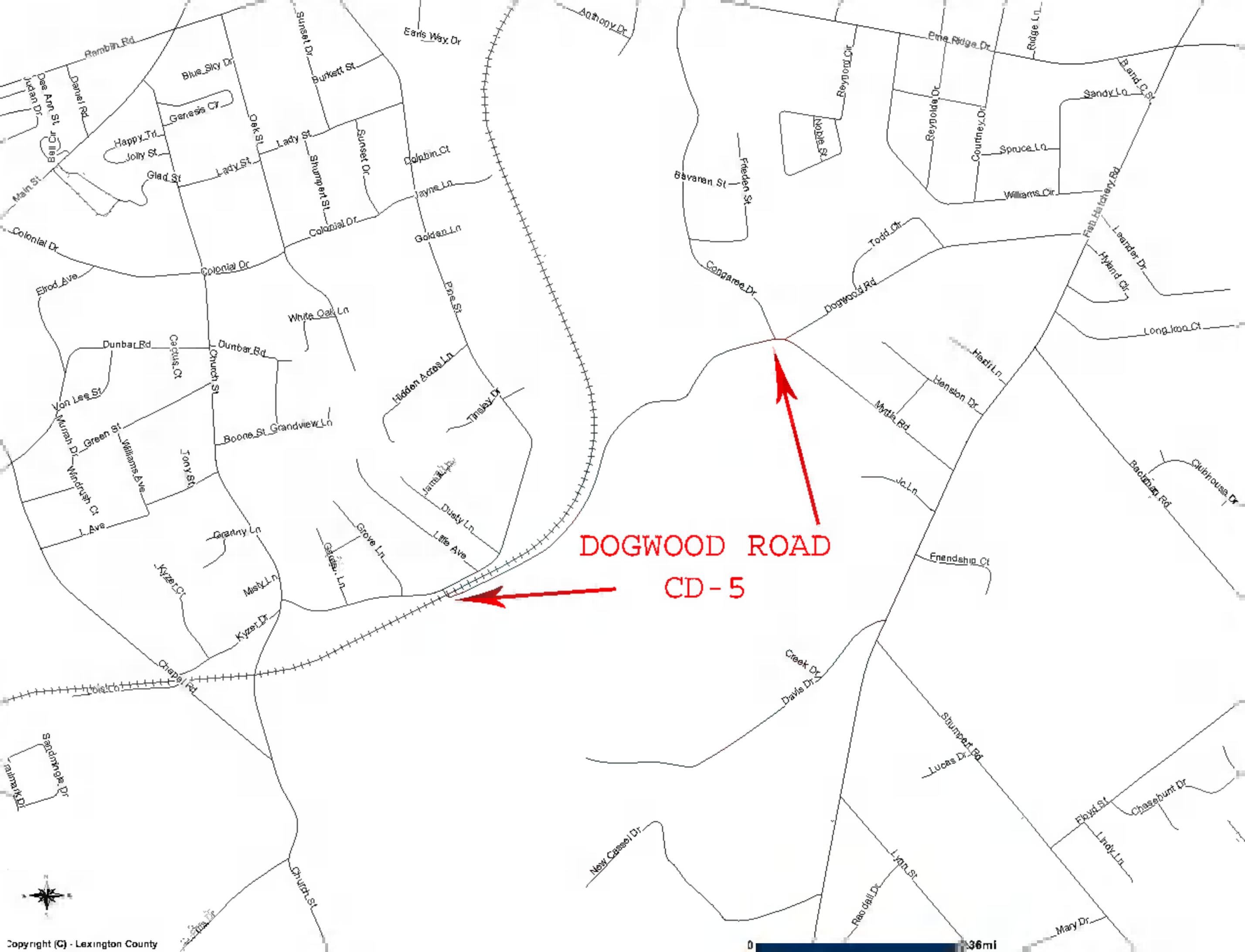
FY 08-09 Budget "Unclassified" account 2700-121300-539900	\$1,713,839.00
Unencumbered Carryover from completed projects	\$1,422,738.00

Total Funding Available for FY 08-09 **\$3,136,577.00**

II. - Required Funding for "C"-Fund Roads Programmed for Paving

Council District	Date Progmd	Rank Road Construction (Priority List):	Length	2008-09 Budget	Requested Carryover	Required Funding
5	00-01	12 Dogwood Road, 1 & 2	0.80	\$600,000.00	\$20,306.00	\$0.00
1	01-02	10 Jim Rucker Road	2.45	\$1,035,750.00	\$57,850.00	\$0.00
1	03-04	1 Pelion Road	1.43	\$0.00	\$6,448.00	\$2,610,119.00
9	03-04	3 Backman Drive	AP 0.36	\$0.00	\$17,680.00	\$40,000.00
2	03-04	4 Elbert Taylor Road, 2	1.00	\$0.00	\$0.00	\$150,000.00
5	03-04	5 Jayne Lane	AP 0.11	\$0.00	\$15,275.00	\$50,000.00
5	03-04	6 Pleasant Court	AP 0.22	\$0.00	\$12,943.00	\$50,000.00
3	03-04	8 Payne Lane	0.32	\$0.00	\$11,200.00	<u>\$230,000.00</u>
Total Requested Expenditures						\$3,130,119.00
1	03-04	9 Martin Neese Road	0.25	\$0.00	\$11,640.00	\$200,000.00
1	03-04	10 Shannon Street	AP 0.15	\$0.00	\$26,960.00	\$0.00
Total Additional Funds Required						\$200,000.00
Total Funding Available for FY 08-09						\$3,136,577.00
Total estimated required funds for FY 08-09						\$3,130,119.00
Remaining Unencumbered funds for FY 08-09						\$6,458.00

