



**WALTERBORO CITY COUNCIL
REGULAR MEETING
OCTOBER 3, 2023
CITY HALL
6:15 P.M.**

AGENDA

I. Call to Order:

1. Invocation
2. Pledge of Allegiance

II. Public Input on Agenda Items:

III. Public Hearing:

1. **Ordinance # 2023-11**, AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF WALTERBORO, SOUTH CAROLINA, TO PROVIDE FOR CHANGES IN THE ZONING DISTRICTS OF THE CITY OF WALTERBORO BY CHANGING THE ZONING CLASSIFICATION OF ONE PARCEL OF LAND DESIGNATED AS TMS # 163-15-00-062 FROM INDUSTRIAL DISTRICT (ID) TO MEDIUM DENSITY RESIDENTIAL (MDR) (Second and Final Reading).
2. **Ordinance # 2023-12**, AN ORDINANCE PURSUANT TO TITLE 5, CHAPTER 3, SECTION 5-3-150, SUBSECTION 3, OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, TO ANNEX AN AREA, KNOWN AS TMS # 147-15-00-009 INTO THE CITY OF WALTERBORO, A SOUTH CAROLINA MUNICIPAL CORPORATION (Second and Final Reading).

IV. Old Business:

1. **Ordinance # 2023-11**, AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF WALTERBORO, SOUTH CAROLINA, TO PROVIDE FOR CHANGES IN THE ZONING DISTRICTS OF THE CITY OF WALTERBORO BY CHANGING THE ZONING CLASSIFICATION OF ONE PARCEL OF LAND DESIGNATED AS TMS # 163-15-00-062 FROM INDUSTRIAL DISTRICT (ID) TO MEDIUM DENSITY RESIDENTIAL (MDR) (Second and Final Reading).
2. **Ordinance # 2023-12**, AN ORDINANCE PURSUANT TO TITLE 5, CHAPTER 3, SECTION 5-3-150, SUBSECTION 3, OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, TO ANNEX AN AREA, KNOWN AS TMS # 147-15-00-009 INTO THE CITY OF WALTERBORO, A SOUTH CAROLINA MUNICIPAL CORPORATION (Second and Final Reading).

V. New Business:

1. **Ordinance # 2023-13**, AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY'S FISCAL YEAR

2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS
RELATED THERETO (Introduction and First Reading).

2. Consideration of a request from downtown merchants to continue First Thursday activities through 2024 under the same terms approved for 2023.
3. Consideration of a request from Anthony Herndon to conduct holiday carriage tours December 19-23, 2023.
4. Consideration of a parade permit request from Brandon Russell – Marching for Mia, October 7, 2023, at 3:30 PM.
5. Consideration of rescheduling the November 7, 2023, Regular City Council Meeting (Election Day).

VI. Committee Report:

1. City Improvement Committee – Councilmember Ladson Fishburne.

VII. City Manager's Report:

1. Request to purchase new police administrative vehicle (Memo attached).
2. Request to approve contract for the Gadsden Loop Water Upgrade Project (Memo attached).

VIII. Executive Session:

1. Potential Purchase of Property.
2. Personnel Matters:
 - a. Main Street Manager/Tourism Director Search.
 - b. Municipal Court.
3. Provision of sewer service to Northwest Walterboro.
4. Contractual Matter – Community Garden.

IX. Open Session:

1. Council May Take Action on Items Discussed in Executive Session.

X. Adjournment

ORDINANCE #2023-11

AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF WALTERBORO, SOUTH CAROLINA, TO PROVIDE FOR CHANGES IN THE ZONING DISTRICTS OF THE CITY OF WALTERBORO BY CHANGING THE ZONING CLASSIFICATION OF ONE PARCEL OF LAND DESIGNATED AS TMS # 163-15-00-062 FROM INDUSTRIAL DISTRICT (ID) TO MEDIUM DENSITY RESIDENTIAL (MDR).