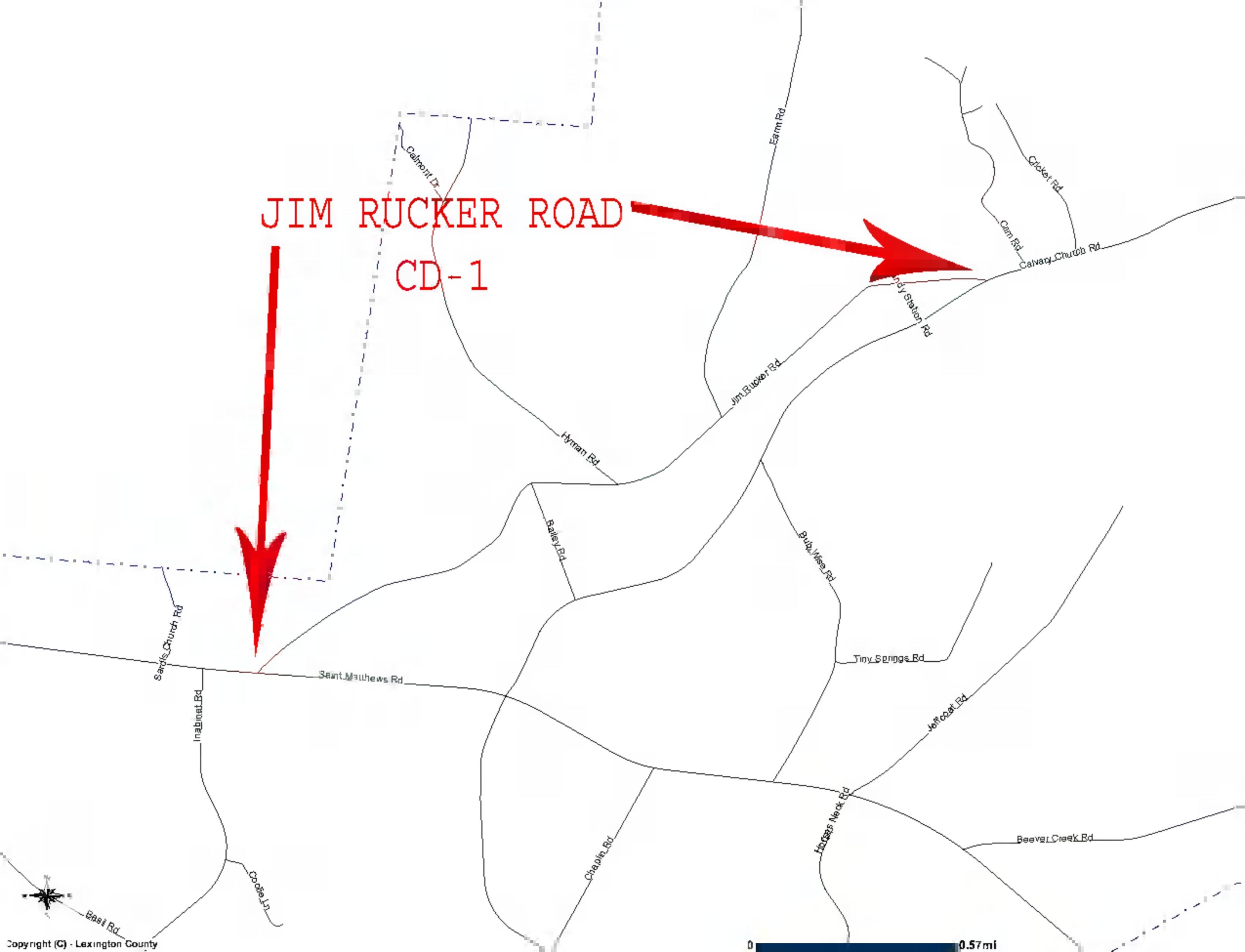
AP = Alternate Paving

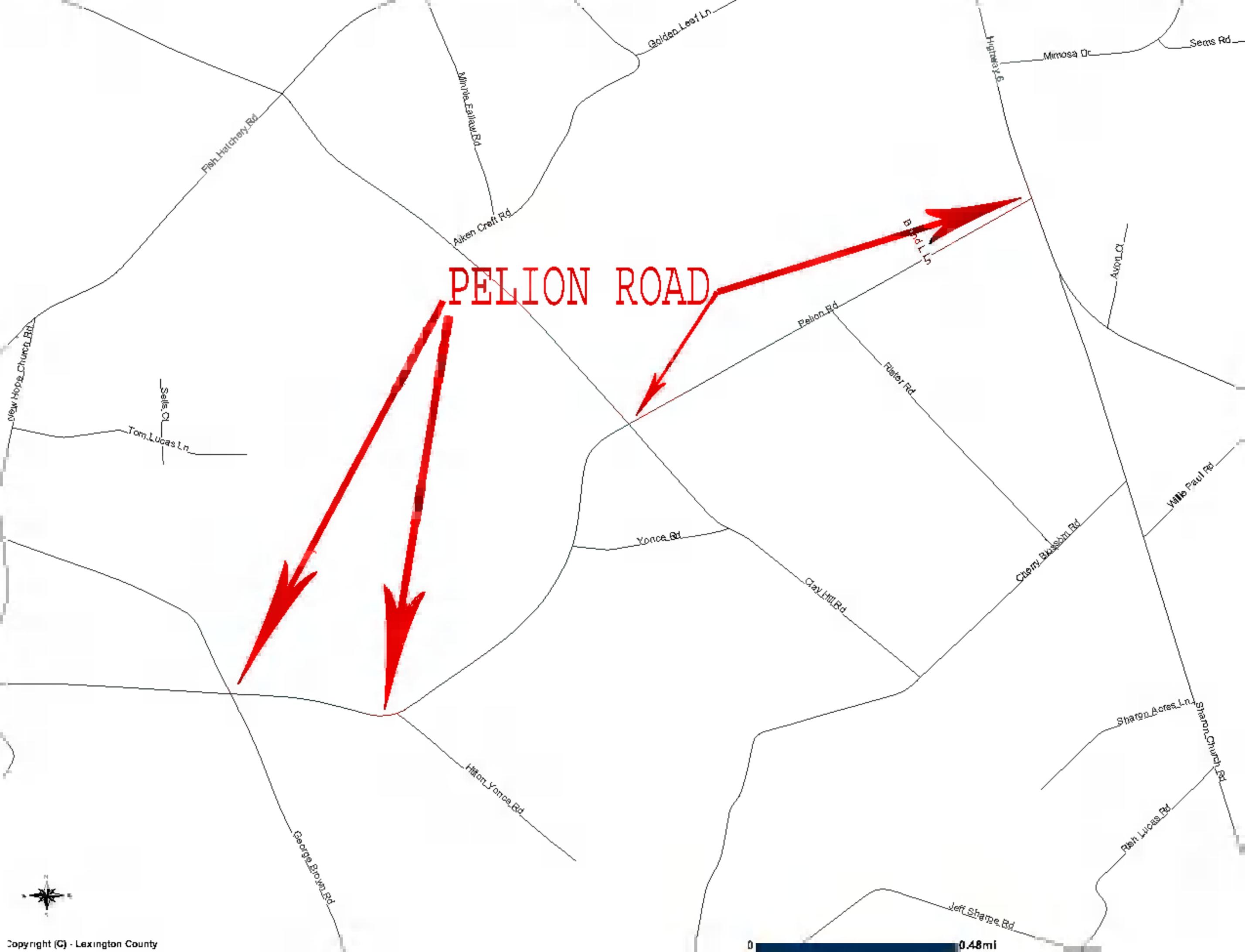


DOGWOOD ROAD
CD-5

JIM RUCKER ROAD

CD-1

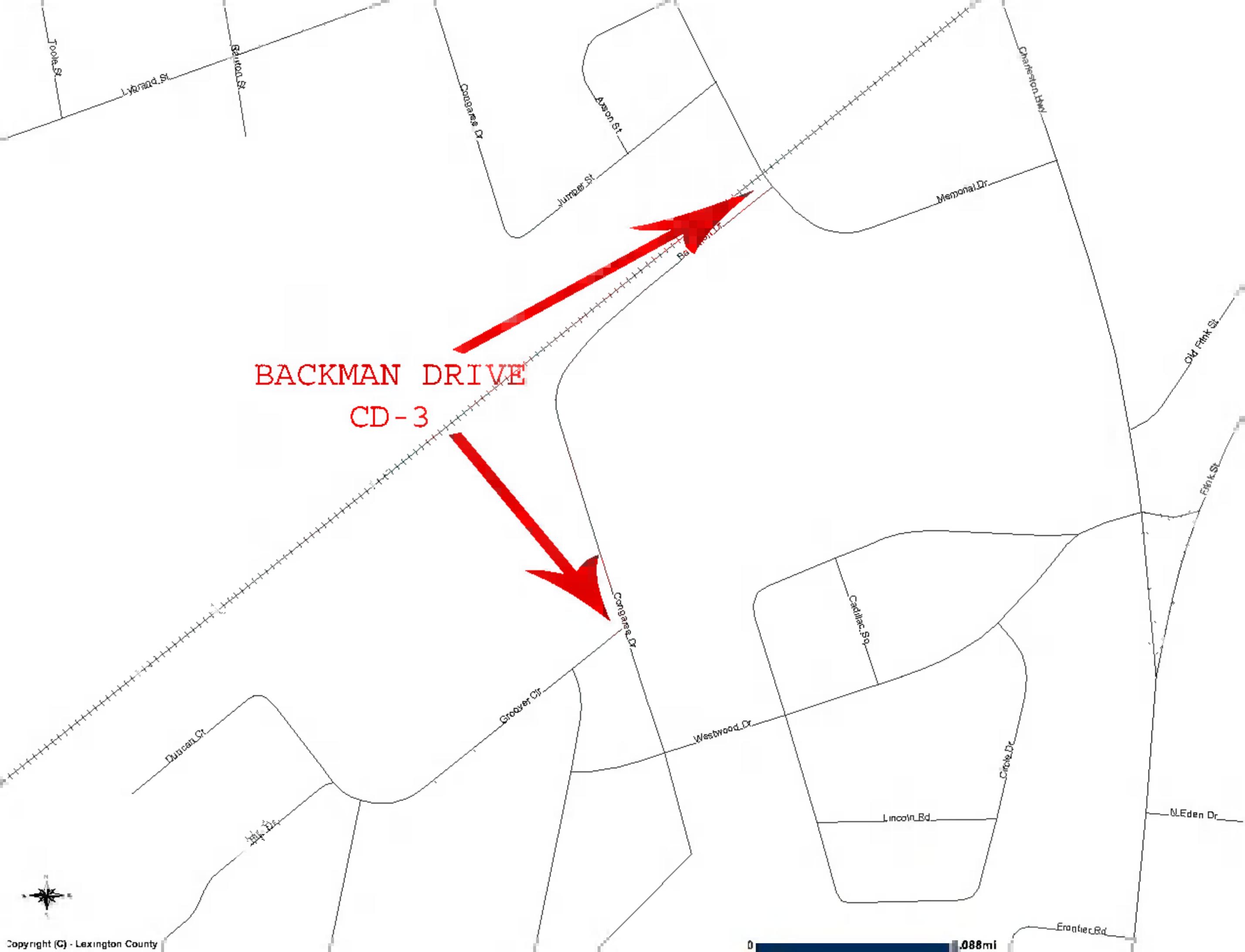




PELION ROAD

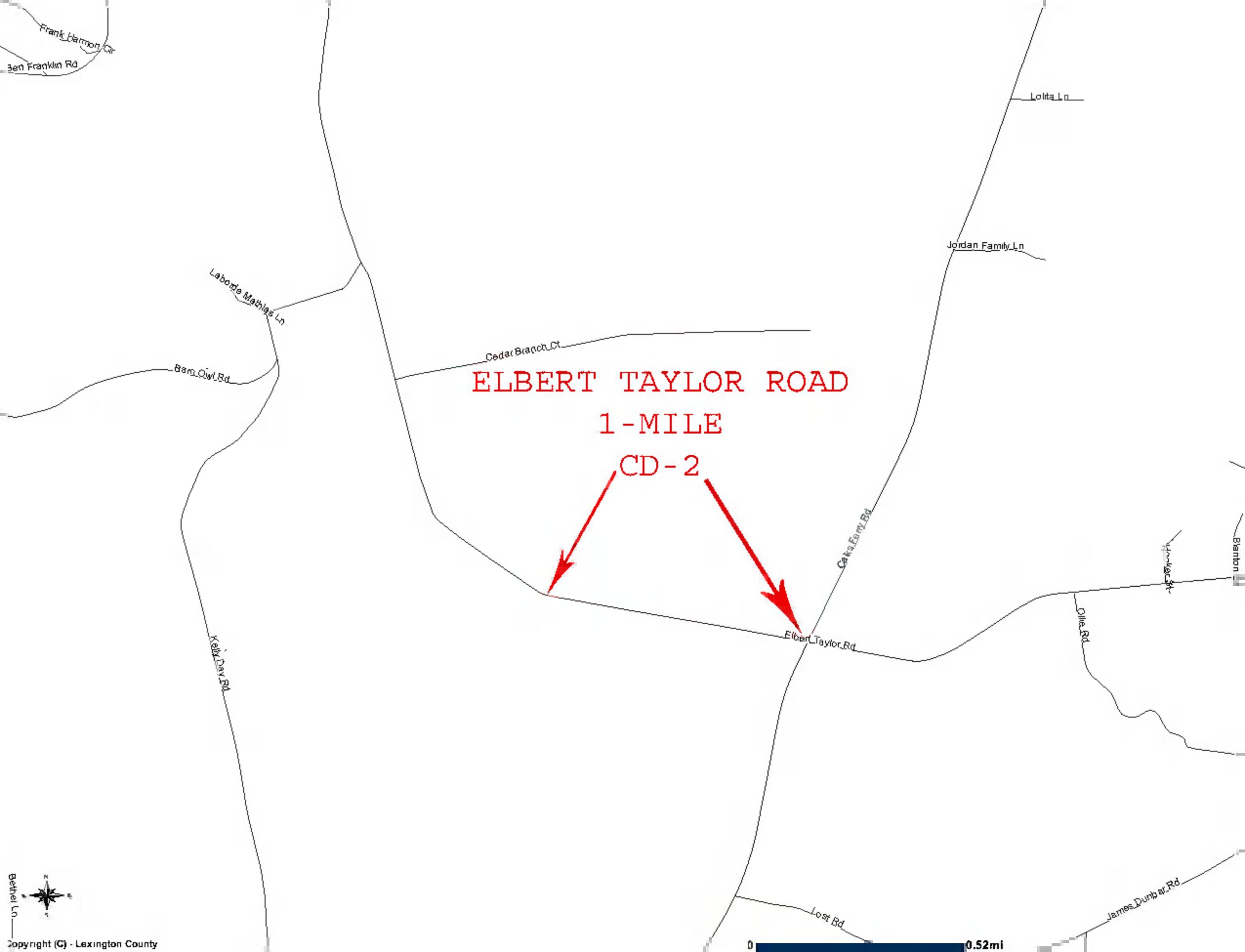


0 0.48mi



BACKMAN DRIVE
CD-3



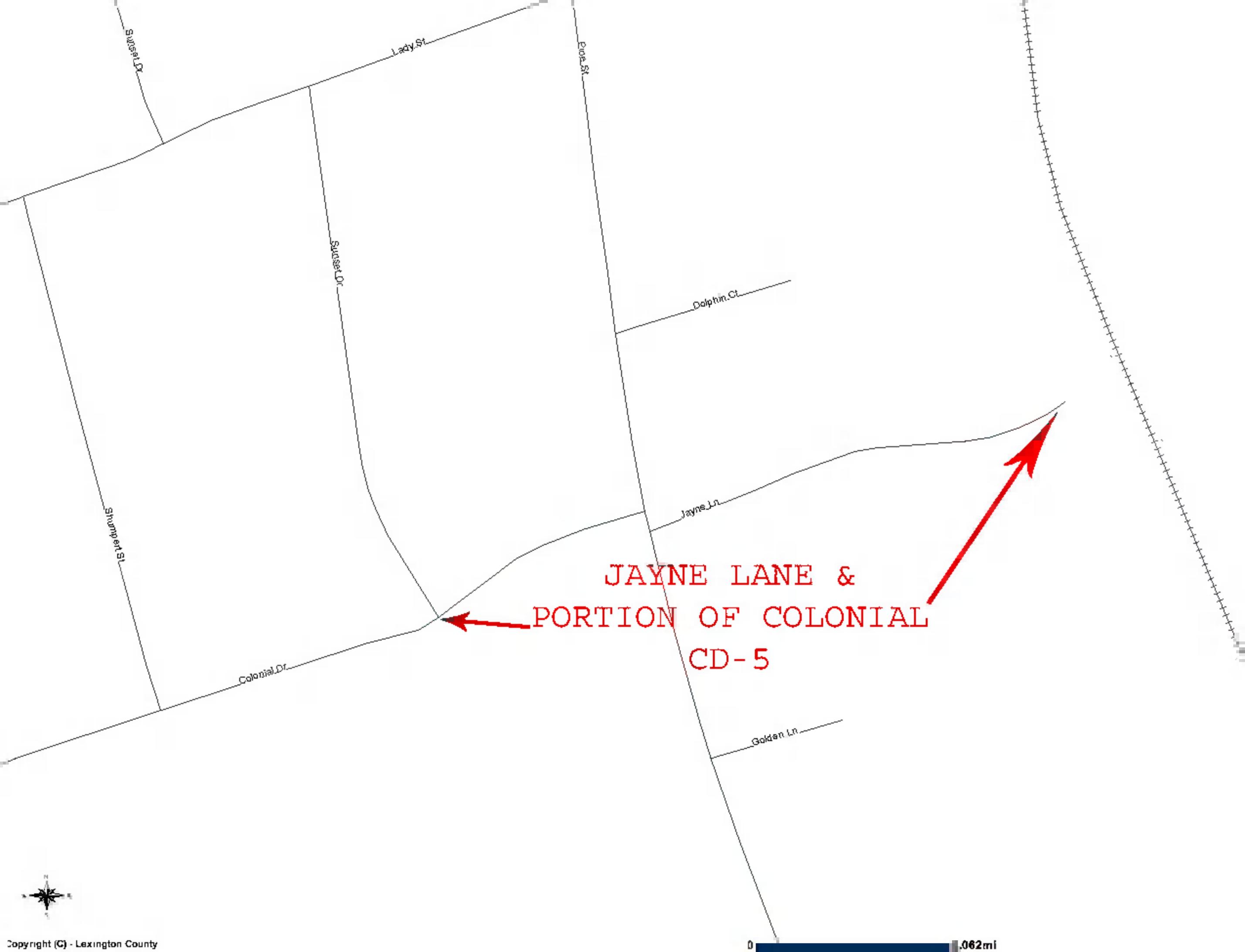


ELBERT TAYLOR ROAD

1-MILE

CD-2

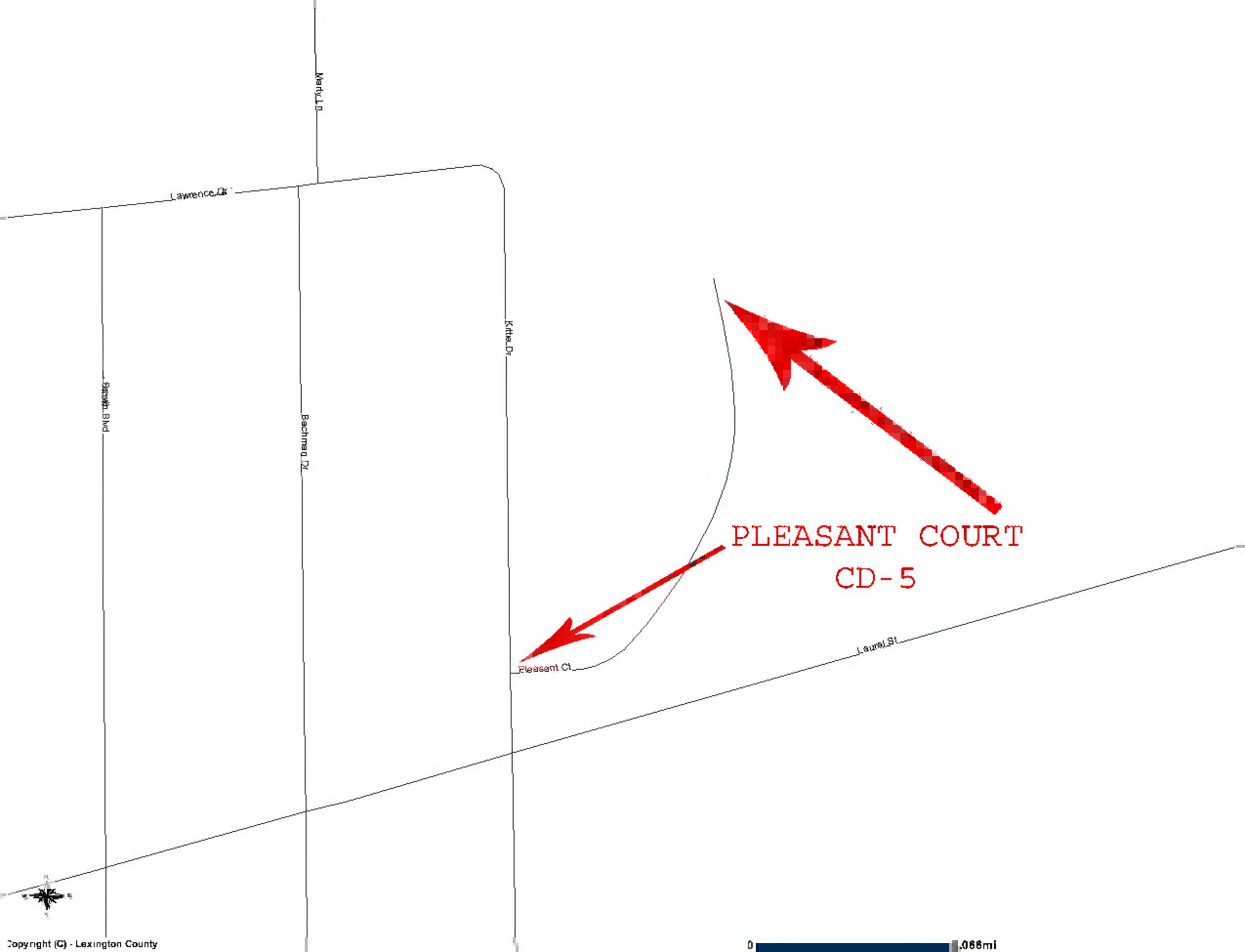




JAYNE LANE &
PORTION OF COLONIAL
CD-5



0 .062mi



Lawrence Dr

Mary Ln

Ketter Dr

Bachman Blvd

Bachman Dr

Pleasant Ct

Laurel St

PLEASANT COURT
CD-5

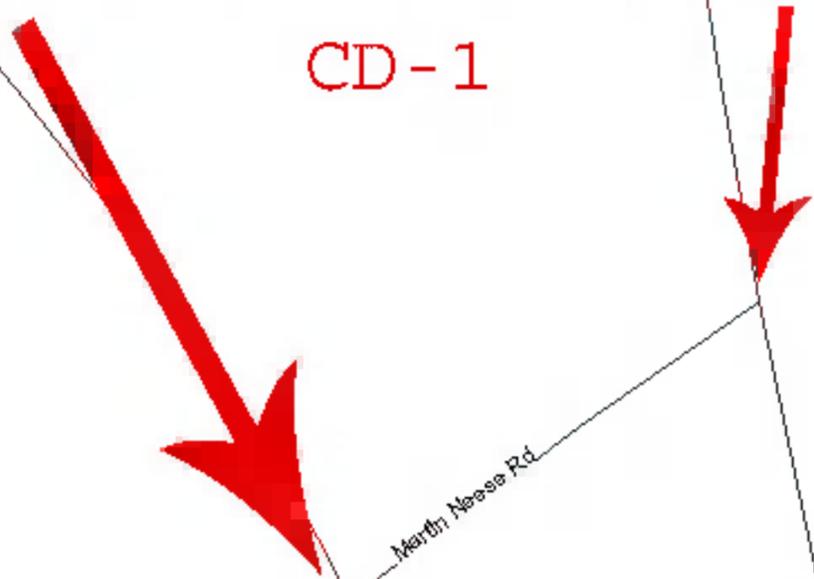




PAYNE LANE
CD-3



MARTIN NEESE ROAD
CD-1



Ravenwood Dr
Woodland Dr

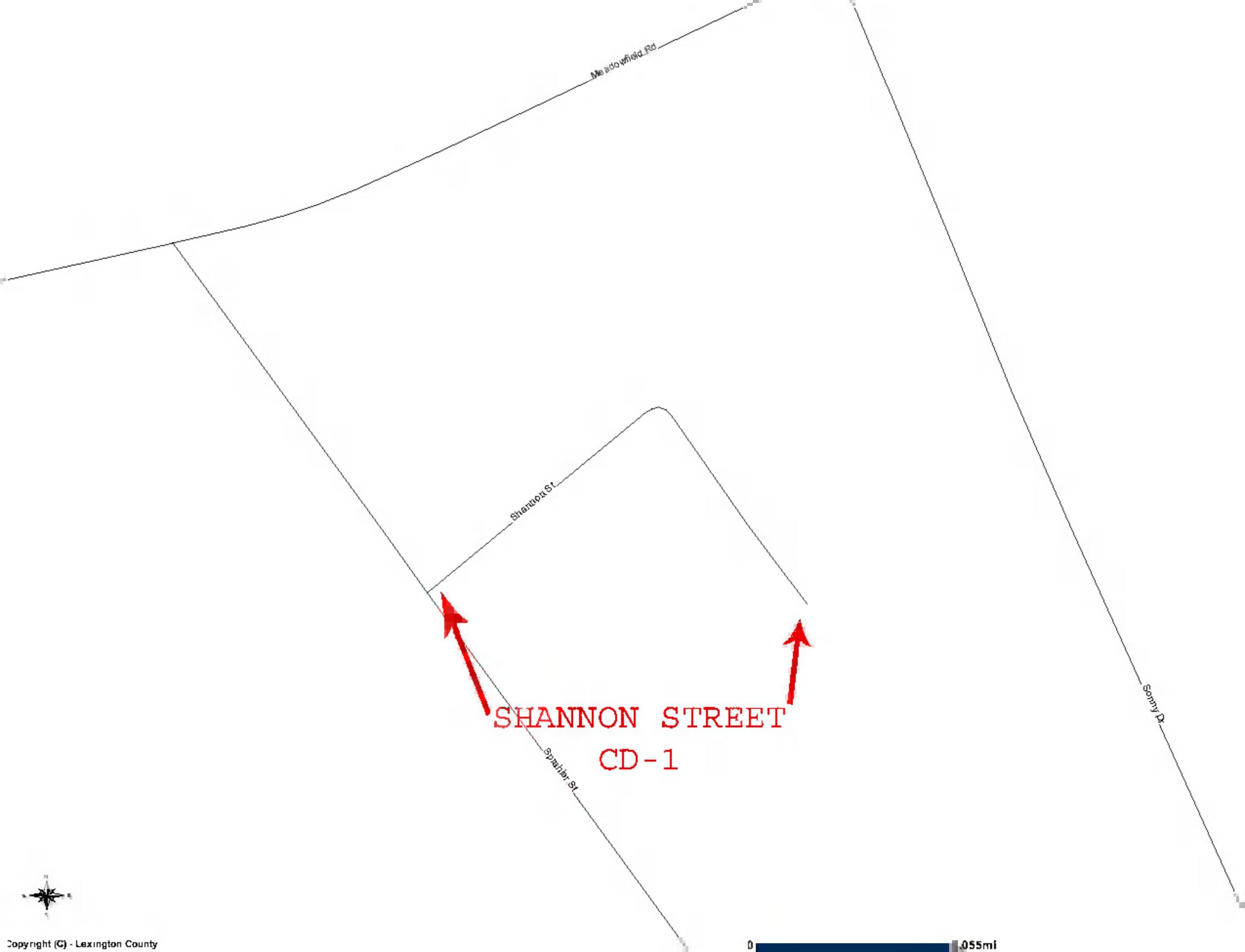
Martin Neese Rd

Highway B

W. Pointe Rd

Heartsease Rd





Meadowfield Rd

Shannon St

Spahr St

Somy Dr

SHANNON STREET
CD-1





COUNTY OF LEXINGTON
PUBLIC WORKS DEPARTMENT
ENGINEERING

MEMORANDUM

DATE: August 15, 2008

TO: Katherine Hubbard
County Administrator

FROM: John Fechtel, Public Works Director
Assistant County Administrator

RE: SCDOT FY 08-09 Match Program

My staff has worked with Jack Craft, SCDOT Lexington Maintenance Engineer, on this year's match program. The attached sheet is from Mr. Craft and is based on the information sent to us and his knowledge of the roads.

The match is 50%/50% with SCDOT contributing \$424,000.00 and the County contributing \$424,000.00 for a total of \$848,000.00. As shown on the attached sheet, the recommended roads and estimated costs are provided. We recommend County Council approve this list. Two roads were recommended above the budgeted amount in case the bids received will allow these to be included.

Council Dist.	Rt	Rt Num	Road Name	From	To	Length	ADT	2008		Estimated Cost	Cumulative Cost
								Predicted PQI	Cost per Mile		
8	S-	139	13th St.	Augusta Rd.	C Ave.	0.14	5000	0.90	195,000	27,300	27,300
9	S-	180	Walter Price	12th St.	Holland Ave.	0.44	2750	1.26	195,000	85,800	113,100
9	S-	180	8th St	Holland Ave.	L Ave.	0.41	2750	1.09	195,000	79,950	193,050
9	S-	360	Laurie St.	Sunnyside	Frink St.	0.41	55	1.45	195,000	79,950	273,000
8	S-	313	N. Brown	Double Branch	Holland St.	0.24	2600	2.12	195,000	46,800	319,800
6	S-	715	Eptings Camp	Old Lex. Hwy.	Stucks Point Dr.	0.96	270	1.97	195,000	187,200	507,000
9	S-	317	Middleton St.	Charleston Hwy.	Dunbar Rd.	0.47	3400	1.76	195,000	91,650	598,650
9	S-	740	Apple St.	Summerland Dr.	Tiffany Trail	0.10	819	1.80	195,000	19,500	618,150
2	S-	138	Hartley St.	Oak St.	Fair St.	0.35	385	2.06	195,000	68,250	686,400
9	S-	1803	Overland Dr.	Dunbar Rd.	End State Maint.	0.35	138	1.72	195,000	68,250	754,650
2	S-	367	Fox St.	North R. R. Ave.	Church St.	0.10	248	2.01	195,000	19,500	774,150
2	S-	367	Fox St.	Hill St.	Highland Ave.	0.05	5020	2.15	195,000	9,750	783,900
4	S-	756	Lown Dr.	Platt Springs Rd.	Kittyhawk Dr.	0.37	5500	2.22	195,000	72,150	856,050
2	S-	470	Armory St.	Summerland Ave.	Mitchell St.	0.15	3400	1.85	195,000	29,250	885,300

4.54



COUNTY OF LEXINGTON
PUBLIC WORKS DEPARTMENT
ENGINEERING

MEMORANDUM

DATE: August 15, 2008

TO: Katherine Hubbard
County Administrator

FROM: John Fachtel, Public Works Director
Assistant County Administrator

RE: Taylor Road Update

We met with the developers of Concord Park, their engineer, and representatives of Cayce. At this point the developers feel that the railroad crossing issue was initially presented to them that Cayce was taking care of it and that they were approached later and they contributed over \$120,000.00 to it. They also agreed to pay for the engineering of Taylor Road at about \$20,000.00 and that has been done. There is some confusion as to the requirements (widths, curbing, etc.) so it was submitted as primarily three lanes, curb and gutter, plus sidewalk. They are apparently unwilling to contribute any additional funds.

The Public Works Committee recommendation was to appropriate \$275,000.00 to pave Taylor Road as two lanes only in "C" Funds and ask the developer to assist. As it stands now, the County would fund \$275,000.00 to the project without any additional funds from the developer.



COMMITTEE REPORT

RE: Taylor Road/City of Cayce Request

DATE: August 18, 2008

COMMITTEE: Public Works

MAJORITY REPORT: Yes

The Public Works Committee met on Tuesday, July 22, 2008, to review the Taylor Road/City of Cayce Request.

Mr. John Fechtel, Public Works Director, presented a request from the City of Cayce for “C” funds to pave 2,200 feet of Taylor Road. The County has already paid \$121,457 for a one-third share of the Taylor Road railroad crossing project. He reported that the County could pave Taylor Road at an estimated cost of \$275,000 that would consist of a two-lane, twenty-two foot wide pavement section that would have storm drainage on the first 600 feet (40-foot right-of-way) with a typical ditch section. The developer’s plan is estimated at over \$600,000 and would include curb and gutter, sidewalks, turn lanes, etc. Staff recommended approving \$91,667 (one-third) of the \$275,000 cost estimated (not including engineering). The \$91,667 could be taken from the \$128,543 Project Frame balance.

The Public Works Committee voted in favor to recommend to full Council to approve paving Taylor Road at the full cost of \$275,000 and request the developer to contribute to the cost.

The Committee Minutes are left out intentionally until approved by the Committee. Upon the Committee's approval, the minutes will be available on the Internet.

The Committee Minutes are left out intentionally until approved by the Committee. Upon the Committee's approval, the minutes will be available on the Internet.

CAROLINA MATERIALS CORPORATION
POST OFFICE BOX 8023 ~ COLUMBIA, SOUTH CAROLINA 29202

July 16, 2008

Mr. David Eger, Director
Lexington County Solid Waste Management
498 Landfill Lane
Lexington, SC 29073

RECEIVED

JUL 17 2008

Solid Waste Management

RE: Carolina Materials C&D Landfill

Dear Mr. Eger:

Carolina Materials C& D Landfill Inc., located at the intersection of Carl Lane and Highway 6 in Lexington County, has been in operation since 1997 to serve the needs of central Lexington County. The landfill accepts approximately 80,000 tons of construction, demolition, and land-clearing debris each year; recycling land-clearing debris, top soil, concrete, asphalt, and other building materials, while disposing of the remainder of the waste. In fact, Carolina Materials recently invested in a new top-soil screener in order to recover more topsoil. As you know, Lexington County is one of the fastest growing counties in South Carolina and as such, it will continue to see a tremendous amount of building in the near future and beyond. The Carolina Materials Landfill has approximately five years of capacity remaining and would like to expand on-site so that it may continue to serve the needs of Lexington County. In addition to serving the disposal and recycling needs of the county, an expansion would allow Carolina Materials to close the landfill in a manner that would make the property more useful after closure and allow for better storm water controls.

In May, new DHEC regulations became effective that require existing landfills to either close or install groundwater monitoring wells and monitor landfills during the active life of the facility and during a twenty-year post-closure period. Should Carolina Materials be able to expand and remain open, the landfill will be able to install groundwater monitoring and conduct the required monitoring. Without the ability to expand, Carolina Materials will be unable to bring in enough revenue during the remainder of its life to cover the cost of the monitoring. The landfill will be forced to close prematurely, without the monitoring wells in place and without reaching final grade, leaving the property unusable.

Attached is a drawing showing the landfill's current footprint and the areas where the landfill would be expanded. The expansion would give Carolina Materials approximately ten additional years of capacity at its current rate of disposal.

PHONE 803.808.3344
FAX 803.808.3346

CAROLINA MATERIALS CORPORATION
POST OFFICE BOX 8023 ~ COLUMBIA, SOUTH CAROLINA 29202

Mr. David Eger
July 16, 2008
Page 2

Before Carolina Materials can apply to DHEC for a permit to expand the facility, the Lexington County Solid Waste Management Plan must first be amended. Current language does not allow expansions of existing landfills. Carolina Materials has drafted language and would like to offer it as a proposed amendment to the current Lexington County Solid Waste Management Plan. The language is attached to this letter.

On behalf of Carolina Materials, I would like to thank you for any assistance you may provide to initiate this process.

Sincerely,



C. Richard Jackson
Carolina Materials Corporation

attachments

PHONE 803.808.3344
FAX 803.808.3346

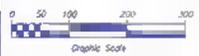
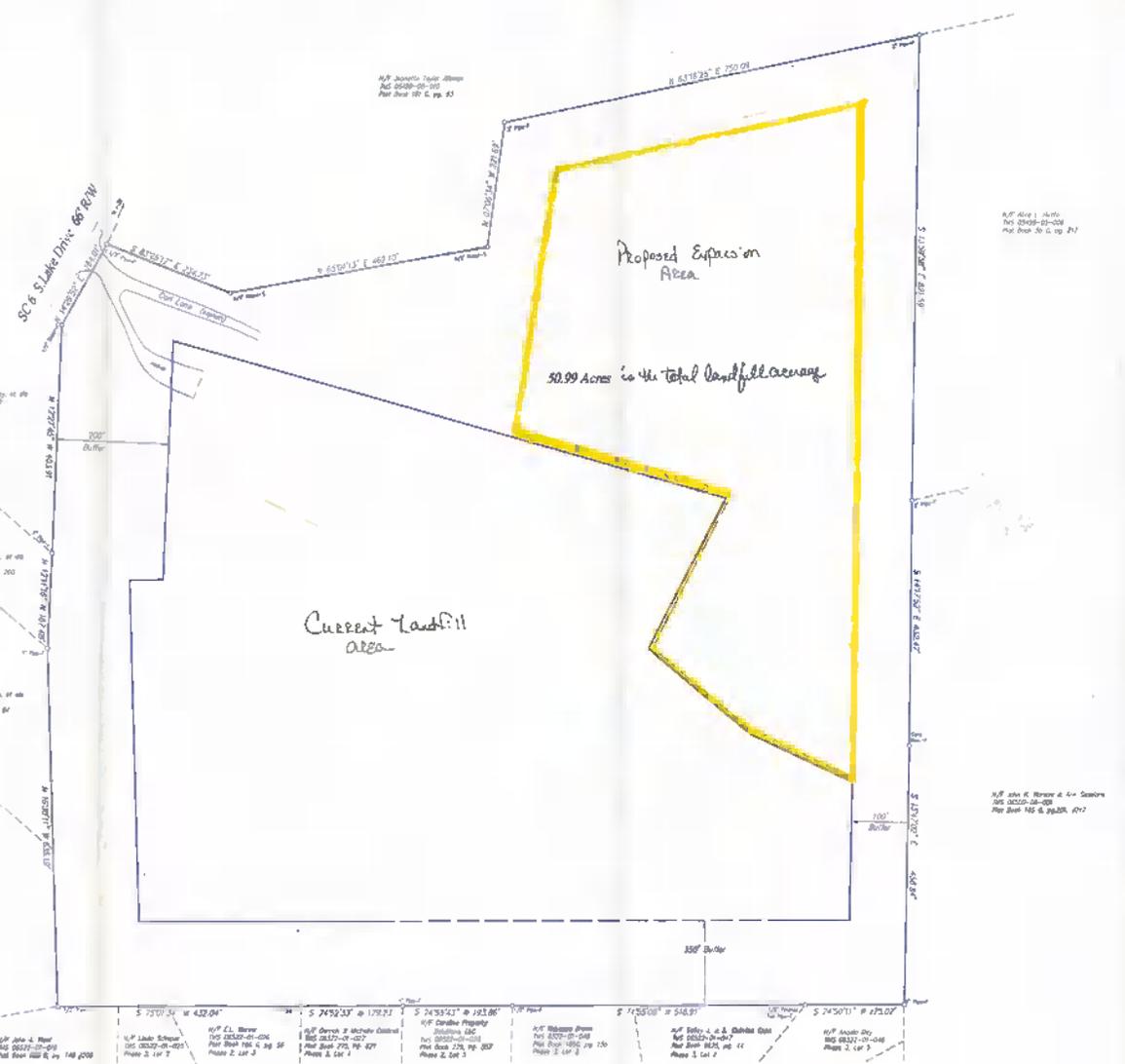


Additional References:

742 06500-06-002
 Also, a plat prepared for Carolina Materials Corporation by Ben Marston Associates dated 8/1/00
 Plat Book 273, pg. 337
 Plat Book 4133, pg. 175

LEGEND:

- Property Corner, Found or Set at 10' or 15'
- Overhead Electric
- Fence



Job #: 00068
 Scale: 1" = 100 Feet
 Date: 18 September 2000
 Drawn: L.Miller / D.Sybert
 Draw File: 00068-02shout.dwg

Survey of Site Map For
CAROLINA MATERIALS CORPORATION

Located at 100 Duff Lane, Lexington, Lexington County, South Carolina



SURVEY & MAPPING SERVICES
 of South Carolina, Inc.

3320 Plant Springs Road
 West Columbia, SC 29170
 (803) 796-8214

Rev.	Date	Revised By	Revised Description	By	Sheet
1	1/26/2000				1 of 1

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Memorandum

August 15, 2008

To: Katherine Hubbard
County Administrator

For: County Council Committee of the Whole

From: Charlie Compton, Director
Department of Planning and GIS

Reference: Ordinance 08-03: Landscape Ordinance Amendments

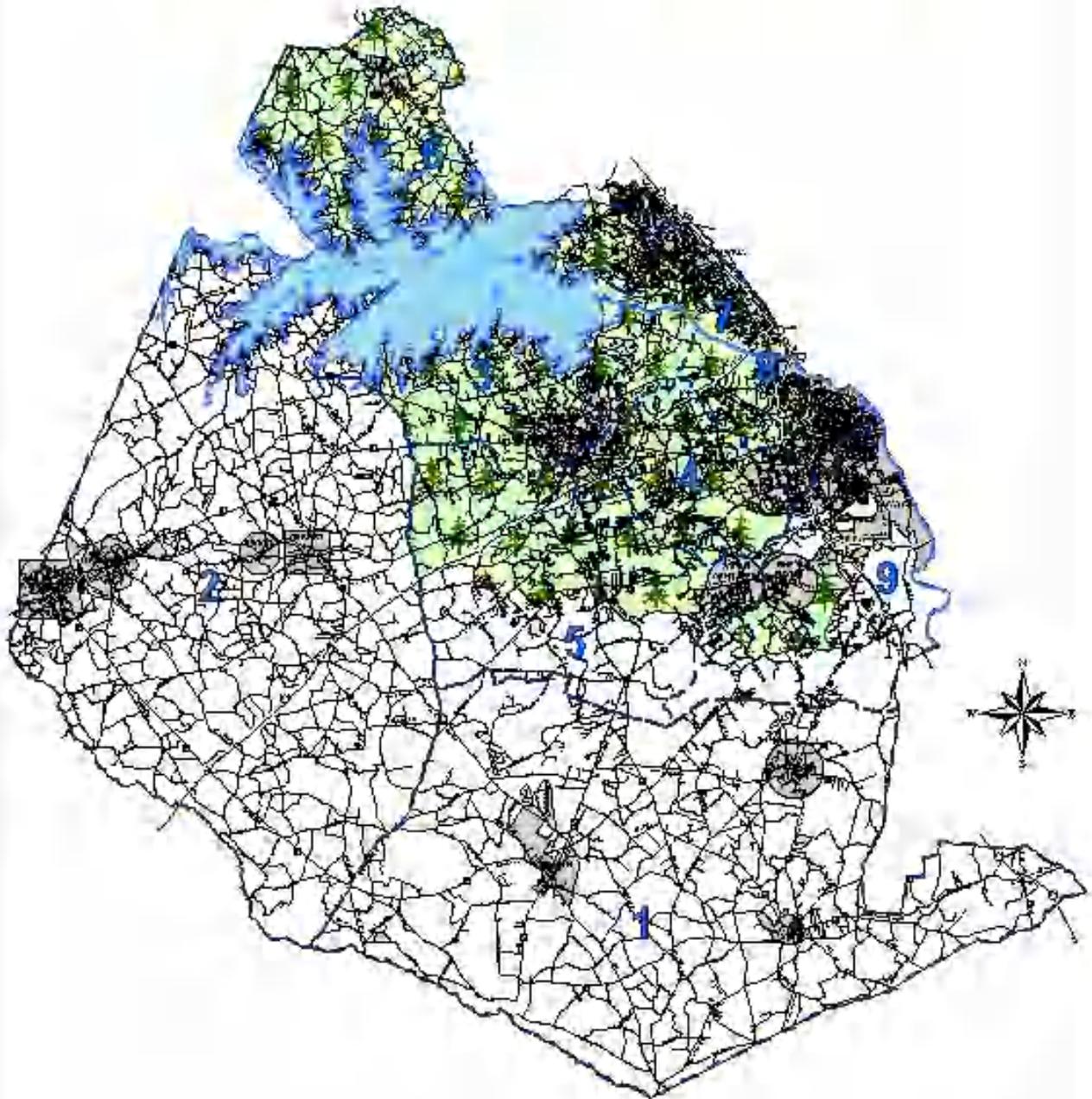
On May 27th Council received a briefing on the comprehensive package of amendments proposed for the County's Landscape Ordinance. Because of the complexity of many of the issues it was agreed to give the members time to consider the many proposed changes. One of the key decisions involves the Planning Commission's recommendation to expand the ordinance to cover the rest of the County. If Council does want that question to be included in the public hearing, the staff will have the Planning Commission recommend proposed scenic corridors for those new areas also.

During this time of reflection by Council the staff has had an opportunity to meet with members of the *South Carolina Forestry Association* about mutual issues and problems. Our work together has generated several great ideas about our review of timberharvesting activities. We will be taking these ideas to the Planning Commission at their September meeting.

I also feel that it is important that we begin the reading process on possible changes to the on-site and off-site sign restrictions. To fully implement our concept of scenic corridors and to be able to better coordinate the transition of properties into municipalities through annexation, we need to have several sign amendments considered for implementation with this Landscape Ordinance package.

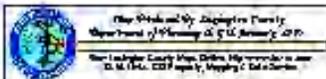
Enclosure: Landscape Ordinance Map

Lexington County Landscape Ordinance Boundaries



Legend

-  County Council Districts
-  Landscape Ordinance Boundry



Council District Boundaries Board On 2019 Calendar

The Committee Minutes are left out intentionally until approved by the Committee. Upon the Committee's approval, the minutes will be available on the Internet.

RESOLUTION

THE COUNCIL FOR THE COUNTY OF LEXINGTON, SOUTH CAROLINA, MEETING IN GENERAL SESSION THE 26TH DAY OF AUGUST, TWO THOUSAND AND EIGHT, ADOPTED THE FOLLOWING:

WHEREAS, the use of illegal and prescription drugs and the abuse of alcohol and nicotine constitute the greatest threats to the well-being of America's children; and

WHEREAS, 13 years of surveys conducted by the National Center on Addiction and Substance Abuse (CASA) at Columbia University have consistently found that the more often children and teenagers eat dinner with their families the less likely they are to smoke, drink and use illegal drugs; and

WHEREAS, frequent family dining is associated with lower rates of teen smoking, drinking, illegal drug use and prescription drug abuse; and

WHEREAS, the correlation between frequent family dinners and reduced risk for teen substance abuse is well documented; and

WHEREAS, parents who are engaged in their children's lives – through such activities as frequent family dinners – are less likely to have children who abuse substances; and

WHEREAS, family dinners have long constituted a substantial pillar of family life in America.

NOW, THEREFORE, BE IT RESOLVED that we, the members of Lexington County Council, proclaim September 22, 2008 as **FAMILY DAY – A DAY TO EAT DINNER WITH YOUR CHILDREN** and urge all citizens to recognize and participate in its observance.

William C. "Billy" Derrick, Chairman

Debra B. "Debbie" Summers, Vice Chairman

James E. "Jim" Kinard, Jr.

George H. "Smokey" Davis

Bobby C. Keisler

Johnny W. Jeffcoat

John W. Carrigg, Jr.

William B. Banning, Sr.

M. Todd Cullum

ATTEST:

Diana W. Burnett, Clerk

RESOLUTION

THE COUNCIL FOR THE COUNTY OF LEXINGTON, SOUTH CAROLINA, MEETING IN GENERAL SESSION THE 26TH DAY OF AUGUST, TWO THOUSAND AND EIGHT, ADOPTED THE FOLLOWING:

WHEREAS, Resident Deputy Wayne Wilson retired June 29, 2008 after 10 years of honorable service with the Lexington County Sheriff's Department and 20 years of distinguished service as Police Chief for the Town of South Congaree; and

WHEREAS, in 2001 Resident Deputy Wayne Wilson worked in partnership with the owner of a mobile home park on Leaphart Road, local church leaders and local community groups to reduce violations of Lexington County zoning ordinances, as well as criminal activity at the mobile home park. The effort resulted in a decrease in calls for law enforcement services at the mobile home park from 650 in 2002 to 35 in 2005; and

WHEREAS, Deputy Wilson organized an effort by the Sheriff's Department Community Response Team and Lexington County Department of Public Works to clean up dense woods near homes on Worlin Drive that were used by drug dealers to hide from law enforcement officers and conceal their illegal activity. As a result, Keep the Midlands Beautiful presented the Community Service Award to the Sheriff's Department in recognition of the effort, which eliminated calls for law enforcement services in the area; and

WHEREAS, Deputy Wilson developed a computer-based system to keep track of all convicted sex offenders who were registered with the Sheriff's Department and lived in the North Region Patrol District, which is based near Irmo. Deputy Wilson maintained and updated information that included each offender's home address, place of employment, home and work telephone numbers and make, model, color and license plate number of each offender's motor vehicle. The system proved to be an effective law enforcement tool; and

WHEREAS, Deputy Wilson recommended creating the Community Response Team in the North Region Patrol District and recommended assigning resident deputies, code enforcement officers and traffic enforcement officers to work as a team on community oriented policing projects. Deputy Wilson initiated and maintained open and honest communication with community leaders, church groups, neighborhood crime watch groups, civic groups, business leaders, and concerned citizens.

NOW, THEREFORE, BE IT RESOLVED that we, the members of Lexington County Council, honor **RESIDENT DEPUTY WAYNE WILSON** as a model law enforcement officer whose conduct exemplified the concept of community oriented policing.

BE IT FURTHER RESOLVED that we extend to Deputy Wilson our best wishes for a happy, healthy, and prosperous retirement.

William C. "Billy" Derrick, Chairman

Debra B. "Debbie" Summers, Vice Chairman

James E. "Jim" Kinard, Jr.

George H. "Smokey" Davis

Bobby C. Keisler

Johnny W. Jeffcoat

John W. Carrigg, Jr.

William B. Banning, Sr.

M. Todd Cullum

ATTEST:

Diana W. Burnett, Clerk

RESOLUTION

THE COUNCIL FOR THE COUNTY OF LEXINGTON, SOUTH CAROLINA, MEETING IN GENERAL SESSION THE 26TH DAY OF AUGUST, TWO THOUSAND AND EIGHT, ADOPTED THE FOLLOWING:

WHEREAS, Lt. John E. "J.J." Jones received the Deputy of the Year Award for 2008 from the South Carolina Sheriffs' Association on August 13, 2008; and

WHEREAS, Lt. Jones was the first Lexington County Sheriff's Department deputy in more than three decades to receive the prestigious law enforcement honor; and

WHEREAS, the state Sheriffs' Association in presenting the award recognized Lt. Jones for his exemplary conduct during three critical incidents that occurred in 2007 and 2008, including a standoff with a suspect on Interstate 26.

NOW, THEREFORE, BE IT RESOLVED that we, the members of Lexington County Council, honor **LIEUTENANT JOHN E. JONES** for demonstrating exceptional valor in the line of duty and serving as a superb role model for the officers whom Lt. Jones supervises as assistant commander of the Sheriff's Department Region II Patrol District.

William C. "Billy" Derrick, Chairman

Debra B. "Debbie" Summers, Vice Chairman

James E. "Jim" Kinard, Jr.

George H. "Smokey" Davis

Bobby C. Keisler

Johnny W. Jeffcoat

John W. Carrigg, Jr.

William B. Banning, Sr.

M. Todd Cullum

ATTEST:

Diana W. Burnett, Clerk



APPOINTMENTS BOARDS & COMMISSIONS

August 26, 2008

JIM KINARD

Assessment Appeals Board – Robbie L. Stabler – Term expired 09/21/08 – Eligible for reappointment

SMOKEY DAVIS

Board of Zoning Appeals - Bryan Clemenz (Resigned 03/20/07) Term expired 12/31/07
Assessment Appeals Board – L. Wayne Arnold – Term expired 09/21/08 – Eligible for reappointment

BOBBY KEISLER

Assessment Appeals Board – Sabrina S. Rogers – Term expired 09/21/08 – Eligible for reappointment
Board of Zoning Appeals – Wayne Shumpert (Resigned 07/21/08) – Term expires 12/31/10 – Letter of resignation included

JOHNNY JEFFCOAT

Assessment Appeals Board - Beth Dorn Lindardt - Term expired 09/21/07 - Eligible for reappointment
Health Services District - Robert O. Heilman - Term expired 03/10/08 - Eligible for reappointment
Planning Commission – Eddie Wilder – Term expires 8/26/08 – Not eligible for reappointment
Museum Commission - Sandra Burdett - Term expired 11/01/05 - Not eligible for reappointment

JOHN CARRIGG

Assessment Appeals Board - Vacant - Term expired 09/21/06
Museum Commission - Vacant - Term expired 11/01/06

BILL BANNING

Museum Commission - Toni L. Greer - Term expired 11/1/07 - Not eligible for reappointment
Planning Commission - William E. Unthank, Jr. (Resigned December 2007) - Term expires 8/26/11

TODD CULLUM

Lexington Health Services - Ronald Moore (deceased) - Term expires 3/10/09
Assessment Appeals Board – Bill Power – Term expired 08/21/08 – Not eligible for reappointment

AIKEN/BARNWELL/LEXINGTON COUNTIES COMMUNITY ACTION COMMISSION, INC.

Juanice Aaron - Term expired 12/31/05 - Eligible for reappointment

BUILDING CODES BOARD OF APPEALS

Building – Steve Martin – Term expires 8/13/08 – Eligible for reappointment

Electrical – Michael C. Shealy – Term expires 8/13/08 – Eligible for reappointment

July 16, 2008

Dear Walt,

You may be aware; on Tuesday July 15, 2008, I won the Special Election for Town Council in South Congaree. The swearing in will be Monday, July 21.

As you know I cannot continue in my position as a member here, and hold my newly elected council seat, so with much regret, I am submitting my resignation to the Lexington County Zoning Board of Appeals. My resignation will be effective immediately as the date of the above town council meeting would dictate.

I have thoughly enjoyed serving on the Zoning Board of Appeals along with my fellow Board members. The knowledge I have gained along with the experience of working with such an organized group of individuals has not only served Lexington County well, but now will serve the Town of South Congaree.

Sincerely

Wayne E. Shumpert



COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: August 15, 2008

TO: Katherine L. Hubbard
County Administrator

THROUGH: Reggie Murphy
Procurement Manager

FROM: Angela M. Seymour
Procurement Officer

**SUBJECT: Replacement Switches – Administration Building
Information Services**

We received a purchase request for Replacement Switches for the Administration Building. This will assist with providing a Gigabit of bandwidth to desktop PC's. These items will be purchased directly from the manufacturer Data Network Solutions through the South Carolina State Contract #06-S6983-A11898.

Mike Ujcich, Chief Information Officer; and Jim Schafer, Information Technology Manager, have reviewed and recommended this purchase.

The total cost, including applicable sales tax, is \$64,871.67.

Funds are appropriated in the following account:

1000-102100-5A9030	Replacement Switches – Administration Building	\$64,871.67
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I concur with the above recommendation and further recommend that this bid be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

copy: Larry Porth, Director of Finance/Assistant County Administrator
Mike Ujcich, Chief Information Officer
Jim Schafer, Information Technology Manager

MEMORANDUM

TO: REGGIE MURPHY, PROCUREMENT DIRECTOR
FROM: JIM SCHAFER, IT MANAGER; MIKE UJCICH, CIO
SUBJECT: PURCHASE REQUEST: NETWORK SWITCH UPGRADE—ADMINISTRATION BUILDING
DATE: 8/15/2008
CC: ANGELA SEYMOUR, PROCUREMENT OFFICER

Attached please find a requisition to Data Network Solutions (DNS) of Irmo, SC, for the state contract purchase of replacement network switches for the Administration Building. This purchase will move us toward accomplishing the IT strategic goal of providing a Gigabit of bandwidth to desktop pc's.

Also, the project is needed because the switches serving the "old" part of the building are obsolete. They were installed as a part of a network upgrade in 2001. Starting July 1, 2008, the manufacturer no longer offered a guaranteed trouble response time maintenance agreement for them. The switches that will be taken out of the "new" part of the building will be used as a pool of available replacements for similar switches at remote locations.

Included in the purchase are: twelve 48-port Enterasys switches, five 24-port Enterasys switches and related cabling and parts for complete installation as well as engineering services for configuration and testing. The total project cost is \$64,871.67 to be purchased under State Contract No. 06-S6983-A11898.

Approval of this state contract purchase is respectfully requested.

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: August 15, 2008

TO: Katherine L. Hubbard
County Administrator

THROUGH: Reggie Murphy
Procurement Manager

FROM: Angela M. Seymour
Procurement Officer

**SUBJECT: Wireless Access Point Upgrade
Information Services**

We received a purchase request for a Wireless Access Point Upgrade. This will be for upgrading gear for wireless hotspots at several locations throughout the county. These items will be purchased directly from the manufacturer Data Network Solutions through the South Carolina State Contract #06-S6983-A11898.

Mike Ujcich, Chief Information Officer; and Jim Schafer, Information Technology Manager, have reviewed and recommended this purchase.

The total cost, including applicable sales tax, is \$55,962.58.

Funds are appropriated in the following account:

1000-102100-5A9023	Wireless Access Point Upgrade	\$55,962.58
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I concur with the above recommendation and further recommend that this bid be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

copy: Larry Porth, Director of Finance/Assistant County Administrator
Mike Ujcich, Chief Information Officer
Jim Schafer, Information Technology Manager

MEMORANDUM

TO: REGGIE MURPHY, PROCUREMENT DIRECTOR
FROM: JIM SCHAFER, IT MANAGER; MIKE UJCICH, CIO
SUBJECT: PURCHASE REQUEST: WIRELESS HOTSPOT UPGRADE
DATE: 8/15/2008
CC: ANGELA SEYMOUR, PROCUREMENT OFFICER

Attached please find a requisition to Data Network Solutions (DNS) of Irmo, SC, for the state contract purchase of upgraded gear for wireless hotspots at several locations throughout the county. This purchase will move us toward accomplishing the IT strategic goal of providing more secure and reliable service for existing wireless hotspots. (Note: the Judicial Center was upgraded last fiscal year.)

This project includes the upgrade of access points at county service centers, the Law Enforcement Complex, the Ball Park Road Campus, the Administration Building and a few other places that are hot spots for the Sheriff's Department and EMS¹. This project also will add a second "wireless switch" to provide redundancy should the first wireless switch fail.

Sheriff Deputies and EMS crews use these hotspots to download field data from their laptops in their vehicles at various locations. Having these hot spots available reduces the time and fuel that would be required to drive back to the employees' headquarters or substations and leave their vehicles in order to download data they collected in the field.

Included in the purchase are: 31 Enterasys RoamAbout Access Points, one RoamAbout Wireless Switch, a wireless switch software upgrade, and related cabling and parts for complete installation as well as engineering services for configuration, installation and testing. The total project cost is \$55,962.58 to be purchased under State Contract No. 06-S6983-A11898.

Approval of this state contract purchase is respectfully requested.

¹ Locations include: Admin Bldg-Basement; Fleet Services; Fire Training Center/Temporary EOC; EMS Headquarters; Public Works Adm.; Summary Court Center; Chapin; South Congaree Fire Station; Sheriff Headquarters; Sheriff South Region; Sheriff North Region; Sheriff West Region; and four Sheriff Remote Offices. (Note: Sheriff Region Offices provide wireless services to collocated agencies and/or mobile units of other agencies such as EMS.)

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

DATE: August 7, 2008

TO: Katherine L. Hubbard
County Administrator

FROM: Reggie Murphy
Procurement Manager

SUBJECT: Construction of Gaston Library Building Addition
Library Services
BID NO B09001- 080608

Competitive bids were solicited and advertised for the construction of an addition to the Gaston Branch Library. This addition consists of approximately a 1,525 square foot brick veneer structure. The base bid for this project included site improvements, landscaping, and concrete sidewalks. The bid required, as alternate number one (1), additional pricing for re-roofing the shingled roof of the existing building. A mandatory pre-bid was held on July 23, 2008 in which ten (10) general contractors attended. We received nine (9) bids, and one (1) no bid (see attached bid tabulation).

Danny Shelley, AIA, James, Durant, Matthews & Shelley, Inc.; Dan MacNeill, Director of Library Services; and Reggie Murphy, Procurement Manager evaluated the bids. The Lexington County Library Board has reviewed the bids and voted unanimously to accept the lowest bid meeting specifications. It is our recommendation to award this project to Lyn-Rich Contracting Company, Inc. Award is recommended for the base bid in the amount of \$282,800.00; add alternate number one (1) in the amount of \$4,950.00 for a total of \$287,750.00.

Funds are appropriated in the following account:

2320-230099-5A6420	Gaston Branch - Construction	\$287,750.00
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I concur with the recommendation and further request that this bid be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

Attachment

copy: Larry Porth, Director of Finance/Assistant County Administrator
Dan MacNeill, Director of Library Services

County of Lexington

Bid Tabulation

B09001-08/06/08

Gaston Library Addition

		W. Construction, LLC.	PYRAMID Contracting, LLC	Premier Construction	Lyn-Rich Contracting Co., Inc.
Qty	Description	Total	Total	Total	Total
1	Base Bid for Renovations	\$ 409,510.00	\$ 299,891.00	No Bid	\$ 282,800.00
1	Alternate Bid Number 1	\$ 6,200.00	\$ 6,900.00	No Bid	\$ 4,950.00
	Total	\$ 415,710.00	\$ 306,791.00	No Bid	\$ 287,750.00
	Addendums Acknowledged	Yes	Yes	No Bid	Yes
	Cabinet Manufacturer	Biggs Casework	W & W Cabinet Shop	No Bid	Atlantic Coast Cabinets
	Plumbing Subcontractor	Artisan Mechanical	Hill Plumbing	No Bid	Billie Sturkie Plumbing, Inc.
	Mechanical Subcontractor	ASAP Mechanical	CUDD Heating and Air	No Bid	Rite-Temp Heating and Air, Inc.
	Electrical Subcontractor	RP Electric, Inc.	Creations Electric	No Bid	Corley & Associates

		Lindler Construction Co., LLC	Gamble & Stuckey, Inc.	Fbi General Contractors	Custom Steel Fabricators Co., Inc.
Qty	Description	Total	Total	Total	Total
1	Base Bid for Renovations	\$ 324,389.00	\$ 406,342.00	\$ 382,000.00	\$ 293,000.00
1	Alternate Bid Number 1	\$ 5,400.00	\$ 5,120.00	\$ 6,000.00	\$ 12,552.00
	Total	\$ 329,789.00	\$ 411,462.00	\$ 388,000.00	\$ 305,552.00
	Addendums Acknowledged	Yes	Yes	Yes	Yes
	Cabinet Manufacturer	W & W Cabinet Shop	Biggs Casework	Biggs Casework	W & W Cabinet Shop
	Plumbing Subcontractor	Artisan Mechanical	A & T Plumbing	A & T Plumbing	Artisan Mechanical
	Mechanical Subcontractor	McGill HVAC, Inc.	CUDD Heating and Air	MAC	CUDD Heating and Air
	Electrical Subcontractor	RP Electric, Inc.	Creations Electrical	Creations Electrical	Creations Electrical

		Clement Contracting Group	Accent Contracting, Inc.
Qty	Description	Total	Total
1	Base Bid for Renovations	\$ 291,475.00	\$ 323,990.00
1	Alternate Bid Number 1	\$ 6,500.00	\$ 9,500.00
	Total	\$ 297,975.00	\$ 333,490.00
	Addendums Acknowledged	Yes	Yes
	Cabinet Manufacturer	Biggs Casework	W & W Cabinet Shop
	Plumbing Subcontractor	Artisan Mechanical	Merritt Plumbing
	Mechanical Subcontractor	CUDD Heating and Air	Keefe's Cooling & Heating
	Electrical Subcontractor	Creations Electrical	Creations Electrical

Alternate Bid Number 1 is an additional amount for reroofing the existing roof.

Premier Construction "no bid" this project because they could not fit it into their schedule.

Bids opened: August 6, 2008

Reggie Murphy
Procurement Manager

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

DATE: August 7, 2008

TO: Katherine L. Hubbard
County Administrator

FROM: Reggie Murphy
Procurement Manager

SUBJECT: Gaston Library Building Addition – Architectural and Engineering
Library Services
BID NO B09001- 080608

We have received a purchase request for architectural, engineering, and interior design services for the design and construction of an addition to the Gaston Library Branch by James, Durant, Matthews, & Shelley, Inc. This architectural firm was selected by the Library Board in 1992 for the design for construction and renovations projects for the Lexington County libraries.

The estimated fee is a stipulated sum not to exceed a total cost including applicable tax of \$24,200.00.

Funds are appropriated in the following account:

2320-230099-5A6421	Gaston Branch – Architectural and Engineering	\$24,200.00
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I concur with the recommendation and further request that this bid be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

Attachment

copy: Larry Porth, Director of Finance/Assistant County Administrator
Dan MacNeill, Director of Library Services

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: August 6, 2008

TO: Katherine L. Hubbard
County Administrator

THROUGH: Reggie Murphy
Procurement Manager

FROM: Angela M. Seymour
Procurement Officer

SUBJECT: **Crushed Concrete – Term Contract
Public Works**

Competitive bids were solicited and advertised for a term contract for Crushed Concrete for Public Works.

The bids were evaluated by John Fechtel, Director of Public Works/Assistant County Administrator and Angela M. Seymour, Procurement Officer. It is our recommendation to award this contract to JC Wilkie Construction, LLC and Sloan Construction Company as responsible bidders. We have attached a justification from Public Works with an explanation for using both vendors. The total cost, including applicable sales tax, is \$114, 222.50 (See attached bid tabulation).

It is our recommendation to award this term contract for the initial period of one (1) year with the option to extend the contract for two (2) additional one (1) year periods, if deemed to be in the best interest of the County.

I concur with the above recommendation and further recommend that this bid be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

copy: Larry Porth, Director of Finance/Assistant County Administrator
John Fechtel, Director of Public Works/Assistant County Administrator



COUNTY OF LEXINGTON
PUBLIC WORKS DEPARTMENT
ENGINEERING

MEMORANDUM

DATE: August 4, 2008
TO: Katherine Hubbard
County Administrator
FROM: John Fachtel, Public Works Director
Assistant County Administrator
CC: Angela Seymour, Procurement Officer
RE: Crushed Concrete Award

RECEIVED BY
PROCUREMENT SERVICES
2008 AUG -6 PM 12:13

The Crushed Concrete Bid should be awarded to both vendors listed on the attached Bid Tabulation form (Exhibit "A") for the following reasons:

1. It is more cost effective to obtain the product from the closest vendor to the job site.
2. The material may not be readily available and having both vendors on the contract will ensure the purchase of the material.

County of Lexington

Bid Tabulation

C09002
AMS
07/15/08

BID: C09002-07/15/08S

Crushed Concrete

Qty	U/M	Description	JC Wilkie Construction, LLC		Sloan Construction Company	
			Unit Price	Total Price	Unit Price	Total Price
7,000	tons	Crushed Concrete	\$7.50	\$52,500.00	\$7.75	\$54,250.00
		Subtotal		\$52,500.00		\$54,250.00

Option 1

14,000	tons	Loading Crushed Concrete	\$0.00	\$0.00	\$0.00	\$0.00
		Tax		\$3,675.00		\$3,797.50
		Total		\$56,175.00		\$58,047.50

JC Wilkie Construction, LLC. will be assisting with projects in the Swansea and Lexington Areas

Sloan Construction Company will be assisting with projects in the Irmo and Chapin areas.