WHEREAS, the Planning Commission of the City of Walterboro conducted a public hearing on August 15, 2023, to consider a change in zoning classification from Industrial District (ID) to Medium Density Residential (MDR) for the above mentioned property; and

WHEREAS, pursuant to said meeting, the Planning Commission has recommended that the zoning classification of the property aforesaid be changed to Medium Density Residential (MDR).

NOW, THEREFORE, BE IT ORDAINED and ordered by the Mayor and City Council of the City of Walterboro, South Carolina, that the Zoning Map of the City of Walterboro, South Carolina is hereby amended by changing the Zoning District classification of the property located on Sanders Street, designated as tax map number 163-15-00-062, from Industrial District to Medium Density Residential (MDR) as shown on the attached map.

DONE, this _____ day of October 2023.

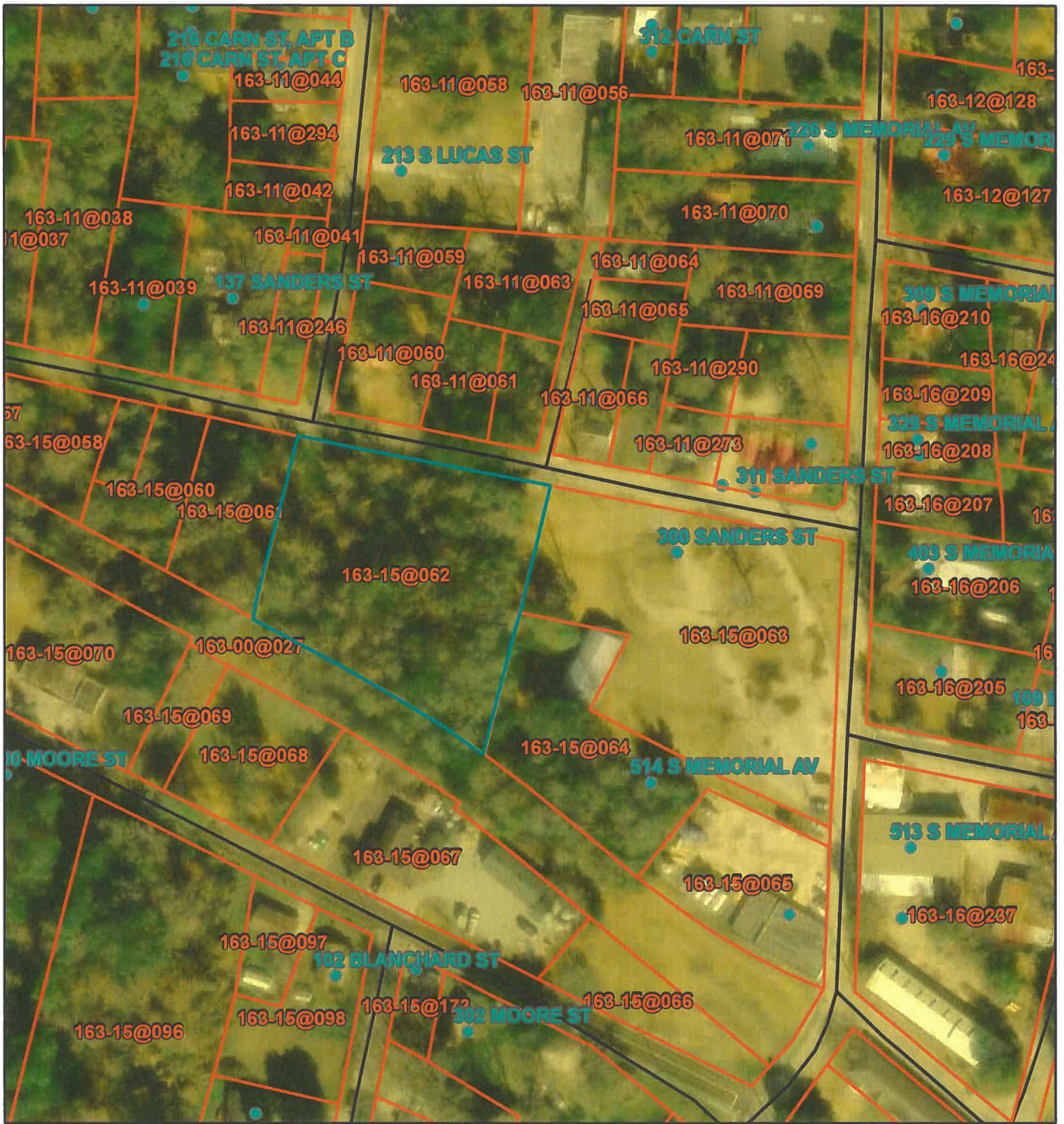
William T. Young, Jr.
Mayor

ATTEST:

Adrienne Nettles
City Clerk

First Reading: _____
Public Hearing: _____
Second Reading: _____

Tax Parcel Map



8/29/2023, 1:11:04 PM

 Parcel Boundaries

Address Points

— Road Centerlines

 Municipal Boundaries

1:2,257

Maxar, Microsoft

ORDINANCE # 2023-12

AN ORDINANCE PURSUANT TO TITLE 5, CHAPTER 3, SECTION 5-3-150, SUBSECTION 3, OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, TO ANNEX AN AREA KNOWN AS TMS # 147-15-00-009 INTO THE CITY OF WALTERBORO, A SOUTH CAROLINA MUNICIPAL CORPORATION

WHEREAS, a proper petition has been filed with the City of Walterboro Council by 100% of the freeholders owing 100% of the assessed value of the contiguous property hereinafter described petitioning for annexation of the property to the City of Walterboro under the provisions of SC Code Section 5-3-150(3); and

WHEREAS, it appears to Council that annexation would be in the best interest of the property owners and the City of Walterboro; and