Bids Opened: July 15, 2008

Angela M. Seymour
Procurement Officer

\COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: August 8, 2008

TO: Katherine L. Hubbard
County Administrator

THROUGH: Reggie Murphy
Procurement Manager

FROM: Angela M. Seymour
Procurement Officer

**SUBJECT: (8) 800 MHz Radios with Accessories
Sheriff's Department**

We have received a purchase request for eight (8) 800 MHz Radios with Accessories for the Sheriff's Department. These items will be purchased directly from the manufacturer (Motorola) through the South Carolina State Contract #OIR2002.07. These will be new radios for the additional personnel that were approved in the 08/09 FY budget. The total cost including applicable tax is \$38,196.09.

Funds are appropriated in the following accounts:

1000-151200-5A9234	(8) 800 MHz Radios with Accessories	\$38,196.09
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I concur with the above recommendation and further recommend that this purchase be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

Attachment

copy: Larry Porth, Director of Finance/Assistant County Administrator
Sheriff James Metts
Chief Bruce Rucker, Assistant Sheriff / Director of Public Safety & Homeland Security
Chief Keith Kirchner, Assistant Sheriff
Colonel Allan Paavel, Sheriff's Department
Sylvia Dillon, Sheriff's Department

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: August 15, 2008

TO: Katherine L. Hubbard
County Administrator

THROUGH: Reggie Murphy
Procurement Manager

FROM: Angela M. Seymour
Procurement Officer

SUBJECT: Desktop Computers, Laptops, and Accessories
Sheriff's Department/Information Services

We have received a purchase request for Desktop Computers, Laptops, and Accessories for the Sheriff's Department via Information Services. These items will be purchased from the manufacturer (Dell) through South Carolina State Contract #A63307.

Mike Ujcich, Chief Information Officer, and Jim Schafer, Information Technology Manager, have reviewed and recommended this purchase. The total cost of the desktop computers and accessories including applicable sales tax is \$40,040.01.

Funds are appropriated in the following accounts:

1000-151300-5A9247	(1) Personal Computer/Monitor	\$ 990.18
1000-151300-5A9262	(14) Monitors (Replacements)	\$ 2,786.43
1000-151200-5A9197	(1) Personal Computer/Monitor	\$ 1,066.79
1000-151200-5A9213	(10) Personal Computers/Monitors	\$ 9,901.78
1000-151200-5A9214	(5) Laptops with Accessories	\$ 5,547.95
1000-151200-5A9215	(14) 17" Flat Panel Monitors (Replacements)	\$ 2,786.43
1000-151200-5A9191	(3) Laptops with Accessories	\$ 5,068.35
1000-151200-5A9186	(10) Personal Computers/Monitors	\$ 9,901.78
1000-151200-5A9187	(10) Monitors (Replacements)	\$ 1,990.32

I concur with the above recommendation and further recommend that this purchase be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

Attachment

copy: Larry Porth, Director of Finance/Assistant County Administrator
Sheriff James Metts
Chief Bruce Rucker, Assistant Sheriff/Director of Public Safety and Homeland Security
Chief Keith Kirchner, Assistant Sheriff
Colonel Allan Pavvel, Sheriff's Department
Sylvia Dillon, Sheriff's Department
Mike Ujcich, Chief Information Officer
Jim Schafer, Information Technology Manager

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: August 14, 2008

TO: Katherine L. Hubbard
County Administrator

THROUGH: Reggie Murphy
Procurement Manager

FROM: Angela M. Seymour
Procurement Officer

SUBJECT: Fleet Vehicle Replacement – Sheriff’s Department

We are in receipt of a purchase request for one (1) New 2009 Ford Patrol Sedan for the Sheriff’s Department. This vehicle is being purchased from Vic Bailey Ford through South Carolina State Contract Number 08-S7608-A13407. This vehicle is recommended and approved in accordance with the Fleet Management Policy by Ellis Gammons, Fleet Manager. The total cost including applicable sales tax is \$21,813.00.

In addition, we are requesting permission from County Council to approve the donation for the funding of this vehicle for the Sheriff’s Department. Monies from an anonymous donor will provide funds to the Sheriff’s Department Reserve Program for the purchase of a replacement vehicle. A check will be presented to the Lexington County Sheriff’s Foundation. The Foundation will in turn supply a reimbursement check to the Sheriff’s Department.

Funds are appropriated in the following account:

1000-151200-5A9371	(1) Donated Marked Vehicle – Replacement Vehicle with No Emergency Equipment	\$21,813.00
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I concur with the above recommendation and further recommend that this purchase be placed on County Council’s agenda for their next scheduled meeting on August 26, 2008.

copy: Larry Porth, Director of Finance/Assistant County Administrator
Sheriff James Metts
Chief Bruce Rucker, Assistant Sheriff / Director of Public Safety & Homeland Security
Chief Keith Kirchner, Assistant Sheriff
Colonel Allan Paavel, Sheriff’s Department
Sylvia Dillon, Sheriff’s Department
Ellis Gammons, Fleet Manager

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: August 5, 2008

TO: Katherine Hubbard
County Administrator

THRU: Reggie Murphy
Procurement Manager

FROM: Angela M. Seymour
Procurement Officer

SUBJECT: REQUEST FOR APPROVAL TO UTILIZE THE COMPETITIVE SEALED PROPOSAL PROCESS FOR THE AQUISITION OF A COMPREHENSIVE LAW ENFORCEMENT RECORDS MANAGEMENT SYSTEM

We are requesting the use of the Request for Proposals (RFP) process in order to seek competitive proposals from potential qualified bidders for the acquisition of a comprehensive law enforcement records management system for the Sheriff's Department. The existing records management system is outdated. Therefore, it does not integrate with mandatory external law enforcement databases.

Due to the scope of this project, we feel that it would not be practical or to our advantage to prepare a comprehensive set of specifications that may limit our resources or restrict competition. In selecting a contractor, it will be advantageous to consider award criteria other than cost. Proposals shall be reviewed and evaluated by a review panel based upon specific evaluation factors such as overall qualifications and experience of the firm and personnel assigned to the project, demonstrated understanding of the scope and objectives, technical approach and work plan, references, and proposed commission.

It is therefore our recommendation to utilize the competitive sealed proposal procedure established in the County ordinance. We further recommend that we seek approval at the next scheduled County Council meeting set for August 26, 2008.

Thank you.

copy: Larry Porth, Director of Finance/Assistant County Administrator
Sheriff James Metts
Chief Bruce Rucker, Assistant Sheriff / Director of Public Safety & Homeland Security
Chief Keith Kirchner, Assistant Sheriff
Colonel Allan Paavel, Sheriff's Department
Sylvia Dillon, Sheriff's Department



County of Lexington Information Services

Project Proposal

Project Summary Information			
1. Submitting Department or Office:	Sheriff's Department	2. Project Sponsor(s):	Col. Paavel
3. Project Name:	LCSD RMS Upgrade	4. Fiscal Year/Funding Source (attach all funding information):	
5. Preparer's Name & Contact Information:	Lt. David Dannels LCSD – 785-2478 Marlon Buff Information Services – 785-8558		
6. Goal Alignment:	<input checked="" type="checkbox"/> Provide for public services to the citizens of Lexington County. <input type="checkbox"/> Manage growth to meet the needs of Lexington County. <input type="checkbox"/> Provide innovative financial management.		
7. Executive Summary:			
<p>The current Records Management System does not meet the needs of the Sheriff's Department. The current system needs to be replaced. This project will assess the needs of Sheriff's Department records management system and identify commercially available "out of the box" comprehensive software / hardware solution that meet current and future needs. Develop project outline / timeline to successfully purchase, implement, transition and train on new Lexington County Sheriff's Department records management system.</p>			

Project Details
<p>8. Business Need(s):</p> <p>Current records management system has been in place for twenty years with needed upgrades and third party programming to meet state and federal reporting requirements. However, there are current software limitations that are now impeding critical operations of the Sheriff's Department or contributing to inefficient records management processes. These limitations include limited search capability, limited information retrieval, difficult to manage interface, out of date or non-existent ad hoc reporting, no integration with county CAD data, no integration with state judicial initiative, no integration with SLED intelligence SCITex database, non-existent intelligence or crime analysis features, and limited support / law enforcement networking upgrades. These limitations have cost thousands of hours of lost productivity and have significantly impeded criminal investigations / prosecutions.</p>
<p>9. Business Objective(s):</p> <p>Acquire and implement a new records management system. This acquisition would lead to improved coordination of information and data across Sheriff's Department operational components and contribute to crime reduction and investigative resolution. Reallocate manpower to more critical tasks by reducing redundant data entry and laborious information retrieval. Enhance customer service by providing personnel with easy access to linked cases, property, information and investigative summaries. Enhance law enforcement initiatives by allowing front line supervisors to access crime analysis and reporting features. Reduce civil and criminal liability of the Sheriff's Department by enhancing evidence storage, removal and destruction information.</p>

Project Details

10. Project Type:

- New production system, purchased.
- New production system, custom in-house or collaborative.
- Existing production system upgrade.
- Existing production system enhancement.
- Pilot project.
- Research project. Other: _____

11. Project Technology (check all that apply):

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> Application | <input checked="" type="checkbox"/> Database | <input type="checkbox"/> Disaster Recovery |
| <input checked="" type="checkbox"/> GIS | <input type="checkbox"/> Identity Mgt. | <input type="checkbox"/> IT Research |
| <input type="checkbox"/> Network | <input type="checkbox"/> Print/Finish/Mail | <input type="checkbox"/> Security |
| <input type="checkbox"/> Server | <input type="checkbox"/> Storage | <input type="checkbox"/> Telecom |
| <input type="checkbox"/> Training | <input type="checkbox"/> Video | <input type="checkbox"/> Web Site |
| <input type="checkbox"/> | <input type="checkbox"/> Other | |

12. Proposed High-Level Scope of Work:

1) Identify records management needs of the sheriff's department 2) conduct product research 3) have initial and comprehensive vendor presentations 4) complete project proposal 5) identify and assemble stakeholders 6) identify and assemble committees / teams 7) develop project timeline pre-acquisition 8) develop project timeline post-acquisition 9) identify and select bid / proposal process 10) select vendor 11) convert legacy data 12) create data links with CAD, JAMIN, SLED SCIBRS, SLED SCiex and state judicial database 13) Replace RMS to include main records management system, warrants, civil process, training, personnel, tickets, FIs, collisions, internal affairs and evidence 14) identify procedures that need to be modified to utilize new system / technology 15) train employees 16) develop standard training for new employees 17) Conduct post install evaluation needs assessment 18) Conduct assessment of remaining records management hardware / software needs. The CAD system will not be considered for replacement as part of this project.

13. Assumptions & Constraints:

- A. Data conversion can be accomplished
- B. Able to acquire necessary hardware in timely fashion so that software implementation can occur rapidly
- C. Able to work with various third party vendors to create links with CAD (ESI), JAMIN (Text and Data) and SCiex (SLED).
- D. Major milestones include vendor selection January 2009, data conversion – March 2009, testing May 2009, on-line June 2009.
- E. System must work within the County's current network infrastructure.
- F. The system must meet or exceed the current system functionality.

14. Major Risks:

New software not compatible with existing hardware, inability to reliably convert legacy data, denial or reduction in funding, complete failure of personnel to adapt to new technology, and inability to create link between new RMS and other databases – SCIBRS, SCiex, judicial initiative, CAD.

15. Internal Priority:

- | | | | |
|---|---|--|-------------------------------|
| <input type="checkbox"/> Mission Critical | <input checked="" type="checkbox"/> Technology Initiative | <input type="checkbox"/> Efficiency Initiative | <input type="checkbox"/> Good |
|---|---|--|-------------------------------|

16. Internal Urgency (i.e. cost savings / increased productivity) (Low, Medium, High): **High**

17. Planning Participants (identify individual/organizations that have been involved in pre-project planning activities. Attach additional sheet, if needed):

Individual	Organization	Currently Contracting with the County?(Y/N)	Working within a procurement for this project?(Y/N)
LCSD Internal RMS Committee			
Information Services Project Team			
GIS			
Judicial Department (CMS)			
SLED (SCIBRS/NCIC)			
SLED (SCiEX)			
Lexington County Communications Center (911)			
County Administration			

Approval Signatures

Project Sponsor: COL Paavel

Signature: *Allen Paavel*

Date: 7/07/08

Office / Department Head: Chief Kirchner

Signature: *Kirk Kirchner*

Date: 7-10-08

Business Project Lead: Lt. David Dannels

SGT. Luke Fossum

Signature: *[Signature]*

Date: 7-14-08

Chief Information Officer: Mike Ujich

Signature: *[Signature]*

Date: 7/28/08

For IS Use Only:

IS Project Leader: Marlon Buff

Comments:

Date:

Project Proposal Code: SH003

18. Estimated Project Duration & Total Project Effort Hours (*identify the basis for estimation & the accuracy/uncertainty of the estimate*): All estimates are ranged between 80 - 140% accuracy

PHASE	WORK ESTIMATE (hours)	REMARKS
Project Initiation / Discovery	40	
SCOPE	40	
Analysis (RFP Development)	120	
Design (RFP Review & Selection)	160	
Data Conversion	400	

TOTAL	1,240	
19. Total Estimated Project Cost (<i>identify the basis for estimation & the accuracy/uncertainty of the estimate</i>):		
COST CATEGORY	COST ESTIMATE	
Information Services Personnel Cost (1240 hrs @ \$36.25/hr)	\$ 44,950 ¹	
Software – 3 Year Process	800,000	
Hardware	60,455 ²	
Vendor Services (100 hrs @ \$100/hr)	10,000	
Contingency (20% of total)	162,000	
TOTAL	\$1,032,455	

¹ In-kind costs not included in total budget estimate.

² Based on Budgetary Hardware Proposal provided by New World Systems

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: August 14, 2008

TO: Katherine L. Hubbard
County Administrator

THROUGH: Reggie Murphy
Procurement Manager

FROM: Angela M. Seymour
Procurement Officer

SUBJECT: Fleet Vehicle Replacements/Additions - Various Departments

We are in receipt of requisitions for the purchase of fifty (50) fleet vehicle replacements/additions for various departments. All vehicles requested are being purchased through the appropriate South Carolina State Contract. Forty-three (43) vehicles will require the purchase and installation of emergency equipment and accessories, which will be purchased from various vendors through the appropriate County Contract; South Carolina State Contract or appropriate low bidder. These vehicles are recommended and approved in accordance with the Fleet Management Policy by Ellis Gammons, Fleet Manager.

The cost for the vehicles including any emergency equipment/installation and accessories is shown on the list below. The total cost including applicable sales tax for all vehicles is \$1,320,188.75.

It is recommended that the award be made to multiple vendors as follows:

Vic Bailey Ford	\$ 996,992.25
Burns Automotive	\$ 205,384.00
Allens Compressor Service	\$ 2,306.92
Dana Safety Supply	\$ 94,773.65
Solar Solutions	\$ 1,190.00
Light-N-Up	\$ 13,066.05
Rhino Lining of the Midlands	\$ 1,496.25
Bob Barker	\$ 3,400.00
Woods and Water	\$ 1,579.32

Funds are appropriated in the following accounts:

1000-151100-5A9195	Sheriff's Department	(2) Unmarked Vehicles with Equipment - Replacement Vehicles	\$ 43,466.18
1000-151200-5A9216	Sheriff's Department	(1) Marked Vehicle with Equipment - Additional Vehicle for Reserve Officer	\$ 25,091.27
1000-151200-5A9225	Sheriff's Department	(16) Marked Vehicles with Equipment - Replacement Vehicles	\$ 409,736.55
1000-151200-5A9226	Sheriff's Department	(7) Unmarked Vehicles with Equipment - Replacement Vehicles	\$ 152,234.91
1000-151200-5A9232	Sheriff's Department	(8) Marked Vehicles with Equipment - Additional Vehicles for New Deputy	\$ 200,730.12
1000-151200-5A9238	Sheriff's Department	(1) Marked Vehicle with Equipment - Replacement Vehicle	\$ 25,091.27
1000-151300-5A9265	Sheriff's Department	(4) Marked Vehicles with Equipment - Replacement Vehicle	\$ 105,234.53
1000-151300-5A9266	Sheriff's Department	(1) Unmarked Vehicle with Equipment - Replacement Vehicle	\$ 22,563.41
1000-151300-5A9267	Sheriff's Department	(1) Utility Truck – Additional Vehicle for New Maintenance Position	\$ 21,534.00
2633-151200-5A9311	Sheriff's Department	(1) Marked Vehicle with Equipment - Replacement Vehicle	\$ 25,092.34
1000-111300-5A9056	Building Services	(1) Service Truck	\$ 23,608.25
6590-111500-5A9360	Motor Pool	(1) 4WD Utility Vehicle	\$ 18,610.00
6950-111400-5A9359	Motor Pool	(1) ¾ Ton Service Truck with Air Compressor	\$ 30,320.92
1000-131500-5A9120	PS/Fire Services	(1) Vehicle – Replacement	\$ 22,986.00
1000-121300-5A9072	Public Works	(1) Single Axle Dump Truck – Replacement	\$ 66,865.00
1000-141200-5A9159	Solicitor	(1) Vehicle with Lights and Accessories	\$ 21,316.00
5700-121204-5A9344	Solid Waste/Landfill	(1) 4WD Crew Cab Pick Up Truck	\$ 25,942.00
5700-121203-5A9341	Solid Waste/ Convenience Station	(1) Pick Up Truck – Replacement	\$ 15,029.00
5700-121203-5A9342	Solid Waste/ Convenience Station	(1) Service Vehicle – Replacement	\$ 64,737.00

I concur with the above recommendation and further recommend that these purchases be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

copy: Larry Porth, Director of Finance/Assistant County Administrator
Sheriff James Metts
Chief Bruce Rucker, Assistant Sheriff / Director of Public Safety & Homeland Security
Chief Keith Kirchner, Assistant Sheriff
Colonel Alan Paavel, Sheriff's Department
Sylvia Dillon, Sheriff's Department
John Fachtel, Director of Public Works / Assistant County Administrator
Randy Quattlebaum, Building Services Manager
Dave Eger, Director of Solid Waste Management
Ellis Gammons, Fleet Manager
Donnie Myers, Solicitor

COUNTY OF LEXINGTON

Procurement Services

MEMORANDUM

(O) 785-8319

(F) 785-2240

DATE: July 25, 2008**TO:** Katherine L. Hubbard
County Administrator**THROUGH:** Reggie Murphy
Procurement Manager**FROM:** Angela M. Seymour
Procurement Officer**SUBJECT: Technical and Currency Support Software
Various Departments/Planning & GIS**

We have received six (6) purchase requisitions for Technical and Currency Support Software for various departments. This has been deemed a Sole Source through ESRI as they are the only source for the maintenance and support of ESRI products.

Mike Ujcich, Chief Information Officer; Jim Schafer, Information Technology Manager; and Jack Maguire, Planning and GIS Manager have reviewed and recommended this purchase. The total cost including applicable sales tax is \$33,731.19.

Funds are appropriated in the following accounts:

1000-131101-520702	Emergency Preparedness	Technical and Currency Support	\$ 749.00
1000-101900-520702	Assessor	Technical and Currency Support	\$4,815.00
1000-151200-520702	LE/Operations	Technical and Currency Support	\$1,926.00
1000-121100-520702	PW/Administration & Engineering	Technical and Currency Support	\$ 642.00
1000-121400-520702	PW/Stormwater Management	Technical and Currency Support	\$2,059.09
1000-101600-520702	Planning & GIS	Technical and Currency Support	\$16,050.00
1000-102100-520702	Information Services	Technical and Currency Support	\$7,490.00

I concur with the above recommendation and further recommend that this purchase be placed on County Council's agenda for their next scheduled meeting on August 26, 2008.

copy: Larry Porth, Director of Finance/Assistant County Administrator
Jack Maguire, Planning and GIS Manager
Mike Ujcich, Chief Information Officer
Jim Schafer, Information Technology Manager

Minutes are left out intentionally until approved by Lexington County Council. Upon Council's approval, the minutes will be available on the Internet.



COUNTY OF LEXINGTON, SOUTH CAROLINA

Community Development

County Administration Building, 4th Floor
212 South Lake Drive, Suite 401, Lexington, SC 29072
(803)785-8121

ZONING MAP AMENDMENT APPLICATION # M08-04

Address and/or description of the property for which the amendment is requested:

East side of Garden Valley Lane and South of the CSX Railroad

Zoning Classifications: (Current) Low Density Residential (R1) (Proposed) Restrictive Development (RD)

TMS#: 003696-05-011 P/O Property Owner: South Carolina Electric and Gas Company

Reason for the request: See Attachment.

Even though this request will be carefully reviewed and considered, the burden of proving the need for the amendment rests with the applicant.

Date of Application: 4/15/08 Applicant: Owner [] Agent [x] Other []

Phone #(s): work (803) 929-1070

Signature: Signature on File Printed Name: Pennington Law Firm c/o Cody Smith

Street/Mailing Address: PO Box 2844, Columbia, SC 29202-2844

Table with 4 columns: Date, Action, Date, Action. Rows include: 4/15/08 Application Received, 4/15/08 Fee Received, 6/5/08 Newspaper Advertisement, 6/5/08 Property Posted, 6/11/08 Notices Mailed, 7/17/08 Planning Commission

Planning Commission Recommendation: 5 to 0 vote to recommend approval

Table with 4 columns: Date, Action, Date, Action, Date, Action, Date, Action. Rows include: 5/13/08 First Reading, 6/24/08 Public Hearing, 7/22/08 Second Reading, Third Reading

Results:

**REZONING APPLICATION OF SCANA COMMUNICATIONS, INC. AND
SOUTH CAROLINA ELECTRIC & GAS CO. FOR APPROVAL OF THE
REZONING OF CERTAIN PROPERTY LOCATED IN LEXINGTON COUNTY,
SOUTH CAROLINA**

(LEXINGTON TOWER SITE – GARDEN VALLEY LANE)

I. REASON FOR REZONING APPLICATION

A. **OVERVIEW** THIS IS AN APPLICATION BY SCANA COMMUNICATIONS, INC. ("SCI") AND SOUTH CAROLINA ELECTRIC & GAS CO ("SCE&G") SEEKING REZONING OF A PORTION OF CERTAIN PROPERTY LOCATED IN LEXINGTON COUNTY, SOUTH CAROLINA ALONG GARDEN VALLEY LANE, BEING IDENTIFIED AS TAX MAP NUMBER 003696-05-011 (HEREINAFTER THE "PROPERTY").

B. **PURPOSE.** THIS PROPOSED REZONING IS FOR THE PURPOSE OF PERMITTING A COMMUNICATIONS TOWER AND RELATED ACCESS ROAD TO BE LOCATED ON THE PROPERTY. THE PROPERTY IS CURRENTLY ZONED LOW DENSITY RESIDENTIAL (R-1), WHICH DOES NOT PERMIT THE CONSTRUCTION OF COMMUNICATIONS TOWERS. SCI AND SCE&G ARE REQUESTING THAT THE PROPERTY BE REZONED TO RESTRICTIVE DEVELOPMENT (RD) TO ALLOW FOR THE CONSTRUCTION OF THE PROPOSED COMMUNICATIONS TOWER.

THE COMMUNICATIONS TOWER WILL CONSIST OF AN APPROXIMATE ONE HUNDRED NINETY-FIVE (195') FOOT COMMUNICATIONS TOWER AND RELATED ANCILLARY STRUCTURES.

C. **OWNERSHIP/OPERATION.** THE PROPOSED COMMUNICATIONS TOWER WILL BE CONSTRUCTED, OWNED AND MANAGED BY SCI. THE ANCHOR TENANT OF THE COMMUNICATIONS TOWER WILL BE T-MOBILE. T-MOBILE IS A LICENSED WIRELESS COMMUNICATIONS PROVIDER.

II. STATEMENT OF NEED

A. CURRENTLY, THE AREA AROUND THE LOCATION OF THE PROPOSED COMMUNICATIONS TOWER HAS INADEQUATE COVERAGE. AS A GAP IN QUALITY COVERAGE EXISTS IN THE AREA SURROUNDING THE INTERSECTION OF GARDEN VALLEY LAND AND BUSH RIVER ROAD.

1. T-MOBILE IS IN NEED OF THE TOWER IN ORDER TO DEAL EFFECTIVELY WITH OVER CAPACITY AND SERVICE ISSUES THAT IT IS FACING IN THE AREA. SPECIFICALLY, THE PROPOSED COMMUNICATIONS TOWER WILL IMPROVE COVERAGE PRIMARILY ON BUSH RIVER ROAD, SAINT ANDREWS ROAD AND THE WOODLAND HILLS AREA. THE PROPOSED COMMUNICATIONS TOWER WILL ALSO INCREASE THE NETWORK CAPACITY IN THE AREA. PLEASE SEE THE PROPAGATION MAPS ATTACHED HERETO AS EXHIBIT A DEPICTING THE COVERAGE AREA PRIOR TO AND AFTER THE CONSTRUCTION OF THE PROPOSED COMMUNICATIONS TOWER

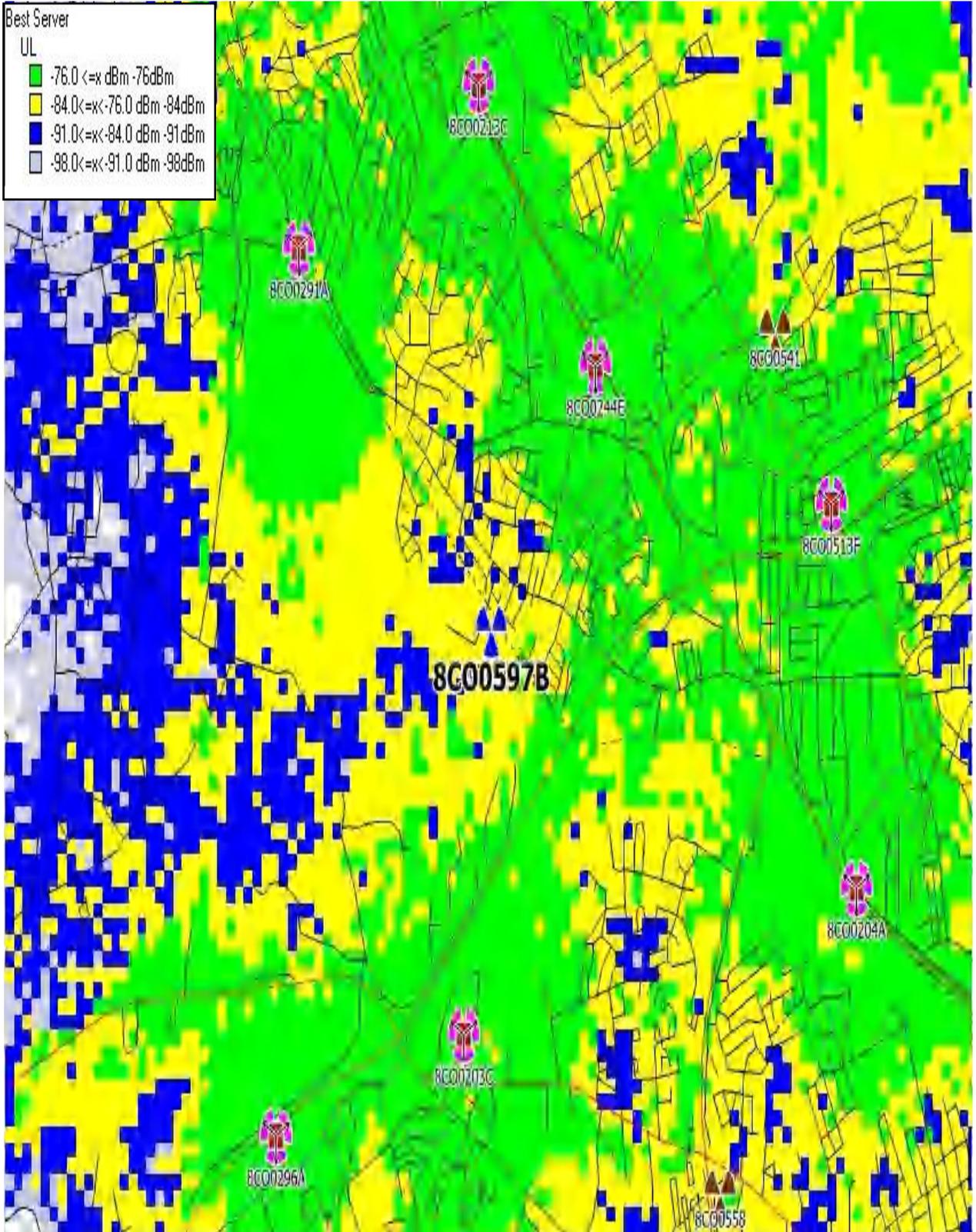
2. THERE ARE NO SUITABLE EXISTING STRUCTURES FOR T-MOBILE TO COLOCATE ON WHICH WILL EFFECTIVELY ADDRESS THE SAME CAPACITY AND SERVICE ISSUES TARGETED BY THE PROPOSED TOWER LOCATION. FURTHERMORE, THERE ARE NO EXISTING COMMUNICATIONS TOWERS IN CLOSE PROXIMITY TO THIS PROPERTY THAT CAN ACCOMMODATE ADDITIONAL WIRELESS COMMUNICATIONS EQUIPMENT THAT COULD PROVIDE THAT SERVICE.

3. SCI, AN AFFILIATE OF SCE&G, IS SEEKING PERMISSION TO CONSTRUCT, OPERATE, AND MAINTAIN A NEW COMMUNICATIONS TOWER AND RELATED EQUIPMENT TO MEET THE NEEDS DESCRIBED HEREIN. THE HEIGHT OF THE PROPOSED TOWER IS ONE HUNDRED NINETY FIVE (195) FEET.

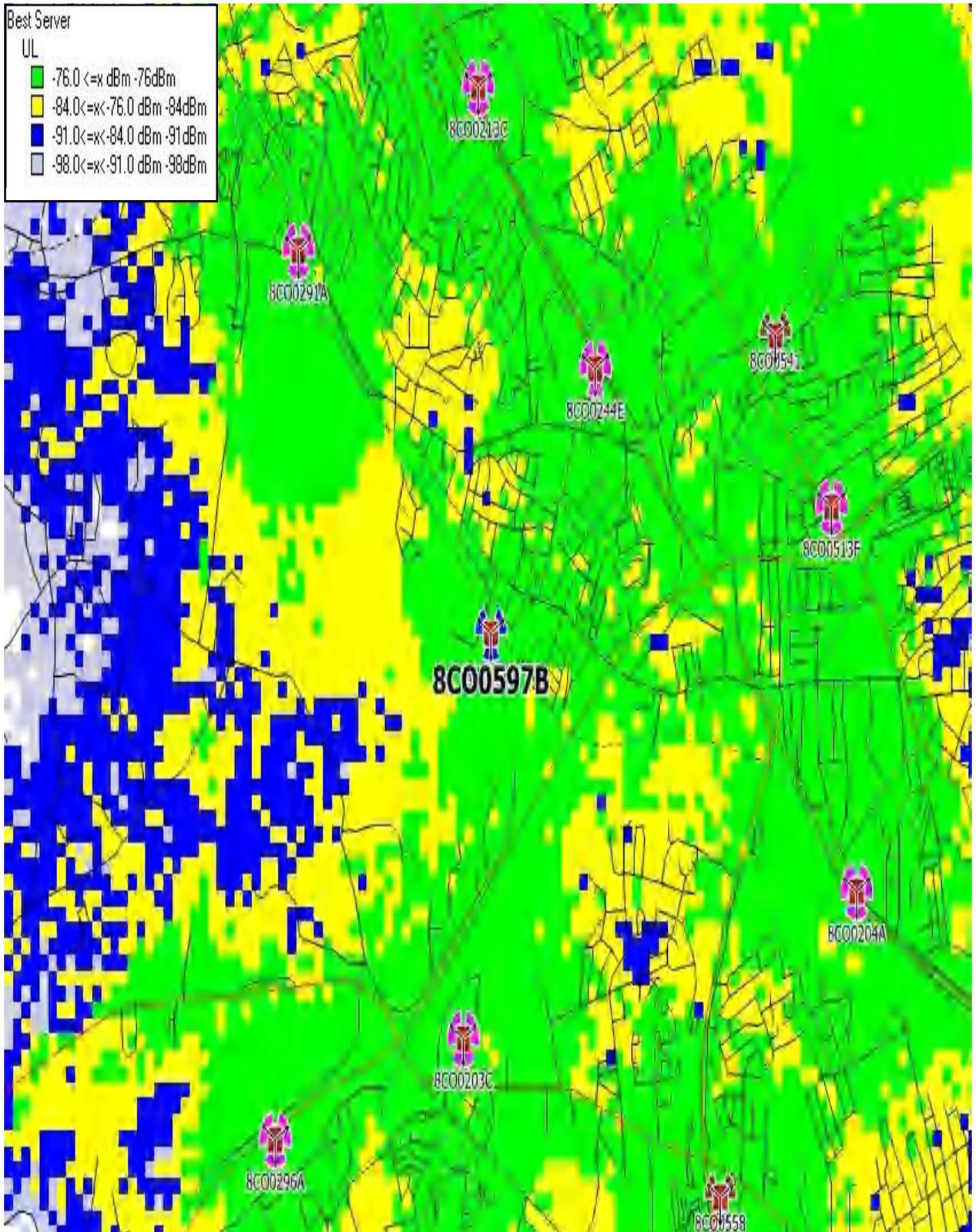
Coverage Without Tower

Best Server
UL

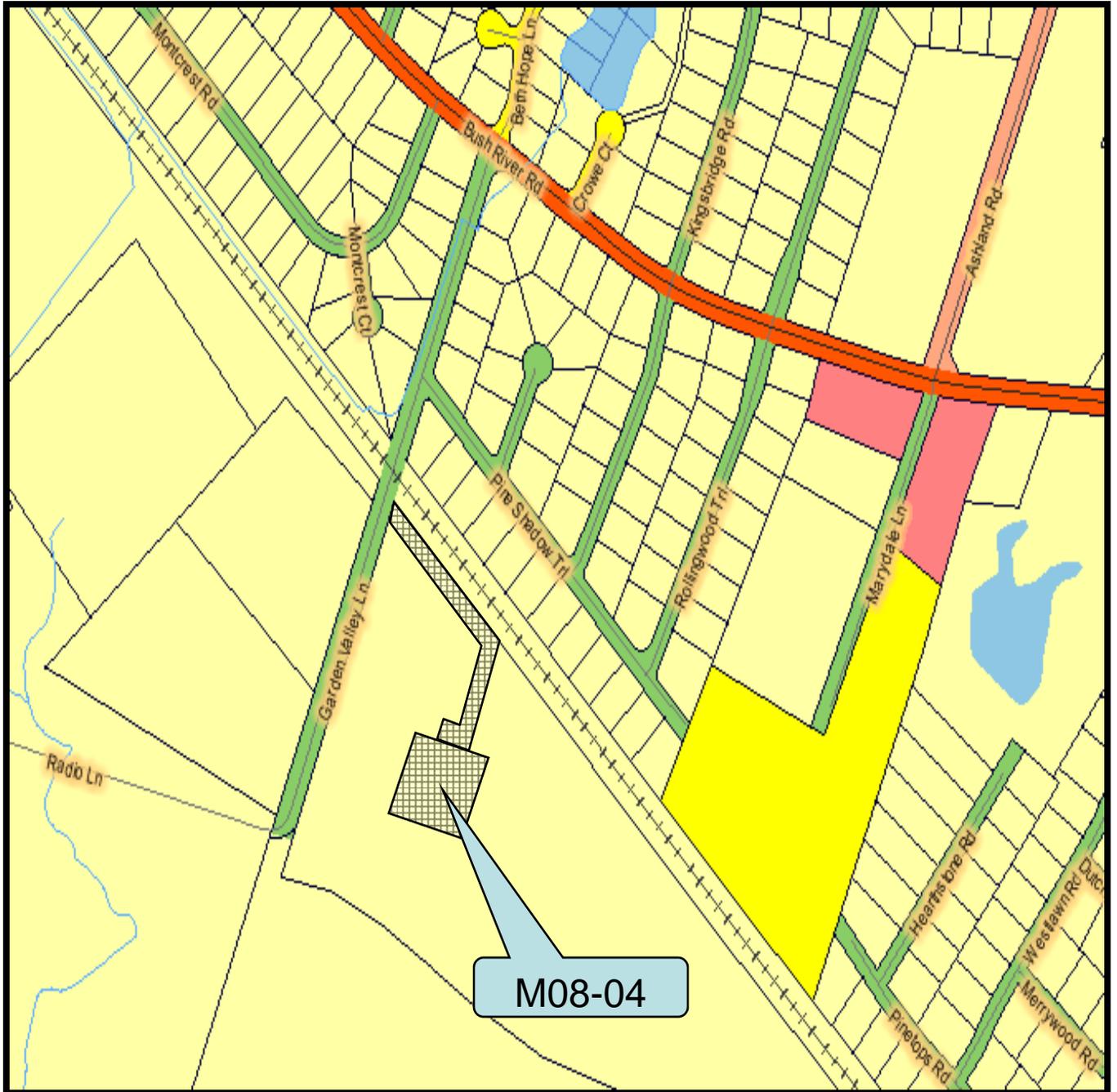
■	-76.0 <= x dBm -76dBm
■	-84.0 <= x < -76.0 dBm -84dBm
■	-91.0 <= x < -84.0 dBm -91dBm
■	-98.0 <= x < -91.0 dBm -98dBm



Coverage With Tower



Zoning Map Amendment Application M08-04



M08-04

ZONING LEGEND

	I - Interstate		RL5 - Residential Local 5		ID - Intensive Development
	A - Arterial Road		RL6 - Residential Local 6		PD - Planned Development
	C - Collector Road		LC - Limited Commercial		R1 - Low Density Residential
	L - Local Road		C1 - Neighborhood Commercial		R2 - Medium Density Residential
	LL - Limited Local Road		C2 - General Commercial		R3 - High Density Residential
	RL4 - Residential Local 4		D - Development		RD - Restrictive Development

Zoning Map Amendment Application M08-04

East side of Garden Valley Ln - South of CSX Railroad



NOTE: Parcel boundary lines are approximate and may appear distorted in an oblique view.



COUNTY OF LEXINGTON, SOUTH CAROLINA

Community Development
County Administration Building, 4th Floor
212 South Lake Drive, Suite 401, Lexington, SC 29072
(803)785-8121

ZONING TEXT AMENDMENT APPLICATION # **T08-06**

Section(s) of the Zoning Ordinance that are affected:

Article 12 - Administration, Chapter 3 - Amendments, Section 123.10 - Procedures

Reason for the request: To amend the Lexington County Zoning Ordinance for the purpose of defining the qualifications for those who may request map or text amendments.

Even though this request will be carefully reviewed and considered, the burden of proving the need for the amendment rests with the applicant.

Date of Application: 5/27/2008

Phone #(s): work 785-8121 _____

Signature: _____ *Signature on File* Printed Name: Charles M. Compton - Planning Director - on behalf of County Council

Street/Mailing Address: County of Lexington - 212 S Lake Dr, Lexington, SC 29072

5/27/08	Application Received
6/5/08	Newspaper Advertisement

N/A	Fee Received
7/17/08	Planning Commission

Planning Commission Recommendation: 5 to 0 vote to recommend approval

05/27/08	First Reading	06/24/08	Public Hearing	7/22/08	Second Reading		Third Reading
----------	---------------	----------	----------------	---------	----------------	--	---------------

Results: _____

ZONING TEXT AMENDMENT APPLICATION T08-06

Article 12 – Administration

Chapter 3 – Amendments

Section 123.10 – Procedures

To amend the Lexington County Zoning Ordinance for the purpose of defining the qualifications for those who may request map or text amendments.

123.10 Procedures

Map or text amendments may be proposed by the Lexington County Council, or the Lexington County Planning Commission, ~~or by an interested party~~. Property owners may request map amendments, but only for a change in the district classification of their property or for a change in the classification of the street that directly accesses their property. If another person or entity is representing the property owner(s) in the amendment request, a letter of agency must be submitted with the application.



COUNTY OF LEXINGTON, SOUTH CAROLINA

Community Development

County Administration Building, 4th Floor
212 South Lake Drive, Suite 401, Lexington, SC 29072
(803)766-8121

ZONING MAP AMENDMENT APPLICATION # M08-09

Address and/or description of the property for which the amendment is requested

Southern Intersection of Tram Road and Jamill Road

Zoning Classifications: (Current) Low Density Residential (R1) (Proposed) Intensive Development (ID)

TMS#: 002699-04-001-P/C Property Owner: East Board Trust Company Trustee

Reason for the request: The property is currently under contract and is contingent to zoning approval. The proposed activity will be a market rate apartment complex. The zoning change is requested to allow this type of activity on the entire parcel of land.

Even though this request will be carefully reviewed and considered, the burden of proving the need for the amendment rests with the applicant.

Date of Application: 7/24/2008 Applicant: Property Owner [] Authorized Agent [x]

Phone #(s): work (803) 266-3557

Signature: Printed Name: Bob Fuller

Street/Mailing Address: PO Box 441, Columbia, SC 29202

Table with 2 columns: Date, Action. Rows: 7/24/2008 Application Received, Newspaper Advertisement, Notices Mailed

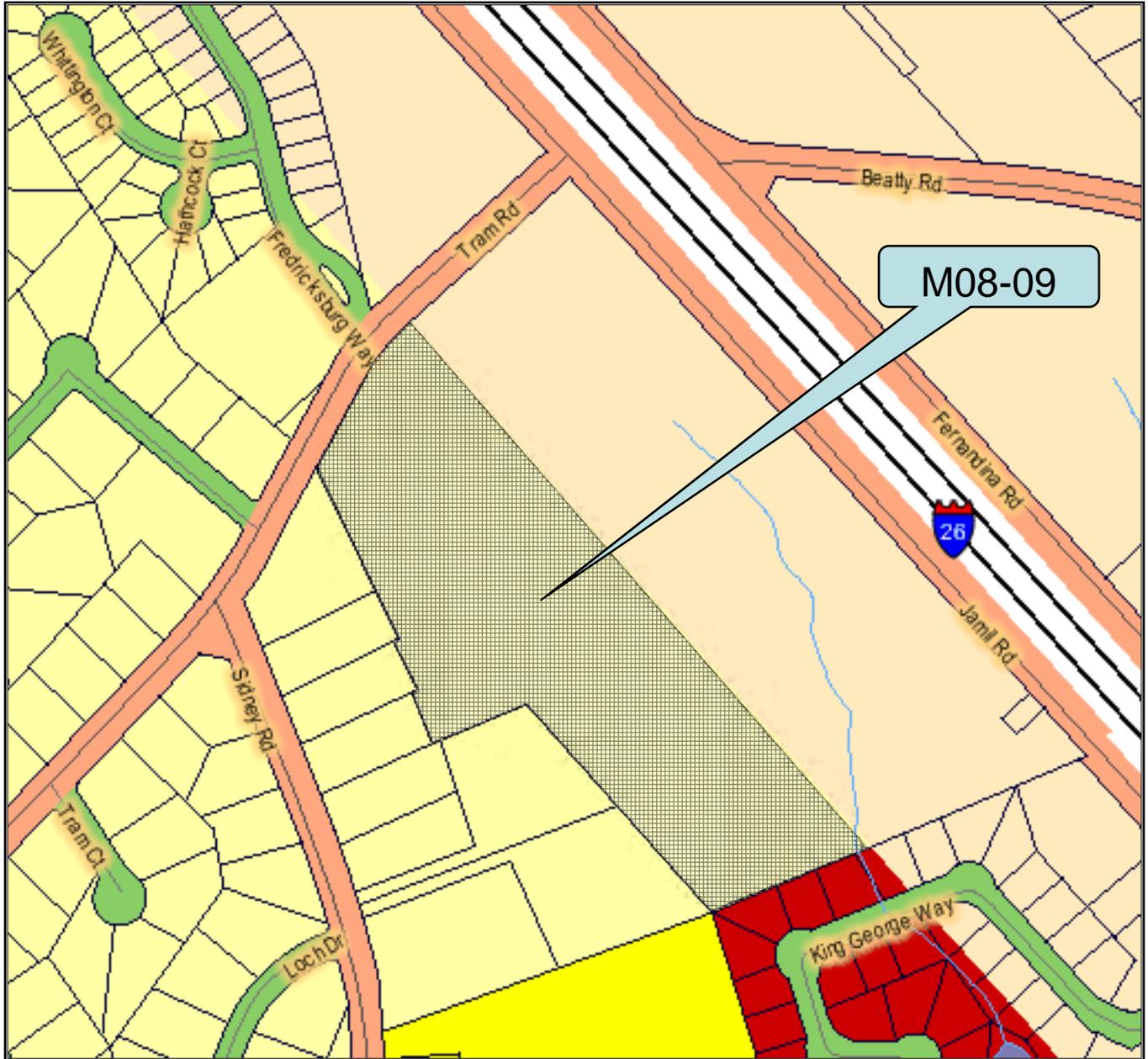
Table with 2 columns: Date, Action. Rows: 7/24/2008 Fee Received, Property Posted, Planning Commission

Planning Commission Recommendation:

Table with 5 columns: Date, First Reading, Public Hearing, Second Reading, Third Reading. Row: 08/26/08

Results:

Zoning Map Amendment Application M08-09



ZONING LEGEND

	I - Interstate		RL5 - Residential Local 5		ID - Intensive Development
	A - Arterial Road		RL6 - Residential Local 6		PD - Planned Development
	C - Collector Road		LC - Limited Commercial		R1 - Low Density Residential
	L - Local Road		C1 - Neighborhood Commercial		R2 - Medium Density Residential
	LL - Limited Local Road		C2 - General Commercial		R3 - High Density Residential
	RL4 - Residential Local 4		D - Development		RD - Restrictive Development

Zoning Map Amendment Application M08-09



NOTE: Parcel boundary lines are approximate and may appear distorted in an oblique view.

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

ORDINANCE NO. 08-09

AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (THE "INCENTIVE AGREEMENT") BETWEEN LEXINGTON COUNTY, SOUTH CAROLINA ("THE COUNTY") AND OWEN ELECTRIC STEEL COMPANY OF SOUTH CAROLINA D/B/A CMC STEEL SOUTH CAROLINA, ACTING FOR ITSELF OR AN AFFILIATE OR OTHER PROJECT SPONSOR, (THE "COMPANY"), WHEREBY, UNDER CERTAIN CONDITIONS, THE COUNTY SHALL GRANT INCENTIVES TO THE COMPANY IN CONNECTION WITH THE EXPANSION OF CERTAIN MANUFACTURING FACILITIES IN THE COUNTY (THE "EXPANSION PROJECT"); (2) THE COUNTY TO COVENANT IN SUCH INCENTIVE AGREEMENT TO ACCEPT CERTAIN FEES IN LIEU OF AD VALOREM TAXES WITH RESPECT TO THE EXPANSION PROJECT; (3) SPECIAL SOURCE CREDITS TO REIMBURSE THE COMPANY FOR A PORTION OF THE COSTS OF CERTAIN INFRASTRUCTURE OR REAL PROPERTY COSTS INCURRED; (4) THE BENEFITS OF A MULTI-COUNTY PARK TO BE MADE AVAILABLE TO THE COMPANY; (5) THE RE-DOCUMENTATION WITHIN SUCH INCENTIVE AGREEMENT OF THAT CERTAIN LEASE PURCHASE AGREEMENT BETWEEN THE COUNTY AND THE COMPANY; AND (6) OTHER MATTERS RELATING THERETO.