The territory to be annexed is described as follows:

All and singular, all that certain piece, parcel or tract of land, situate, lying and being in Colleton County, South Carolina, and being shown as 2.935 acres, more or less, on a Boundary Survey for David W. Culp prepared by Thomas Gordon McLeod, PLS dated May 20, 2021 and recorded May 21, 2021 in Plat 958 at Page 48 in the Office of the ROD for Colleton County, South Carolina. The metes and bounds shown on a said plat being incorporated herein by reference and made a part and parcel of this description.

Together with those certain access easement benefitting the above property as more particularly described in that certain Easements Agreement by and between ITAC 85, LLC, the City of Walterboro and AstenJohnson, Inc., recorded July 13, 2004 in the Office of the Clerk of Court for Colleton County in Book 01066 at Page 00303 and that certain Easement Agreement by and between Asten Johnson, Inc. and Ted N Hebert, recorded June 4, 2010 in the Office of the Register of Deeds for Colleton County in Volume 1850 at Page 206.

This being the identical property conveyed to Waycar Properties, LLC by deed of AstenJohnson, Inc dated and recorded June 16, 2021 in Deed Book 2982 at Page 192 in the Office of the ROD for Colleton County, South Carolina.

The property is designated as TMS number 147-15-00-009.

A map showing the property is attached hereto and made a part hereof by reference.

The Municipal Planning Commission conducted a public hearing on September 26, 2023, and unanimously recommends a zoning classification of Highway Commercial District (HCD).

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Walterboro, South Carolina, this 3rd day of October, 2023 that the property herein described is hereby annexed to and becomes a part of the City of Walterboro effective October 3, 2023.