WHEREAS, Lexington County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina, 1976, as amended, through the date hereof (the "Code"), particularly Title 12, Chapter 44 (the "Simplified FILOT Act"); and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, the "Special Source Act") (collectively, the "Act") and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the "State") will be promoted by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments with respect to such properties; (iii) to permit investors to claim special source credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County (such infrastructure and real property hereinafter referred to as

“Special Source Improvements”); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial park in order to afford certain enhanced income tax credits to such investors and facilitate the grant of the Special Source Credits; and

WHEREAS, Owen Electric Steel Company of South Carolina d/b/a CMC Steel South Carolina, a corporation organized and existing under the laws of the State of South Carolina formerly d/b/a SMI Steel South Carolina, (the “Company”) is considering significant investment in the County through the expansion of its steel manufacturing facilities located in the County (the “Expansion Project”), and the Company anticipates that, should its plans proceed as expected, it will invest or cause to be invested at least \$29,500,000 at the Expansion Project and create a substantial number of direct and indirect jobs within the County and surrounding areas; and

WHEREAS, on the basis of the information supplied to it by the Company, the County has determined, *inter alia*, that the Expansion Project would subserve the purposes of the Act; and, in consideration of the jobs and investment created by the Company, which contribute to the tax base and the economic welfare of the County, the County wishes to induce the Company to undertake the Expansion Project by offering the incentives set forth herein and in the Fee in Lieu of Tax and Incentive Agreement presented to this meeting (the “Incentive Agreement”)

WHEREAS, the County having given due consideration to the economic development impact of the Expansion Project, has determined on the basis of the information supplied to it by the Company that the Expansion Project would subserve the purposes of the Act and, would be directly, indirectly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the investment created by the Company, which contribute to the tax base and the economic welfare of the County, and, accordingly, the County wishes to induce the Company to undertake the Expansion Project by offering the incentives set forth herein and in the Fee in Lieu of Tax and Incentive Agreement presented to this meeting (the “Incentive Agreement”) to be dated as of August 1, 2008, or such other date as the parties may agree; and

WHEREAS, the terms of the incentive arrangement set forth in the Incentive Agreement were heretofore approved by the Council by Resolution adopted July 22, 2008 (the “Inducement Resolution”); and

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

WHEREAS, by Ordinance No. 99-12 duly adopted by the County Council on August 24, 1999, the County, being authorized and empowered under and pursuant to the Code, particularly Title 4, Chapter 29 thereof (the “Original FILOT Act) and the Multi-County Park Act agreed to provide certain incentives to the Company, pursuant to that certain Lease Purchase Agreement between the County and the Company dated as of August 1, 1999 (the “Lease”) in connection with a previous expansion of the Company’s steel manufacturing facilities (the “Original Project”); and

WHEREAS, pursuant to Section 12-44-170(B) of the Simplified FILOT Act, the County and the Company now seek to re-document the FILOT and other incentive arrangements specified in the Lease and, in connection therewith, shall replace the Lease and related documents in their entirety by entering into the Incentive Agreement; and

WHEREAS, simultaneously with the replacement of the Lease and related documents by the Incentive Agreement, the County shall re-convey to the Company all assets currently titled in the County in accordance with the terms of the Lease and, in connection therewith, the Company, as the owner of that certain industrial revenue bond issued by the County to finance the Original Project in accordance with the Lease, shall cancel the bond; and

WHEREAS, all such matters are to be undertaken in accordance with the terms and provisions of the Incentive Agreement now before this meeting;

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

Section 1. After due investigation and consideration, and as contemplated by Section 12-44-40(H) of the Code, the findings and determinations set forth in the Inducement Resolution, particularly Section 1 subparagraphs (a) through (f), inclusive, are hereby ratified and confirmed.

Section 2.

(a) The County hereby agrees to enter into an Incentive Agreement with the Company whereby the Company will agree to invest or cause to be invested not less than \$29,500,000 (without regard to depreciation or other diminution in value) on or before August 31, 2013 with respect to the Expansion Project and to maintain at least \$29,500,000 of investment in such assets (without regard to depreciation or other diminution in value) for the balance of the term of the Incentive Agreement, and the County will agree to accept negotiated FILOT payments with respect to the Expansion Project to be calculated as set forth hereinbelow and in the Incentive Agreement.

(b) The negotiated FILOT with respect to the Expansion Project shall be determined using: (1) an assessment ratio of 6%, (2) the millage rate of 318.9 mills, which is the millage rate currently in effect with respect to the Expansion Project site, which rate shall remain fixed for the term of the Incentive Agreement; (3) the fair market value of the Expansion Project determined in accordance with the Act; and (4) and such other terms and conditions as are specified in the form of Incentive Agreement presented to this meeting. The negotiated FILOT shall extend to all Economic Development Property (as defined in the Incentive Agreement) placed in service during the Expansion Project Investment Period (as defined in the Incentive Agreement).

(c) The County agrees, as an additional incentive to induce the Company to locate the Expansion Project within the County and in consideration of, and as reimbursement for, the Company's investment in certain Special Source Improvements as authorized by the Act, and in consideration of the Company's investment of \$5,600,000 during its fiscal year ending August 31, 2007 with respect to the Expansion Project, to provide to the Company annual Special Source Credits in an annual amount equal to \$60,000 for each of the first five (5) annual negotiated FILOT payments with respect to

the Expansion Project. To the extent that the Company invests or causes to be invested at least \$50,000,000 (without regard to depreciation or other diminution in value) at the Expansion Project by August 31, 2013, the Company shall be entitled to additional annual Special Source Credits (“Additional Credits”) in an amount equal to fifteen percent (15%) of each of the first five (5) annual negotiated FILOT payments with respect to the Expansion Project following the Company’s certification to the County that it has reached such level of investment (the “Additional Credit Period”). In the event that the Company’s investment at the Expansion Project reaches at least \$60,000,000 (without regard to depreciation or other diminution in value) prior to the end of the Additional Credit Period, the Additional Credits shall be increased to twenty percent (20%) for the balance of the Additional Credit Period. The amount and methodology of the Special Source Credits shall be subject to the terms and conditions set forth in the Incentive Agreement. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time by the Company and any Co-investors (as defined herein), and the Special Source Credits authorized herein shall be subject in all respects to the provisions of the Special Source Act.

(d) Investment in the County by the Company and by any affiliates of the Company and by other persons pursuant to financing arrangements described in Section 12-44-120 of the Code (collectively, “Co-Investors”) shall, to the extent permitted by law, count toward all investment requirements set forth herein and in the Act. In addition to the amounts invested by the Company and all Co-Investors with respect to the Expansion Project during the Expansion Project Investment Period, amounts invested by the Company and all Co-Investors with respect to the Expansion Project during the Company’s fiscal year ending August 31, 2007 shall count toward all contractual investment requirements set forth herein or in the Incentive Agreement.

Section 3. The County will diligently take all reasonable acts to insure that the Expansion Project will be included, and will remain, within the boundaries of a multi-county industrial or business park pursuant to the provisions of the Multi-County Park Act on terms which provide, for all jobs created at the Expansion Project during the Expansion Project Investment Period, any additional jobs tax credit afforded by the laws of the State for projects located within multi-county industrial or business park and which facilitate the Special Source Credits described herein. To the extent that any portion of the Expansion Project is located within the jurisdictional limits of a municipality, the County’s designation of such portion of the Expansion Project as part of the Multi-County Park is subject to approval by such municipality under the Multi-County Park Act.

Section 4. The County agrees to re-document the FILOT and other incentives set forth in the Lease and shall replace the Lease and related documents with provisions containing the same incentive benefits and conditions to be set forth as part of the Incentive Agreement. In connection with such re-documentation and replacement, the County will terminate Lease, and, the Company, as sole owner of the bond currently outstanding pursuant to the Lease, will cancel such bond.

Section 5. The provisions, terms, and conditions of the Incentive Agreement presented to this meeting and filed with the Clerk to Council are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated herein by reference as if the Incentive Agreement were set out in this Resolution in its entirety. The Chairman of the Council is hereby authorized, empowered, and directed to execute the Incentive Agreement in the name and on behalf of the County; the Clerk to Council is hereby authorized and directed to attest the same; and the Chairman of the Council is further authorized, empowered, and directed to deliver the Inducement Agreement to the Company.

Section 6. The Incentive Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as may be recommended by counsel for the County and as shall be approved by the official or officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Incentive Agreement now before this meeting.

Section 7. The Chairman of the Council and the Clerk to Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to the Incentive Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

Section 8. 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.

Section 9. All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Ordinance shall take effect and be in full force upon adoption by the Council.

Done in meeting duly assembled August 26, 2008.

LEXINGTON COUNTY, SOUTH CAROLINA

By: _____
William C. Derrick, Chairman, County Council
Lexington County, South Carolina

[SEAL]

Attest:

By: _____
Diana W. Burnett, Clerk to Council
Lexington County, South Carolina

First Reading: March 25, 2008
Public Hearing: May 13, 2008
Second Reading: July 22, 2008
Third Reading: August 26, 2008

PRELIMINARY
FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

, pertaining to re-documentation of incentive arrangements set forth in that certain Lease Purchase Agreement dated as of August 1, 1999 between Lexington County, South Carolina and Owen Electric Steel Company of South Carolina d/b/a CMC Steel South Carolina (f/k/a SMI Steel South Carolina) and to incentive arrangements with respect to an expansion project,

between

LEXINGTON COUNTY, SOUTH CAROLINA

and

OWEN ELECTRIC STEEL COMPANY OF SOUTH CAROLINA D/B/A
CMC STEEL SOUTH CAROLINA

Dated as of August 1, 2008

THIS FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT IS EXECUTED BY THE PARTIES PURSUANT TO THAT CERTAIN RESOLUTION OF THE COUNTY COUNCIL OF LEXINGTON COUNTY, SOUTH CAROLINA (THE "COUNTY") ADOPTED [AUGUST __], 2008, AND THAT CERTAIN ORDINANCE OF THE COUNTY COUNCIL OF THE COUNTY ENACTED [____], 2008, AND SHALL BE CONSIDERED PRELIMINARY UNTIL ENACTMENT OF SUCH ORDINANCE. THE OBLIGATIONS OF THE COUNTY HEREUNDER ARE SUBJECT TO THE REQUIREMENTS OF THE ACT (AS DEFINED HEREIN).

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PRELIMINARY FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

THIS PRELIMINARY FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this "Agreement" dated as of August 1, 2008, between LEXINGTON COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, and OWEN ELECTRIC STEEL COMPANY OF SOUTH CAROLINA D/B/A CMC STEEL SOUTH CAROLINA, a corporation organized and existing under the laws of the State of South Carolina formerly D/B/A SMI STEEL SOUTH CAROLINA, acting for itself, any affiliates or other project sponsors (the "Company");

WITNESSETH:

WHEREAS, Lexington County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina, 1976, as amended through the date hereof (the "Code"), particularly Title 12, Chapter 44 (the "Simplified FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, the "Special Source Act") (collectively, the "Act") and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the "State") will be promoted by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments with respect to such properties; (iii) to permit investors to claim special source credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County; and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park (a "Multi-County Park") in order to afford certain enhanced income tax credits to such investors and facilitate the grant of the Special Source Credits; and

WHEREAS, the Company is considering significant investment in the County through the expansion of its steel manufacturing facilities located in the County (the "Expansion Project"), and the Company anticipates that, should its plans proceed as expected, it will invest or cause to be invested at least \$29,500,000 in connection with the Expansion Project and will create a substantial number of direct and indirect jobs within the County and surrounding areas; and

WHEREAS, the County has determined that the Expansion Project will subserve the purposes of the Act and has made certain findings pertaining thereto in accordance with the Act; and

WHEREAS, in accordance with such findings and determinations and in order to induce

the Company to locate the Expansion Project in the County, the County adopted a Resolution on [July, 22], 2008, pursuant to which authorization the County approved the FILOT benefits, Special Source Credits, Multi-County Park benefits and other incentives set forth herein; and

WHEREAS, the Company previously acquired by construction and purchase certain facilities used to manufacture steel at its then existing facility in the County (the “Original Project”); and

WHEREAS, by Ordinance No. 99-12 duly adopted by the County Council on August 24, 1999, the County, being authorized and empowered under and pursuant to the Code, particularly Title 4, Chapter 29 thereof (the “Original FILOT Act), the Special Source Act, and the Multi-County Park Act agreed to provide certain incentives to the Company in connection with the Original Project pursuant to that certain Lease Purchase Agreement between the County and the Company dated as of August 1, 1999 (the “Lease”); and

WHEREAS, in order to defray the costs of acquiring the Original Project, the County issued its \$175,000,000 maximum principal amount Industrial Revenue Bond, Series 1999 (SMI Steel South Carolina Project) (the “Bond”) to the Company pursuant to the Original FILOT Act and the Lease; and

WHEREAS, pursuant to such arrangements, the County acquired title to the Original Project from the Company and leased the Original Project back to the Company pursuant to the Lease; and

WHEREAS, pursuant to Section 12-44-170(B) of the Simplified FILOT Act, the County and the Company have determined to re-document the FILOT and other incentive arrangements specified in the Lease and, in connection therewith, the County will convey to the Company its right, title and interest in and to the Original Project; the Company will cancel the Bond; and the parties will replace the Lease and related documents in their entirety with this Agreement; and

WHEREAS, the County has determined that it is in the best interest of the County to enter into this Agreement with the Company subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises; the potential jobs and investment to be created by the Company which contribute to the tax base and the economic welfare of the County; the respective representations and agreements hereinafter contained; and the sum of \$10.00 in hand, duly paid by the Company to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall

have the following meanings unless the context or use indicates another or different meaning or intent.

"Act" shall mean, collectively, the Simplified FILOT Act, the Multi-County Park Act and the Special Source Act.

"Administration Expenses" shall mean the reasonable and necessary expenses incurred by the County in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including attorneys' fees at the hourly rates which are standard for the applicable legal services to the County, but excluding expenses incurred by the County in defending either challenges to the incentives provided herein by third parties or suits brought by the Company under **Section 9.05** hereof; provided, however, that no such expense shall be considered an Administration Expense unless the County and the Company shall have first agreed, prior to the County incurring such expense, as to the maximum amount thereof or as to the basis for which such expenses will be incurred, and that the County shall have furnished to the Company an itemized statement of all expenses incurred and provided, further, that nothing herein shall be construed as prohibiting the County from engaging the counsel of its choice for matters deemed necessary and prudent by the County.

"Affiliate" shall mean any corporation, limited liability company, partnership or other Person or entity which owns all or part of the Company or which is owned in whole or in part by the Company or by any partner, shareholder or owner of the Company.

"Agreement" shall mean this Preliminary Fee in Lieu of Tax and Incentive Agreement as originally executed and from time to time supplemented or amended as permitted herein as security for the County's obligation under the Bond.

"Assignment" shall mean that certain Assignment Agreement entered into by and between the County and the Company in connection with the Original Project.

"Bond" shall mean the \$175,000,000 maximum principal amount Lexington County, South Carolina Industrial Revenue Bond, Series 1999 (SMI Steel South Carolina Project) issued by the County to the Company in accordance with the provisions of the Lease and the Original FILOT Act.

"Code" shall mean the Code of Laws of South Carolina, 1976, as amended through the date hereof unless the context clearly requires otherwise.

"Co-Investor" shall mean any Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(A)(18) and (19) of the Code, any Affiliate of the Company or of any such Sponsor or Sponsor Affiliate, any developer in a build-to-suit arrangement with respect to the Original Project or the Expansion Project, as the case may be, any lessor of equipment or other property comprising a part of the Original Project or the Expansion Project, as the case may be, any financing entity or other third party investing in or providing funds for the Original Project or the Expansion Project, as the case may be. The Company shall notify the County in writing of the identity of any other Co-Investor and shall, to the extent the Company and any such Co-

Investor intend to extend the benefits of the Negotiated FILOT to property owned by or leased to such Co-Investor pursuant to **Section 7.02** hereof, qualify such Co-Investor as a Sponsor or Sponsor Affiliate pursuant to the Simplified FILOT Act. As of the date of original execution and delivery of this Agreement, the only Co-Investors with respect to the Expansion Project are: (1) CMC Steel Fabricators, Inc. d/b/a CMC Joist & Deck; (2) Owen Industrial Products, Inc. d/b/a CMC Metal Recycling; and (3) Owen Electric Steel Company of South Carolina d/b/a Spray Forming International. There are currently no Co-Investors with respect to the Original Project.

"Company" shall mean Owen Electric Steel Company of South Carolina d/b/a CMC Steel South Carolina, a South Carolina corporation formerly d/b/a SMI Steel South Carolina, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Sections 5.08 or 7.01** hereof or any other assignee hereunder which is designated by the Company and approved by the County.

"Council" shall mean the governing body of the County and its successors.

"County" shall mean Lexington County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

"Deficiency Payment" shall have the meaning specified in **Section 6.01(e)** hereof.

"Department of Revenue" shall mean the South Carolina Department of Revenue.

"Economic Development Property" shall mean, with respect to the Original Project, each item of real and tangible personal property comprising the Original Project which was placed in service during the Original Project Investment Period and, with respect to the Expansion Project, each item of real and tangible personal property comprising the Expansion Project which will be placed in service during the Expansion Project Investment Period; provided, however, that, in each case such property must meet the requirements of Sections 12-44-30(6) and 12-44-40(C) of the Code, and in each case Non-Qualifying Property is specifically excluded.

"Event of Default" shall mean an Event of Default, as set forth in **Section 9.01** hereof.

"Existing Property" shall mean property proscribed from becoming Economic Development Property under this Agreement pursuant to Section 12-44-110 of the Code, including without limitation property which has been subject to *ad valorem* taxes in the State prior to commencement of the Original Project Investment Period or after the Original Project Investment Period and prior to the Expansion Project Investment Period, as the case may be, and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) the Land; (b) property acquired or constructed by or on behalf of the Company during the Original Project Investment Period or the Expansion Project Investment Period, as the case may be, which has not been placed in service in this State prior to the Original Project Investment Period or the Expansion Project Investment Period, as applicable, notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; (c) property purchased by or on behalf of the Company during the Original Project Investment Period or the Expansion Project Investment Period, as the case may be, in a transaction other than between any of the entities

specified in Section 267(b) of the Internal Revenue Code, as defined under Chapter 6 of Title 12 of the Code as of the time of the transfer, to the extent that the Company invests, or causes to be invested, at least an additional \$45,000,000 in the Original Project or the Expansion Project, as applicable, exclusive of the property identified in this clause (c); (d) modifications which constitute an expansion of the real property portion of the Existing Property, all as determined pursuant to Section 12-44-110 of the Code; or (e) Replacement Property.

"Expansion Project" shall mean: (i) that portion of the Land described on **Exhibit A** hereto as land added to the Project as part of the Expansion Project; (ii) all buildings, structures, fixtures and other real property improvements constructed on the Land; (iii) all machinery, equipment, furnishings and other personal property acquired by or on behalf of the Company for use on or about the Land; and (iv) any Replacement Property replacing portions of the Expansion Project; provided, however, except as to Replacement Property replacing portions of the Expansion Project, the term Expansion Project shall be deemed to include such real property improvements and personal property, whether now existing or hereafter constructed or acquired, only to the extent placed in service during the Expansion Project Investment Period, and the term Expansion Project shall be deemed to exclude the Original Project, any Existing Property or other Non-Qualifying Property; and, provided further, that, for all purposes other than determining which assets qualify as Economic Development Property qualifying for Negotiated FILOT Payments, the term Expansion Project shall include assets placed in service by the Company during its fiscal year ending August 31, 2007.

"Expansion Project Contractual Requirement" shall mean investment on or before August 31, 2013 of not less than \$29,500,000 (without regard to depreciation or other diminution in value) in the aggregate by the Company and any Co-Investor in assets comprising the Expansion Project and consisting of property which is subject to either *ad valorem* taxes or FILOT Payments and the maintenance of at least \$29,500,000 of investment in such assets (without regard to depreciation or other diminution in value) for the balance of the Term.

"Expansion Project Investment Period" shall mean the period commencing September 1, 2007 and ending August 31, 2013, unless the County in its sole discretion extends the period for completion of the Expansion Project pursuant to Section 12-44-30(13) of the Code, in which event, the Expansion Project Investment Period shall end on the date specified by the County in connection with such extension; provided, however, that there shall be no extension of the August 31, 2013 deadline for meeting the Expansion Project Contractual Requirement or the Statutory Compliance Requirement, all subject to the applicable provisions of Section 12-44-30(13) of the Code.

"Expansion Project Special Source Credits" shall mean the credits described in **Section 4.02(b)** hereof to be taken against the FILOT Payments made with respect to the Expansion Project, including the Base Credits described therein and, if applicable, the Additional Credits described therein.

"FILOT" shall mean fee in lieu of *ad valorem* property taxes.

"*FILOT Payments*" or "*FILOT Revenues*" shall mean the payments to be made with respect to the Project pursuant to **Section 6.01** hereof, including the Negotiated FILOT paid pursuant to **Section 6.01(b)** hereof, and any fee in lieu of tax payments made pursuant to the Multi-County Park Act.

"*Land*" shall mean the land upon which the Project has been or will be constructed, as described in **Exhibit A** attached hereto, as **Exhibit A** may be supplemented from time to time in accordance with the provisions hereof.

"*Lease*" shall mean that certain Lease Purchase Agreement entered by and between the County and the Company in connection with the Original Project.

"*Leased Property*" shall have the meaning ascribed to it in the Lease.

"*Multi-County Park*" shall mean the multi-county industrial or business park extending to the Project pursuant to the Multi-County Park Agreement, and any multi-county industrial or business park which includes the Project and which is designated by the County as such pursuant to any agreement, which supersedes or replaces the initial Multi-County Park Agreement.

"*Multi-County Park Act*" shall mean Title 4, Chapter 1 of the Code, as amended through the date hereof.

"*Multi-County Park Agreement*" shall mean that certain Multi-County Park Agreement between the County, and Calhoun County, South Carolina pertaining to the Project, dated as of December 11, 1995, as amended, supplemented, or replaced from time to time to include all or any portion of the Project.

"*Negotiated FILOT*" or "*Negotiated FILOT Payments*" shall mean the FILOT payments due pursuant to **Section 6.01** hereof with respect to that portion of the Original Project or the Expansion Project, as the case may be, consisting of Economic Development Property which qualifies pursuant to the Simplified FILOT Act for the negotiated assessment ratios and millage rates described in **Section 6.01(b)(ii)** and **Section 6.01(b)(iii)** hereof.

"*Non-Qualifying Property*" shall mean that portion of the facilities located on the Land and consisting of: (i) Existing Property; (ii) except as to Replacement Property, property which the Company places in service after the end of the Original Project Investment Period and before the Expansion Project Investment Period or after the end of the Expansion Project Investment Period, as applicable; and (iii) any other property which fails or ceases to qualify for Negotiated FILOT Payments under the Simplified FILOT Act, including without limitation property as to which the Company has terminated the Negotiated FILOT pursuant to **Section 5.01(3)(iii)** hereof. Economic Development Property qualifying as part of the Original Project shall be considered Non-Qualifying Property with respect to the Negotiated FILOT Payments applicable to the Expansion Project, and Economic Development Property qualifying as part of the Expansion Project shall be considered Non-Qualifying Property with respect to the Negotiated FILOT Payments applicable to the Original Project.

"Original Project Act" shall mean Section 4-29-67 of the Code, as amended through the date of execution and delivery of the Lease.

"Original Project" shall mean: (i) that portion of the Land described on **Exhibit A** hereto as land added to the Project as part of the Original Project; (ii) all buildings, structures, fixtures and other real property improvements constructed on the Land; (iii) all machinery, equipment, furnishings and other personal property acquired by or on behalf of the Company for use on or about the Land; and (iv) any Replacement Property replacing portions of the Original Project; provided, however, except as to Replacement Property replacing portions of the Original Project, the term Original Project shall be deemed to include such real property improvements and personal property, whether now existing or hereafter constructed or acquired, only to the extent placed in service during the Original Project Investment Period, and the term Original Project shall be deemed to exclude the Expansion Project, any Existing Property or other NonQualifying Property.

"Original Project Investment Period" shall mean the period for completion of the Original Project, which shall mean the period commencing on May 30, 1997 and ending on the last day of the seven-year period originally specified in the Lease pursuant to Section 4-29-67(C)(2)(a) of the Original FILOT Act, *i.e.*, period ending August 31, 2006.

"Original Project Special Source Credits" shall mean the credits described in **Section 4.02(a)** hereof.

"Person" shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

"Project" shall mean, collectively, the Expansion Project and the Original Project.

"Property Tax Year" shall mean the annual period which is equal to the fiscal year of the Company, *i. e.*, the period ending on August 31 of each year.

"Released Property" shall include Economic Development Property which is scrapped, sold, disposed of, or released from this Agreement by the Company pursuant to **Section 5.03(c)** hereof and Section 12-44-50(B) of the Code; any portion of the Economic Development Property constituting infrastructure which the Company dedicates to the public use within the meaning of Section 12-6-3420(C) of the Code; and any Economic Development Property damaged, destroyed, or taken by process of eminent domain and not restored or replaced.

"Replacement Property" shall mean all property installed in or at the Project in substitution of, or as replacement for, any Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece replaces a single piece of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pertaining to the Original Project or the

Expansion Project, as the case may be, pursuant to **Section 6.01(d)** hereof and Section 12-44- 60 of the Code.

"Simplified FILOT Act" shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

"Special Source Act" shall mean Section 4-1-175 of the Code, as amended through the date hereof.

"Special Source Credits" shall mean, collectively, the Expansion Project Special Source Credits and the Original Project Special Source Credits.

"Special Source Improvements" shall mean, to the extent paid for by the Company or any Co-Investor in connection with the Project, any infrastructure serving the economic development of the County and any improved and unimproved real property, buildings, structural components of buildings, fixtures or other real property improvements used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County, all as set forth in the Special Source Act.

"Sponsor" and *"Sponsor Affiliate"* shall mean an entity whose investment with respect to the Original Project or the Expansion Project, as the case may be, will qualify for the Negotiated FILOT pursuant to **Section 7.02** hereof and Sections 12-44-30(A)(18) or (19) and Section 12-44-130 of the Code if the Statutory Investment Requirement is met by August 31, 2013. As of the date of original execution and delivery of this Agreement, the only Sponsors or Sponsor Affiliates with respect to the Expansion Project are: (1) CMC Steel Fabricators, Inc. d/b/a CMC Joist & Deck; (2) Owen Industrial Products, Inc. d/b/a CMC Metal Recycling; and (3) Owen Electric Steel Company of South Carolina d/b/a Spray Forming International.. There are currently no Sponsors or Sponsor Affiliates with respect to the Original Project.

"State" shall mean the State of South Carolina.

"Statutory Investment Requirement" shall mean investment with respect to the Original Project or the Expansion Project as the case may be by any one of the Company, any other Sponsor or any Sponsor Affiliate of not less than \$2,500,000.

"Term" shall mean the term of this Agreement, as set forth in **Section 8.01** hereof.

"Transfer Provisions" shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

Section 1.02. References to Agreement. The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the Council, the County has duly authorized the execution and delivery of this Agreement and the Negotiated FILOT Payments and Special Source Credits as set forth herein, the inclusion of the Project in the Multi-County Park, and any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby and has obtained all consents and approvals required under the Act to carry out its obligations under this Agreement.

(b) The County has determined the Project will subserve the purposes of the Act and has made all other findings of fact required by the Act in connection with the undertaking of the arrangements set forth herein.

(c) This Agreement has been duly authorized, executed and delivered on behalf of the County. The authorization, execution, and delivery of this Agreement and the performance by the County of its obligations hereunder will not, to the best knowledge of the undersigned representatives of the County, conflict with or constitute a breach of, or a default under, any South Carolina law, court or administrative regulation, decree, order, provision of the Constitution or laws of the State relating to the establishment of the County or its affairs, or any material agreement, mortgage, lease, or other instrument to which the County is subject or by which it is bound, nor, to the best knowledge of the undersigned representatives of the County, any existing law or the provisions of the Constitution of the State.

(d) To the best knowledge of the undersigned representatives of the County, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, any of which to the best knowledge of the undersigned representatives of the County could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

(e) The County has not sold, assigned, leased, mortgaged, granted easements or rights of way, encumbered, or otherwise conveyed or transferred any of its right, title or interest in the Lease, the Original Project or other Leased Property except as contemplated by the Lease.

Section 2.02. Representations and Warranties by Company. The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a corporation validly existing and in good standing under the laws of the State of South Carolina and authorized to do business in the State of South Carolina; has all requisite power to enter into this Agreement and to carry out its obligations hereunder; and by proper action has been duly authorized to execute and deliver this Agreement. The Company's fiscal year end is August 31, and the Company will notify the County of any changes in the fiscal year of the Company.

(b) The Company intends to operate the Project primarily as a manufacturing facility.

(c) The agreements with the County with respect to the FILOT, the Special Source Credits and the Multi-County Park were factors in inducing the Company to locate the Project within the County and the State.

(d) No actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the Company are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement, or the transactions contemplated hereby.

(e) The Company is the sole owner of the Bond.

ARTICLE III

RE-DOCUMENTATION OF INCENTIVES PERTAINING TO ORIGINAL PROJECT

Section 3.01. Replacement of Lease and Related Documents. The Company and the County hereby agree and acknowledge that, from and after the execution and delivery of this Agreement: (i) this Agreement shall replace the Lease, the Bond, and the Assignment in their entirety and as to all matters pertaining to the incentives applicable to the Original Project and (ii) the Simplified FILOT Act shall govern the Negotiated FILOT arrangements pertaining to the Original Project. In furtherance of such replacement, the parties agree that the Lease and Assignment are hereby terminated and that the Bond is hereby canceled and the County's obligations under each such instrument or agreement are deemed fully discharged.

Section 3.02. Conveyance by the County to the Company of Original Project and Other Leased Property. Simultaneously with the execution and delivery of this Agreement, the County has by Quitclaim Deed and Bill of Sale, re-conveyed to the Company all assets comprising the Original Project and other Leased Property which are currently titled in the County pursuant to the terms of the Lease. The County covenants and agrees to take such further

steps and to execute and deliver such further instruments, agreements or other documents as shall be reasonably required by the Company to evidence or confirm such conveyance.

ARTICLE IV

COVENANTS OF COUNTY

Section 4.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept Negotiated FILOT Payments in accordance with **Section 6.01** hereof in lieu of *ad valorem* taxes with respect to that portion of the Project consisting of Economic Development Property until this Agreement expires or is sooner terminated.

Section 4.02. Special Source Credits.

(a) As reimbursement for the Company's investment in Special Source Improvements related to the Original Project and subject to the requirements of the Special Source Act, the County agrees that the Company shall be entitled to claim Special Source Credits against the annual FILOT Payments with respect to the Original Project in an amount equal to twenty-seven percent (27%) of each such annual FILOT Payment (the "Original Project Special Source Credits") during the original term applicable to incentives for the Original Project, *i.e.* through the FILOT Payment due with respect to Property Tax Year ending August 31, 2026. In accordance with the Special Source Act, the Original Project Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded by the Company and any Co-Investors from time to time.

(b) In consideration of, and as reimbursement for, the Company's investment in the Special Source Improvements and in consideration of the Company's investment of \$5,600,000 during its fiscal year ending August 31, 2007 with respect to the Expansion Project, the County agrees, that the Company shall be entitled to claim Special Source Credits in an annual amount equal to \$60,000 against each of the first five (5) annual FILOT Payments with respect to the Expansion Project (the "Base Credits"). To the extent that the Company and any Co-Investors collectively invest \$50,000,000 or more (without regard to depreciation or other diminution in value) at the Expansion Project by August 31, 2013, the Company shall be entitled to additional annual Special Source Credits (the "Additional Credits" and, together with the Base Credits, the "Expansion Project Special Source Credits") in an amount equal to fifteen percent (15%) of each of the first five (5) annual FILOT Payments with respect to the Expansion Project following the Company's certification to the County that it has reached such level of investment (the "Additional Credit Period"). In the event that the Company and any Co-Investors collectively invest \$60,000,000 or more (without regard to depreciation or other diminution in value) prior to the end of the Additional Credit Period, the annual Additional Credits shall increase to twenty percent (20%) for the remainder of the Additional Credit Period. In accordance with the Special Source Act, the Expansion Project Special Source Credits authorized herein shall not, in the

aggregate, exceed the aggregate cost of Special Source Improvements funded by the Company and any Co-Investors from time to time, and the Special Source Credits authorized herein shall be subject in all respects to the provisions of the Special Source Act. The Special Source Credits authorized in this subsection (b) shall be calculated, to the extent provided in the Act, based upon the extent to which the Expansion Project is located in the Multi-County Park.

(c) The Company shall claim the Special Source Credits by filing with the County Administrator and the County Auditor, at the time it makes its annual FILOT Payments, Special Source certifications showing the amount of aggregate investment in the Original Project or Expansion Project, as applicable, and in the Special Source Improvements, and the calculation of the Special Source Credits, substantially in the form of **Exhibit B-1 or Exhibit B-2** hereto. The Company may deduct an amount equal to the annual Special Source Credits from the corresponding FILOT Payment.

(d) THE SPECIAL SOURCE CREDITS AUTHORIZED HERE SHALL NOT CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY. THE ORIGINAL PROJECT SPECIAL SOURCE CREDITS SHALL BE PAYABLE SOLELY FROM THE FILOT PAYMENTS PERTAINING TO THE ORIGINAL PROJECT, AND THE EXPANSION PROJECT SPECIAL SOURCE CREDITS SHALL BE PAYABLE SOLELY FROM THE FILOT PAYMENTS PERTAINING TO THE EXPANSION PROJECT.

Section 4.03. Multi-County Park Designation. The County has designated or will designate the Project as part of the Multi-County Park pursuant to the Multi-County Park Act and will, to the extent permitted by law, use its best, reasonable efforts to maintain such designation on terms which provide any additional job tax credits afforded by the laws of the State for projects located within multi-county industrial or business parks for all jobs created by the Company during the Expansion Project Investment Period and which facilitate the Special Source Credits arrangements set forth herein. To the extent that any portion of the Project is located within the jurisdictional limits of a municipality, the County's designation of such portion of the Project as part of the Multi-County Park is subject to approval by such municipality under the Multi-County Park Act.

Section 4.04. Commensurate Benefits. The parties acknowledge the intent of this Agreement, in part, is to afford the Company the benefits specified in this **Article IV** in consideration of the Company's decision to locate the Project within the County, and this Agreement has been entered into in reliance upon the enactment of the Act and the County's compliance with the requirements thereof. In the event that a court of competent jurisdiction holds that the Act is unconstitutional or this Agreement or agreements similar in nature to this Agreement are invalid or unenforceable in any material respect, or should the Company determine there is a reasonable doubt as to the validity or enforceability of this Agreement in any material respect, then at the request of the Company, the County agrees to use its best, reasonable efforts to extend to the Company the intended benefits of this Agreement and agrees, if requested, to enter into a lease purchase agreement with the Company pursuant to Section 12-

44-160; Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable, or to take such other steps as may be appropriate to extend to the Company the intended benefits of this Agreement. The Company acknowledges, if a court of competent jurisdiction holds all or part of the Simplified FILOT Act is unconstitutional or otherwise illegal, the Simplified FILOT Act provides the Company must transfer the Economic Development Property to the County within 180 days following such determination in order for the Negotiated FILOT benefits to continue to apply. In such lease purchase agreement, the County, upon the conveyance of title to the Project to the County at the expense of the Company, agrees to lease the Project to the Company.

ARTICLE V

COVENANTS OF COMPANY

Section 5.01. Investment in Project.

(a) The County hereby agrees and acknowledges that the Company has met all investment and job creation requirements with respect to the Original Project heretofore required by the Lease and/or the Act and that the Company is currently in compliance with all requirements set forth in Lease, the Bond and the Assignment.

(b) The Company hereby agrees to acquire, or cause to be acquired, the Expansion Project, as the same shall be determined from time to time by the Company in its sole discretion, and to comply with, or cause to be complied with, the Expansion Project Contractual Requirement and, prior to the end of the Expansion Project Investment Period, the Statutory Investment Requirement. As required by Section 12-44-30(2) of the Code, at least a portion of the assets comprising the Expansion Project shall be placed in service no later than the end of the Property Tax Year which is three years from the year in which this Agreement is executed and delivered, *i.e.* the Property Tax Year ending on August 31, 2011.

(c) Expenditures by Co-Investors shall, together with expenditures by the Company, count toward all investment requirements related to the Expansion Project Contractual Requirement, and to the full extent permitted by the Simplified FILOT Act, the Statutory Investment Requirement. In addition to the amounts invested by the Company and all Co-Investors with respect to the Expansion Project during the Expansion Project Investment Period, amounts invested by the Company and all Co-Investors with respect to the Expansion Project during the Company's fiscal year ending August 31, 2007 shall count toward all contractual investment requirements set forth herein. Aggregate investment shall generally be determined by reference to the Property Tax Returns of the Company and any Co-Investors pertaining to the Expansion Project without regard to depreciation or other diminution in value.

Section 5.02. Title to Project. The Company and/or its designated Co-Investors shall retain title to its respective portion of the Project throughout the Term of this Agreement, and the Company and any Co-Investor shall have full right to mortgage or encumber the Project in connection with any financing transactions.

Section 5.03. Modification of Project. The Company shall have the right at any time and from time to time during the Term hereof to undertake, or permit a Co-Investor to undertake, any of the following:

(a) The Company or a Co-Investor may, at its own expense, add to the Project all such real and personal property as the Company in its discretion deems useful or desirable, including Economic Development Property qualifying for the Negotiated FILOT under **Section 6.01** hereof without any limit as to the amount thereof.

(b) Subject to the provisions of **Sections 5.05, 6.01(f)(ii) and 9.01** hereof, in any instance when the Company or a Co-Investor in its discretion determines any items included in the Project, including any portion of the Land and any other Economic Development Property, have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Company or such Co-Investor may remove such items or portions of the Project from the Project and sell, trade in, exchange, or otherwise dispose of them as a whole or in part without the consent of the County.

(c) Subject to **Section 6.01(f)(ii)** hereof, the Company or a Co-Investor may, at any time and in its discretion by written notice to the County, remove any Economic Development Property, real or personal, from the Negotiated FILOT set forth in this Agreement and retain such property for use as part of its operations in the County, and thereafter such property will be subject to a FILOT under the Multi-County Park Agreement which is equivalent to *ad valorem* taxes. Calculation of the Special Source Credits authorized pursuant to **Section 4.02** hereof shall continue to include the FILOT Payments with respect to the property so removed and retained for the periods specified in **Section 4.02**.

(d) If the Company or a Co-Investor sells, leases, or otherwise disposes of any portion of, or adds any real property to, the Land, the Company or such Co-Investor shall deliver to the County, within 30 days thereafter, a new **Exhibit A** to this Agreement.

(e) All Economic Development Property sold, leased or otherwise disposed of under this Section shall be deemed Released Property for purposes of this Agreement.

Section 5.04. Funding for Special Source Improvements. The Company agrees to provide or cause to be provided funding for all Special Source Improvements.

Section 5.05. Failure to Comply with Expansion Project Contractual Requirement. If the Company fails to reach the level of investment specified by the Expansion Project Contractual Requirement on or before August 31, 2013, the Negotiated FILOT, Special Source Credits, Multi-County Park designation and other incentives specified herein with respect to the Expansion Project shall terminate retroactively, unless, at the request of the Company, the County agrees, in its sole discretion, to waive such termination or otherwise adjust such incentives. If the Company reaches the level of investment specified by the Expansion Project

Contractual Requirement, but thereafter fails to maintain the level of investment specified by the Expansion Project Contractual Requirement, the Negotiated FILOT, Special Source Credits, Multi-County Park designation and other incentives specified herein with respect to the Expansion Project shall terminate prospectively, unless, at the request of the Company, the County agrees, in its sole discretion, to waive such termination or otherwise adjust such incentives.

Section 5.06. Payment of Administration Expenses. The Company will reimburse the County from time to time for its Administration Expenses promptly upon written request therefor, but in no event later than sixty (60) days after receiving written notice from the County specifying the nature of such expense and requesting the payment of the same. The County acknowledges it imposes no charges in the nature of impact fees or recurring fees in connection with the incentives authorized by this Agreement, and, aside from the attorneys' fees, the County anticipates no out of pocket expenses in connection with this Agreement and the transactions authorized hereby. The parties understand that counsel to the County has estimated its fees and other expenses for review of this Agreement, the Multi-County Park Agreement and all resolutions, ordinances and other documentation related thereto at [\$_____].

Section 5.07. Use of Project for Lawful Activities. During the Term of this Agreement, the Company shall use the Project as it deems fit for any lawful purpose.

Section 5.08. Maintenance of Existence. Unless the County shall consent otherwise, which consent shall not be unreasonably withheld, the Company covenants that it will maintain its separate existence and will not dissolve or consolidate with, merge into or transfer, or otherwise dispose of substantially all of its property to any other entity or permit one or more other entities to consolidate with or merge into it or purchase substantially all of its property unless:

(a) the Company shall be the continuing entity, or the entity formed by such consolidation or into which the Company is merged or the entity which acquires by conveyance or transfer all or substantially all of the Company's assets shall (i) be an entity organized and existing under the laws of the United States of America or any state thereof or the District of Columbia and qualified to do business in the State; (ii) have a net worth equal to or greater than the net worth of the Company immediately preceding the date of such merger, consolidation or transfer; and (iii) expressly and unconditionally assumes, by written agreement supplemental hereto and acceptable to the County as to form and content, the obligations of the Company arising under this Agreement from the effective date of such acquisition, conveyance or transfer. ;

(b) immediately after giving effect to such transaction, no Event of Default, and no event, which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and

(c) the Company shall within sixty (60) days following such acquisition, conveyance or transfer deliver to the County (i) a certificate of a duly authorized officer of the Company, accompanied by financial statements of the surviving company (if

other than the Company) showing compliance with the net worth requirements specified in paragraph (a) above and (ii) an opinion of counsel for the Company and/or counsel to the transferee company, each stating that such consolidation, merger, conveyance or transfer and such supplement to this Agreement comply with this Section and that all conditions precedent herein provided for relating to such transaction have been complied with.

Upon any consolidation or merger or any conveyance or transfer of all or substantially all of the Company's assets in accordance with this Section, the successor entity formed by such consolidation or into which the Company is merged or to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of the Company under this Agreement with the same effect as if such successor entity had been named as the Company herein, and thereafter the Company shall be relieved of all obligations and covenants under this Agreement.

If a consolidation, merger or conveyance or transfer is made as permitted by this Section, the provisions of this Section shall continue in full force and effect and no further consolidation, merger or conveyance or transfer shall be made except in compliance with the provisions of this Section.

The Company acknowledges transfers of this Agreement or Economic Development Property may cause the Economic Development Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 5.09. Records and Reports. The Company agrees to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project which it has placed in service during each Property Tax Year in the Original Project Investment Period or the Expansion Project Investment Period, as the case may be, the amount of investment with respect thereto in each such year, compliance with the Expansion Project Contractual Requirement and computations of all Negotiated FILOT Payments and Special Source Credits made hereunder. The Company further agrees to comply with all reporting requirements of the State and the County applicable to Economic Development Property under the Act, including without limitation the reports required by 12-44-90 of the Code (collectively, "Filings"); provided, however, that the parties hereby waive in its entirety the requirement under Section 12-44-55 of the Code for a recapitulation of the terms of this Agreement. Specifically, the Company shall provide the following:

(a) Each year during the Term hereof, the Company shall deliver to the County Auditor and the County Assessor a copy of its most recent annual filings made with the Department of Revenue with respect to the Project at the same time as delivery thereof to the Department of Revenue.

(b) The Company shall cause a copy of this Agreement, as well as a copy of the completed Form PT-443 required by the Department of Revenue, to be filed within thirty (30) days after the date of execution and delivery hereof with the County Auditor

and the County Assessor of the County and of each county which is a party to the Multi-County Park Agreement, and with the Department of Revenue and shall update such Form PT-443 from time to time to the extent that the information therein is no longer accurate.

Notwithstanding any other provision of this Section, the Company may, by clear, written designation, conspicuously marked, designate with respect to any Filings delivered to the County segments thereof that the Company believes contain proprietary, confidential, or trade secret matters. The County shall comply with all reasonable, written requests made by the Company with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County shall not knowingly and voluntarily release information, which has been designated as confidential or proprietary by the Company.

ARTICLE VI

FEES IN LIEU OF TAXES

Section 6.01. Payment of Fees in Lieu of Ad Valorem Taxes

(a) In accordance with the Simplified FILOT Act, the parties hereby agree that there shall be due annually with respect to that portion of the Project constituting Economic Development Property, whether owned by the Company or by a Sponsor or Sponsor Affiliate, a Negotiated FILOT calculated as set forth in this Section, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. The Negotiated FILOT Payments shall be due under current Code requirements on the January 15 following the year in which the County adds the Economic Development Property to its tax rolls. It is anticipated that the initial Negotiated FILOT payable hereunder with respect to the Original Project shall, as a continuation of the Negotiated FILOT payments under the Lease, be due and payable on January 15, 2009 and that the initial Negotiated FILOT payable hereunder with respect to the Expansion Project, will be due on January 15, 2010. If the Company designates any additional Sponsor or Sponsor Affiliates, as the same shall have been consented to by the County pursuant to **Section 7.02** hereof, the Company must notify the County in writing at the time of such designation as to whether such Sponsor or Sponsor Affiliate shall be primarily liable for all or any portion of the FILOT Payments hereunder. Unless and until such notification is received, and the County consents in writing, the Company shall be primarily liable for all FILOT Payments with respect to the Project.

(b) Subject to adjustment pursuant to the provisions of this **Section 6.01**, the Negotiated FILOT shall be calculated each year in accordance with the following provisions:

(i) For each annual increment of investment in Economic Development Property during the Original Project Investment Period and the Expansion Project Investment Period, respectively, the annual Negotiated FILOT

Payment with respect to the Expansion Project shall be payable for a period of 20 years for a total of 27 years for the Original Project and 25 years for the Expansion Project (or up to 30 years if the Expansion Project Investment Period is extended pursuant to Section 12-44-30(13) of the Code).

(ii) The Negotiated FILOT applicable to the Original Project shall be calculated using (1) an assessment ratio of 6%; (2) a millage rate of 278.7 mills, which was the millage rate applicable under the Lease, which rate shall be fixed in accordance with Section 12-44-50(A)(1)(b)(i) of the Code for the entire 27 years specified in clause (i) above; and (3) the fair market value of such Economic Development Property determined as provided hereinbelow. As authorized in Section 4-29-67(D)(2)(b) of the Original FILOT Act and Section 12-44-50-(A)(3) of the Simplified FILOT Act, the County has agreed that the Company may calculate the Negotiated FILOT Payments applicable to the Original Project in accordance with an alternative payment method commonly referred to as the “Flat Fee Calculation”, which Flat Fee Calculation produces approximately equal annual Negotiated FILOT Payments and yields, based upon a discount rate of 7.03%, over the twenty-year payment period for each annual increment of the Original Project, a payment stream which has the same net present value as the payment stream which would be generated using the standard calculation provided under Section 12-44-50(A)(1) (the “Standard Fee Calculation”).

(iii) The Negotiated FILOT applicable to the Expansion Project shall be calculated using (1) an assessment ratio of 6%; (2) a millage rate of 318.9 mills, which is the millage rate applicable from July 1, 2007 through June 30, 2008, which rate shall be fixed in accordance with Section 12-44-50(A)(1)(b)(i) of the Code for the entire term of this Agreement; and (3) the fair market value of such Economic Development Property determined as provided hereinbelow. The Standard Fee Calculation shall apply to the Negotiated FILOT applicable to the Expansion Project.

(iv) For purposes of calculating the Negotiated FILOT provided herein, fair market value shall be determined in accordance with Section 12-44-50(A)(1)(c) of the Code, which, for typical arm’s length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence).

(v) All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the five-year exemption from County taxes allowed for certain manufacturing, distribution, corporate headquarters and research and development facilities pursuant to Section 3(g) of

Article X of the Constitution of the State and Sections 12-37-220(B)(32) and (34) of the Code.

(vi) For purposes of calculating the Negotiated FILOT, Economic Development Property shall not include any Released Property, Non-Qualifying Property.

(c) The Negotiated FILOT Payments with respect to the Original Project or the Expansion Project, as applicable, are to be recalculated:

(i) to reduce such payments in the event the Company or any Sponsor or Sponsor Affiliate disposes of any part of the Economic Development Property within the meaning of Section 12-44-50(B) of the Code and as provided in **Section 5.03(b)** hereof, by the amount applicable to the Released Property;

(ii) to reduce such payments in the event that the Economic Development Property or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, or otherwise removed from the Project as a result of reasons beyond the control of the Company or any Sponsor or Sponsor Affiliate;

(iii) to increase such payments in the event the Company or any Sponsor or Sponsor Affiliate adds any Economic Development Property (other than Replacement Property) to the Original Project or the Expansion Project, as the case may be; or

(iv) to adjust such payments if the Company or any Sponsor or Sponsor Affiliate elects to convert any portion of the Economic Development Property to *ad valorem* taxes or a FILOT equivalent to such *ad valorem* taxes, as permitted by **Section 5.03(c)**;

If any part of the Economic Development Property constituting a portion of the Original Project is disposed of, released or converted to *ad valorem* taxes or the FILOT equivalent, then the Company or such Sponsor or Sponsor Affiliate shall pay to the County an amount equal to the difference between what it would have paid to the County using the Standard Fee Calculation described in **paragraph (b)(ii)** above and the amount actually paid using the Flat Fee Calculation described in **paragraph (b)(ii)** above (a “Differential Payment”). To the extent provided by law, property removed from the Project in the manner described in **clause (c)(ii)** above shall not be considered disposed of for purposes of making such a Differential Payment until the Company, Sponsor or Sponsor Affiliate has had a reasonable period of time, not to exceed twenty-four (24) months, to replace such Economic Development Property and has failed to effect such replacement. To the extent that Economic Development Property removed from the Project as described in **clause (c)(ii)** above is replaced within such twenty-four (24) month period, the Flat Fee applicable to such Replacement Property shall be recalculated based upon the remainder of the Negotiated FILOT payment period

applicable to the Released Property and, to the extent permitted by law, no Differential Payment shall be due.