William T. Young, Jr.
Mayor

ATTEST:

Adrienne Nettles
City Clerk

First Reading: _____
Second Reading: _____

Date: August 24, 2023

PETITION

TO THE MAYOR AND COUNCIL OF THE CITY OF WALTERBORO:

The undersigned, being 100% of the freeholders owning 100% of the assessed value of the property in the contiguous territory described below and shown on the attached plat or map, hereby petition for annexation of said territory to the City of Walterboro by ordinance effective as soon hereafter as possible, pursuant to South Carolina Code Section 5-3-150(3).

The territory to be annexed is described as follows (COLLETON COUNTY, SC REGISTER OF DEEDS, BK:RB: 3154, PG: 265-268):

All and singular, all that certain piece, parcel or tract of land, situate, lying and being in Colleton County, South Carolina, and being shown as 2.935 acres, more or less, on a Boundary Survey for David W. Culp prepared by Thomas Gordon McLeod, PLS dated May 20, 2021 and recorded May 21, 2021 in Plat 958 at Page 48 in the Office of the ROD for Colleton County, South Carolina. The metes and bounds shown on a said plat being incorporated herein by reference and made a part and parcel of this description.

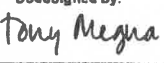
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The property is designated as TMS number 147-15-00-009.

A map showing the property is attached hereto and made a part hereof by reference.

It is requested that the property be zoned Highway Commercial District (HCD).

DocuSigned by:		
	8906 Two Notch Rd., Columbia, SC 29223	8/31/2023
Genesis Healthcare, Inc.	Street Address, City	Date

FOR MUNICIPAL USE:

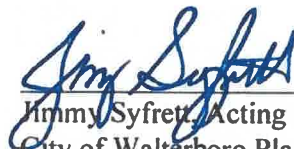
Petition received by JEFFREY P. MOLLAFFI Date 9/1/2023

Description and Ownership verified by JEFFREY P. MOLLAFFI Date 9/1/2023

Recommendation: APPROVED

By: SPM Date 9/1/2023

Approved 9/26/2023








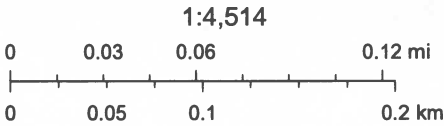
Jimmy Syfrett, Acting Chair
City of Waltherboro Planning Commission

Genesis Healthcare, Inc.



8/28/2023, 4:48:18 PM

-  Override 1
-  Parcel Boundaries
-  Address Points
-  Road Centerlines
-  Municipal Boundaries



Maxar

ORDINANCE #2023-13

AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY'S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO

NOW THEREFORE, be it ordained by the City Council of the City of Walterboro (the "**Council**"), the governing body of the City of Walterboro, South Carolina ("**City**"), as follows:

Section 1 Findings. The Council hereby makes the following findings of fact in connection with the enactment of this ordinance (this "**Ordinance**") and the imposition of the Capacity Fees (as defined this Ordinance):

(a) The City is a body politic and corporate located in Colleton County, South Carolina, entitled to exercise all the powers and privileges provided to municipal corporations in the State of South Carolina (the "**State**").

(b) The City possesses, maintains, and operates a combined waterworks and sewer system (the "**System**") that was established in compliance with the constitutional and statutory provisions of the State.

(c) The City and surrounding area anticipate substantial residential growth; to accommodate this anticipated growth, the System requires significant capital improvements.

(d) With the assistance of certain rate and engineering consultants, the City previously developed a capital improvements plan for the System (the "**Capital Improvement Plan**"), a copy of which is attached hereto as Exhibit A.

(e) The City wants to avoid placing the burden of serving new growth on its ancestral customers, and wishes to establish certain fees on new customers to accommodate its growth and certain improvements identified in the Capital Improvement Plan.

(f) Pursuant to Sections 6-1-330 and 6-1-1080 of the Code of Laws of South Carolina 1976, as amended (the "**SC Code**")¹, the City is permitted to impose capital recovery fees on all new customers of the System to recover a proportional share of capital costs incurred to provide service capacity for such new customers (the "**Capacity Fees**").