(d) Upon installation of any Replacement Property for any Released Property, such Replacement Property shall become subject to Negotiated FILOT Payments applicable to the Original Project or the Expansion Project, as applicable, to the fullest extent allowed by law, subject to the following rules:

(i) Such Replacement Property does not have to serve the same function as the Released Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the Negotiated FILOT pertaining to the Original Project or the Expansion Project, as applicable, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. To the extent allowed by law, the Company may elect whether to include the Replacement Property under the Negotiated FILOT applicable to the Original Project or the Expansion Project. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Released Property which it is replacing in the same Property Tax Year. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Released Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes or FILOT equivalent which would have been paid on such property but for this Agreement. Replacement Property is entitled to the Negotiated FILOT Payments for the remaining portion of the twenty-year payment period applicable to the Released Property.

(ii) The Company shall maintain, or cause to be maintained, records sufficient to identify all Replacement Property, and the Negotiated FILOT Payments with respect thereto shall be calculated using the millage rate, assessment ratio and calculation method applicable to the Released Property it is replacing.

(e) In the event that, for any reason, the Simplified FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company benefits commensurate with those intended under this Agreement as permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder with respect to the portion of the Economic Development Property affected by such circumstances *ad valorem* taxes or

the FILOT equivalent and that, to the extent permitted by law, the Company and any affected Sponsors or Sponsor Affiliates shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation or other diminution in value; and (3) to receive all other tax credits which would be due if they were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a “Deficiency Payment”).

(f)

(i) As provided in **Section 5.01(a)** hereof, the County acknowledges that the Company has met all statutory requirements regarding investment in the Original Project. With respect to the Expansion Project, if the investment is insufficient to satisfy the Statutory Investment Requirement on or before August 31, 2013, then all Negotiated FILOT Payments with respect thereto shall revert retroactively to *ad valorem* taxes, calculated as set forth in paragraph (e) above, and a Deficiency Payment shall be due and payable with respect to FILOT Payments theretofore made. In the event that the aggregate investment in the Expansion Project does not exceed \$10,000,000 by August 31, 2013 and any Sponsor or Sponsor Affiliate does not satisfy the Statutory Investment Requirement solely through its own direct investment in the Project by August 31, 2013, then the Negotiated FILOT Payments with respect to that portion of the Expansion Project owned by such Sponsor or Sponsor Affiliate shall revert retroactively to *ad valorem* taxes calculated as set forth in paragraph (e) above, and such Sponsor or Sponsor Affiliate shall owe a Deficiency Payment with respect to FILOT Payments theretofore made as to such portion of the Expansion Project. To the extent necessary to collect a Deficiency Payment under this clause (i) due to failure to satisfy the Statutory Investment Requirement by August 31, 2013, Section 12-44-140(D) of the Code provides that any statute of limitations that might apply pursuant to Section 12-54-85 of the Code is suspended.

(ii) In the event that the Company’s investment in the Project based on an income tax basis without regard to depreciation or other diminution in value falls below the Statutory Investment Requirement, the Original Project or the Expansion Project, as applicable, shall thereafter be subject to *ad valorem* taxes or the FILOT equivalent, calculated as set forth in paragraph (e) above.

(iii) As noted in **Section 5.01(a)** above, the County acknowledges that the Company has met all contractual requirements under the Lease regarding

investment and job creation at the Original Project. With respect to the Expansion Project, if the investment does not comply with the Expansion Project Contractual Requirement, then the County shall have the rights specified in **Section 5.05** hereof. As noted in **Section 5.05** hereof, if the Company reaches the level of investment specified by the Expansion Project Contractual Requirement, but thereafter fails to maintain the level of investment specified by the Expansion Project Contractual Requirement, the Negotiated FILOT with respect to the Expansion Project shall terminate prospectively, unless, at the request of the Company, the County agrees, in its sole discretion, to waive such termination or otherwise adjust the Negotiated FILOT.

(iv) In accordance with the provisions of **Sections 5.01(c)** and **7.02** hereof, except for investment made by the Company or any Co-Investors prior to commencement of the Original Project Investment Period, the fair market value of all property utilized by the Company within the County, whether owned by the Company outright or utilized by the Company pursuant to any financing agreement or any lease or other arrangement with any Co-Investor and whether or not subject to this Agreement, shall be counted toward all investment obligations under this Agreement, including, to the extent permitted by law, investment obligations under the Act.

(g) Except as otherwise set forth in this Agreement or as otherwise required by the Act, any amounts due to the County under this **Section 6.01** as a Differential Payment or Deficiency Payment or other retroactive payment shall, at the option of the Company, be paid either as a lump sum within one year of receipt by the Company from the County of a written notice requesting the payment thereof, or in five equal annual installments (which shall include interest at the rates required for past due payments of *ad valorem* taxes) beginning on the date which is one year after receipt of such notice. If the Company elects to pay any such amount over such five-year period, the Company shall furnish to the County such security or other assurances as the County may reasonably request in order to secure the payment of such Deficiency or Differential Payments.

Section 6.02. Statutory Lien. The parties acknowledge the County's right to receive FILOT Revenues hereunder shall have a statutory lien with respect to the Economic Development Property pursuant to Section 12-44-90(E) of the Simplified FILOT Act and Title 12, Chapter 54 of the Code relating to the collection and enforcement of *ad valorem* property taxes.

ARTICLE VII

THIRD PARTY ARRANGEMENTS

Section 7.01. Conveyance of Liens and Interests; Assignment. The Company and any Sponsor or Sponsor Affiliate may at any time (a) transfer all or any of its rights and interests

hereunder or with respect to all or any part of the Economic Development Property to any Person; or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all or any part of the Economic Development Property, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such Economic Development Property, as long as the transferee in any such arrangement leases the Economic Development Property in question to the Company or any other Sponsor or Sponsor Affiliates or any Affiliates thereof or operates such assets for the Company or other Sponsor or Sponsor Affiliate or any Affiliates thereof or is leasing such the Economic Development Property in question from the Company or other Sponsor or Sponsor Affiliate or any Affiliates thereof. In order to preserve the benefits of the Negotiated FILOT hereunder with respect to property so transferred: (i) except in connection with any transfer to an Affiliate of the Company or another Sponsor or Sponsor Affiliate or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company or such other Sponsor or Sponsor Affiliate shall first obtain the written consent of the County; (ii) except when a financing entity which is the income tax owner of all or part of the Economic Development Property is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company hereunder, or when the County consents in writing or when the transfer relates to Released Property pursuant to **Sections 5.03** hereof, no such transfer shall affect or reduce any of the obligations of the Company or such other Sponsor or Sponsor Affiliate hereunder; (iii) to the extent the transferee or financing entity shall become obligated to make Negotiated FILOT payments hereunder, the transferee shall assume the then current basis of the Company or such other Sponsor or Sponsor Affiliate (or prior transferee) in the Economic Development Property transferred; (iv) the Company or such other Sponsor or Sponsor Affiliate, transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (v) the Company or such other Sponsor or Sponsor Affiliate and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent when required herein, and at the expense of the Company or such other Sponsor or Sponsor Affiliate, the County agrees to execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or such other Sponsor or Sponsor Affiliate under this Agreement and/or any release of the Company or such other Sponsor or Sponsor Affiliate pursuant to this **Section 7.01**.

The Company acknowledges such a transfer of an interest under this Agreement or in the Economic Development Property may cause all or part of the Economic Development Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 7.02. Sponsors and Sponsor Affiliates. The Company may designate from time to time additional Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-

44-30(18) or (19), respectively, and Section 12-44-130 of the Code, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of the Company or other Persons described in **Section 7.01(b)** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (18) or (19) and Section 12-44-130 of the Code must be approved by Resolution of the County Council. To the extent that a Sponsor or Sponsor Affiliate invests an amount equal to the Statutory Investment Requirement at the Expansion Project prior to August 31, 2013, the investment by such Sponsor or Sponsor Affiliate shall qualify for the Negotiated FILOT applicable to the Expansion Project under **Section 6.01(b)(iii)** hereof (subject to the other conditions set forth herein) in accordance with Section 12-44-30(18) of the Code. To the extent that the aggregate investment in the Expansion Project prior to the end of the Expansion Project Investment Period by the Company, all Sponsors and Sponsor Affiliates and, to the extent provided by law, other Co-Investors exceeds \$10,000,000 as provided in Section 12-44-30(18) of the Code, all investment by such Sponsors and Sponsor Affiliates during the Expansion Project Investment Period shall qualify for the Negotiated FILOT applicable to the Expansion Project pursuant to **Section 6.01(b)(iii)** of this Agreement (subject to the other conditions set forth herein) regardless of whether each such entity invested amounts equal to the Statutory Investment Requirement prior to August 31, 2013. The Company shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate designated pursuant to this **Section 7.02** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service assets to be used in connection with the Expansion Project, all in accordance with Section 12-44-130(B) of the Code.

ARTICLE VIII

TERM; TERMINATION

Section 8.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executes this Agreement, and ending at midnight on the day the last Negotiated FILOT Payment is made hereunder.

Section 8.02. Termination. The County and the Company may agree to terminate this Agreement at any time, or the Company, may, at its option, terminate this Agreement at any time, in which event the Project shall be subject to *ad valorem* taxes from the date of termination. As provided in **Sections 5.05 and 6.01(f)** of this Agreement, the County may terminate this Agreement if the Company fails to comply, or cause compliance with, the Expansion Project Contractual Requirement or the Statutory Investment Requirement on or before August 31, 2013.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.01. Events of Default by Company. Any one or more of the following events (herein called an “Event of Default”, or collectively “Events of Default”) shall constitute an Event of Default by the Company:

(a) if default shall be made in the due and punctual payment of any Negotiated FILOT Payments, which default shall not have been cured within thirty (30) days following receipt of written notice of such default from the County; or

(b) if default shall be made by the Company in the due performance of or compliance with any of the terms hereof, other than those referred to in the foregoing paragraph (a), and such default shall continue for ninety (90) days after the County shall have given the Company written notice of such default; provided, the County may, in its discretion, grant the Company a longer period of time as necessary to cure such default if the Company proceeds with due diligence to cure such default; provided however, that no Event of Default shall exist under this agreement during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Company has contested the occurrence of such default.

Failure to meet any investment requirements set forth herein shall not be deemed to be an Event of Default under this Agreement, but may allow the County to terminate or adjust certain benefits hereunder or obligate the Company to make certain additional payments to the County, all as set forth in **Sections 5.05, 8.02 and 6.01(f)** hereof.

Section 9.02. Remedies on Event of Default by Company. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies:

(a) terminate this Agreement by delivery of written notice to the Company not less than sixty (60) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Company pertaining to the construction, acquisition, or maintenance of the Project or calculation of the Negotiated FILOT or Special Source Credits pursuant hereto as provided in **Section 5.09** hereof; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amount then due or enforce the County’s rights hereunder, it being the express intent of the parties that the County, without limitation, shall have the same remedies available by law to collect FILOT Payments as if they were delinquent *ad valorem* tax payments, including execution upon the lien referred to in **Section 6.02** hereof.

Notwithstanding termination of this Agreement, the County shall have the same rights to

receive payment for any *ad valorem* taxes, including any retroactive *ad valorem* taxes, Differential Payments, Deficiency Payments, interest or penalties, and the same enforcement rights, as it would have with respect to *ad valorem* taxes, and the County's rights under **Section 6.01(f)** and this **Section 9.02** with respect to any such payments then due and owing shall survive any such termination.

Section 9.03. Defaulted Payments. In the event the Company should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of the Company until the amount in default shall have been fully paid. If any such default relates to its obligations to make FILOT Payments hereunder, the Company agrees to pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Code.

Section 9.04. Application of Monies upon Enforcement of Remedies against Company. Any monies received by the County upon enforcement of its rights hereunder shall be applied as follows: first, to the reasonable costs associated with such enforcement proceedings; second, to pay Administration Expenses; third, to pay the Negotiated FILOT in accordance with **Section 6.01** hereof, and, fourth, to other amounts due and payable hereunder.

Section 9.05. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Company may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation a suit for *mandamus* or specific performance.

ARTICLE X

MISCELLANEOUS

Section 10.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Company provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers, and remedies are sought to be enforced; and the exercise by the County or by the Company of any one or more of the rights, powers, or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company of any or all such other rights, powers, or remedies.

Section 10.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, any Sponsor or Sponsor Affiliates designated pursuant to **Section 7.02** hereof and their respective successors and assigns as permitted hereunder.

Section 10.03. Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be

deemed to be properly given or made if sent by United States first class mail, postage prepaid, or via facsimile transmission or reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Lexington County
Attn.: County Administrator
212 S. Lake Drive
Lexington, South Carolina 29072
Phone: 803-785-8100
Fax: 803-785-8101
Email: khubbard@lex-co.com

(b) with a copy (which shall not constitute notice) to:

Jeffery M. Anderson, Esquire
Lexington County Attorney
P.O. Box 489
140 E. Main Street
Lexington, South Carolina 29071-0489
Phone: 803-359-2512
Fax: 803-359-7478
Email: jeff@oldcourthouse.com

(c) As to the Company:

Owen Electric Steel Company of South Carolina d/b/a
CMC Steel South
Attn.: Chief Financial Officer
36 New State Road
Cayce, South Carolina 29171
Phone: 803-936-3713
Fax: 803-936-3711
Email: gary.tomlin@cmc.com

(d) with a copy (which shall not constitute notice) to:

April C. Lucas, Esq.
Nexsen Pruet, LLC
1230 Main Street, Suite 700
Columbia, South Carolina 29201
Phone: 803-771-8900
Fax: 803-253-8277
Email: alucas@nexsenpruet.com

Section 10.04. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State. To the extent of any conflict between the provisions of this Agreement and the Act, the Act controls.

Section 10.05. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 10.06. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 10.07. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 10.08. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 10.09. Amendments. Subject to the limitations set forth in Section 12-44-40(J)(2) of the Simplified FILOT Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

Section 10.10. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 10.11. Further Proceedings. This Agreement in final form shall be approved by ordinance of the County Council. The parties intend any action to be taken hereinafter by the County pursuant to the express provisions of the final form of this Agreement may be undertaken by the Chairman of the Council without necessity of further proceedings. To the extent additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

[Execution Pages to Follow]

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Preliminary Fee in Lieu of Tax and Incentive Agreement to be effective as of the date first written above.

LEXINGTON COUNTY, SOUTH CAROLINA

By: _____
William C. Derrick, Chairman, County Council
Lexington County, South Carolina

[SEAL]

Attest:

By: _____
Diana W. Burnett, Clerk to County Council
Lexington County, South Carolina

OWEN ELECTRIC STEEL COMPANY OF SOUTH
CAROLINA D/B/A CMC STEEL SOUTH CAROLINA

By: _____
Name: _____
Title: _____

**EXHIBIT A
LEGAL DESCRIPTION**

LAND ADDED TO THE PROJECT AS PART OF THE ORIGINAL PROJECT

All those certain pieces, parcels, or tracts of land with improvements thereon, situate, lying, and being located in the City of Cayce in Lexington County, South Carolina, consisting of approximately 99.1 acres, and hereby shown and delineated on a Site Plan as of August 1999 with Proposed Future Layout Changes prepared by SMI Steel South Carolina dated August 18, 1999, attached hereto as Exhibit A-1, said property being bounded on the north by Taylor Street (S.C. Hwy. 266); on the east by New State Road (S.C. Hwy. 66); on the west by Foreman Street (S-32-266); and on the south by Godley Street.

Less and excepting that certain parcel of land with improvements thereon, situate, lying, and being located between Taylor Street (S.C. Hwy. 266) and Ferrell Street (S.C. Hwy. 835), and delineated as TMS No. 05768-02-011.

DERIVATION: A derivation clause is not required for a Quitclaim deed pursuant to S.C. Code Ann. § 30-5-35(a) (Law. Co-op. 1976).

TMS NOS.: 05768-02-001, -002, -004, -005, -006, -008, -009, -010, -012, -014, -016, -017, -018, -019, -020

05768-03-001, -002, -003, -004, -005, -006, -007, -008, -009, -013, -014, -015, -016, -017, -018, -023, -025, -026, -027, -028, -029, -030, -032

05768-04-001, -002, -003, -004, -005, -006

05768-05-001, -002, -003, -004, -005, -006, -007, -008, -009, -010, -011

05768-06-001, -002, -003, -004, -005, -006

05768-07-002, -003

05768-08-001, -002, -003, -004

05797-03-002, -003

LAND ADDED TO THE PROJECT AS PART OF THE EXPANSION PROJECT

<u>TMS NOS:</u>	05800-02-001	603 GODLEY ST
	005797-04-002	S SIDE OF GODLEY ST
	006400-02-002	2308 TWO NOTCH RD
	007300-04-022	SE OF HWY 774
	007300-01-011	SE SIDE I-20
	007400-05-033	CYNTHIAN TERRACE LOT 6 BLK A
	007400-05-015	CYNTHIAN TERRACE LOT 6 BLK B
	007400-05-034	CYNTHIAN TERRACE LOT 7 BLK A
	007400-05-037	CYNTHIAN TERRACE LOT 7 BLK B
	007400-05-039	CYNTHIAN TERRACE PT LOT 9 BLK B
	007400-05-031	CYNTHIAN TERRACE LOTS 4 & 5 BLK A
	007400-05-038	CYNTHIAN TERRACE LOT 8 BLK B
	007400-05-050	159 MICHAEL TAYLOR RD
	007400-05-036	CYNTHIAN TERRACE LOTS 1, 2, 3, & 4 BLK B
	007400-05-023	CYNTHIAN TERRACE TRACT 5 BLK B
	007400-05-027	CYNTHIAN TERRACE TRACT 3 BLK A
	007997-03-020	1825610-000 SOUTHERN POST
	007997-03-016	BOTH SIDES HWY 105
	005797-04-002	S SIDE OF GODLEY ST
	005768-01-001	1411148-002 OWEN JOIST
	005768-01-004	PT LOTS 10 & 11 80X148X80X162

005768-01-005 LOT 1 BLK D 50X150
005768-01-003 PT LOTS 10 & 11 BLK D 100X120
005768-01-006 LOTS 2, 3, 4 & 9 BLK D 150X150X50X50X200X2

EXHIBIT B-1
CERTIFICATION OF OWEN ELECTRIC STEEL COMPANY OF SOUTH CAROLINA
REGARDING SPECIAL SOURCE CREDITS

(ORIGINAL PROJECT)

Reference is made to that certain Fee in Lieu of Tax and Incentive Agreement dated as of August 1, 2008 (the "Agreement") between Owen Electric Steel Company of South Carolina d/b/a CMC Steel South Carolina (the "Company") and Lexington County, South Carolina (the "County"). Each capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

In accordance with **Section 4.02** of the Agreement, the undersigned authorized officer of the Company certifies to the County as follows:

1. The County has agreed and acknowledged, pursuant to **Section 5.01** of the Agreement, that the Company has met all investment and job creation requirements with respect to the Original Project heretofore required by the Lease or by the Act.

2. Pursuant to **Section 4.02(a)** of the Agreement, the Company is entitled to claim Original Project Special Source Credits against each of FILOT Payments with respect to the Original Project in an amount equal to twenty-five percent (27%) of each such annual FILOT Payments.

3. The Company and all Co-Investors have expended to date in the aggregate (without regard to depreciation or other diminution in value) not less than \$_____ upon Special Source Improvements ("Reimbursable Costs"), and the Company and all Co-Investors have heretofore claimed an aggregate of \$_____ in Original Project Special Source Credits ("Prior Credits"), leaving \$_____ in funding for Special Source Improvements not heretofore reimbursed through Original Project Special Source Credits ("Remaining Reimbursable Costs").

4. The property tax notice(s) for tax year _____ provided by the County Auditor with respect to the Original Project specifies that the FILOT Payments due with respect to the Original Project from the Company and all Co-Investors investing in the Original Project on [_____] 15, _____ total \$_____.

5. The Company is entitled to an Original Project Special Source Credit calculated as follows:

Total FILOT Payments Respecting Original Project	\$_____
X 27% Credit = Potential Credit of	\$_____
Less	
(Excess, if any, of Potential Credit of \$_____ over Remaining Reimbursable Costs of \$_____)	\$_____
= Allowable Credit of	\$_____

6. The Original Project Special Source Credits specified in this certificate for Property Tax Year ____, together with all Original Project Special Source Credits heretofore claimed pursuant to the Lease and the Agreement, do not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded by the Company and Co-Investors.

7. The amount due from the County to the Company as an allowable Original Project Special Source Credit, is \$_____. The Company has deducted such amount from the FILOT Payment with respect to the Original Project for Property Tax Year _____.

IN WITNESS WHEREOF, I have executed this Certificate to be effective as of _____, 20__.

OWEN ELECTRIC STEEL COMPANY OF SOUTH CAROLINA D/B/A CMC STEEL SOUTH CAROLINA

Date: _____, 20__.

By: _____
Name: _____
Title: _____

EXHIBIT B-2

CERTIFICATION OF OWEN ELECTRIC STEEL COMPANY OF SOUTH CAROLINA REGARDING SPECIAL SOURCE CREDITS

(EXPANSION PROJECT)

Reference is made to that certain Fee in Lieu of Tax and Incentive Agreement dated as of August 1, 2008 (the "Agreement") between Owen Electric Steel Company of South Carolina d/b/a CMC Steel South Carolina (the "Company") and Lexington County, South Carolina (the "County"). Except as otherwise specified herein, each capitalized term not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

In accordance with **Section 4.02** of the Agreement, the undersigned authorized officer of the Company certifies to the County as follows:

1. The Company has agreed, pursuant to **Section 5.01(b)** of the Agreement, that, together with all Co-Investors, it will invest not less than \$29,500,000 (without regard to depreciation or other diminution in value) at the Expansion Project prior to August 31, 2013. To date, the Company and Co-Investors have collectively invested \$_____ in the Expansion Project.

2. Pursuant to **Section 4.02(b)** of the Agreement, the Company is entitled to claim Expansion Project Special Source Credits in an amount equal to \$60,000 against each of the first five (5) annual FILOT Payments with respect to the Expansion Project ("Base Credits").

3. In the event that the Company and all Co-Investors invest in the aggregate at least \$50,000,000 (without regard to depreciation or other diminution in value) at the Expansion Project prior to August 31, 2013, the Company shall be entitled to additional annual Expansion Project Special Source Credits ("Additional Credits") in an amount equal to fifteen percent (15%) of each of the first five (5) annual FILOT Payments with respect to the Expansion Project following the Company's certification to the County that it has reached such level of investment (the "Additional Credit Period").

4. In the event that the Company's investment, and all Co-Investors invest in the aggregate at least \$60,000,000 (without regard to depreciation or other diminution in value) at the Expansion Project prior to the end of the Additional Credit Period, the Additional Credits shall be increased to twenty percent (20%) for the balance of the Additional Credit Period.

5. Based upon the aggregate investment of the Company and all Co-Investors of \$_____, the Company is, subject to the aggregate amounts expended upon Special Source

Improvements, entitled to Base Credits of \$60,000 and Additional Credits equal to ___% of the collective FILOT Payments respecting the Expansion Project.

6. The Company and all Co-Investors have expended to date in the aggregate (without regard to depreciation or other diminution in value) not less than \$_____ upon Special Source Improvements (“Reimbursable Costs”), and the Company and all Co-Investors have heretofore claimed an aggregate of \$_____ in Expansion Project Special Source Credits (“Prior Credits”), leaving \$_____ in funding for Special Source Improvements not heretofore reimbursed through Expansion Project Special Source Credits (“Remaining Reimbursable Costs”).

7. The property tax notice(s) for tax year _____ provided by the County Auditor with respect to the Expansion Project specify that the FILOT Payments due with respect to the Expansion Project from the Company and all Co-Investors on [_____] 15, _____ total \$_____.

8. The Company is entitled to Expansion Project Special Source Credits calculated as follows:

Total FILOT Payments of \$_____	
X _____%	= Potential Additional Credit
	\$_____
Plus Potential Base Credit of	\$ 60,000
= Total Potential Credit of	\$_____
Less	\$_____
(Excess, if any, of Potential Credit of \$_____ over Remaining Reimbursable Costs of \$_____)	
= Allowable Total Credit of	\$_____

9. The Expansion Project Special Source Credits specified in this certificate for Property Tax Year _____, together with all Expansion Project Special Source Credits heretofore claimed pursuant to the Agreement, do not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded by the Company and all Co-Investors.

10. The amount due from the County to the Company as an allowable Expansion Project Special Source Credit, is \$_____. The Company has deducted such amount from the FILOT Payments with respect to the Expansion Project for Property Tax Year _____.

IN WITNESS WHEREOF, I have executed this Certificate to be effective as of _____, 20__.

OWEN ELECTRIC STEEL COMPANY OF SOUTH CAROLINA D/B/A CMC STEEL SOUTH CAROLINA

Date: _____, 20__.

By: _____
Name: _____
Title: _____