(g) As a condition to implementing the Capacity Fees, Section 6-1-1080 of the SC Code requires that the City: (a) maintain an existing capital improvement plan; (b) prepare a report to explain the basis, use, calculation and collection method for the Capacity Fees; and (c) authorize the Capacity Fees under the provisions of Title 6, Chapter 1, Article 3 of the SC Code.

¹ Also see *J.K. Const., Inc. v. Western Carolina Regional Sewer Authority*, 336 S.C. 162 (1999).

(h) Consistent with the requirements of Section 6-1-1080 of the SC Code, the City (a) has previously developed and currently maintains the Capital Improvement Plan, a copy of which is attached hereto as Exhibit A, (b) worked with Willdan Financial Services, a utility rate and feasibility consultant, to prepare a report related to the Capacity Fees (the “*Capacity Fee Report*”), a copy of which is attached hereto as Exhibit B; and (c) is enacting this Ordinance in a manner consistent with the requirements of Title 6, Chapter 1, Article 3 of the SC Code.

(i) The City has determined it is in the best interests of the City and the customers of the System to implement the Capacity Fees under the terms of this Ordinance.

(j) As a consequence of the implementation of Capacity Fees hereunder, the City has further determined to amend its fiscal year 2023-24 budget and to undertake certain amendments to the City’s code of ordinances to implement policies regarding collection and expenditure of the Capacity Fees.

Section 2 Approval of the Capital Improvement Plan and Capacity Fee Report. The Council hereby approves, ratifies and confirms the Capital Improvement Plan and the Capacity Fee Report, copies of which are attached hereto as Exhibit A and Exhibit B, respectively.

Section 3 Capacity Fees. In reliance on the Capacity Fee Report, which utilizes a combined cost method for the calculation of the Capacity Fees for the both the water and sewer components of the System, the Council hereby approves the imposition of the Capacity Fees (based upon meter size and utilizing the American Water Works Association’s (AWWA) meter equivalency factors) as set forth in the table herein below. The Capacity Fees shall be charged to all new customers seeking to connect to the System.

Meter Size	Equivalent Residential Units (ERU) ²	Water Capacity Fees	Sewer Capacity Fees	Total
5/8 or 3/4”	1.00	\$ 2,560.00	\$ 2,450.00	\$ 5,010
1”	2.50	6,400.00	6,125.00	12,525
1 ½”	5.00	12,800.00	12,250.00	25,050
2”	8.00	20,480.00	19,600.00	40,080
3”	16.00	40,960.00	39,200.00	80,160
4”	25.00	64,000.00	61,250.00	125,250
6”	50.00	128,000.00	122,500.00	250,500
8”	80.00	204,800.00	196,000.00	400,800

Section 4 Capacity Fee Policies. By and through the enactment of this Ordinance, for the purposes discussed above, the Council hereby implements the following capacity fee policies for the collection and administration of Capacity Fees (the “*Capacity Fee Policies*”). The Capacity Fee Policies shall be implemented and codified by the City at Chapter 34, Article VII, as follows:

² ERUs are based on the meter equivalency factors from AWWA. One ERU assumes usage of 300 gallons per day, which is consistent with regulations promulgated by the South Carolina Department of Health and Environmental Control.

Chapter 34 – UTILITIES

ARTICLE VII – IN GENERAL

Sec. 34-290.-Assessment.

A Capacity Fee shall be assessed on all new development and redevelopment for which a new water and/or sewer service is requested or for which additional water and/or sewer usage is requested, except for the following:

- (1) Rebuilding or replacing a structure (residential or commercial) on a parcel of land that contains an existing water and/or sewer service of sufficient size and capacity to meet the requirements of the new use;
- (2) Remodeling or repairing a structure with the same land use that does not result in an increase in the number of service units or place additional water and/or sewer demand on the City's facilities and equipment;
- (3) Construction of an addition to a structure on a parcel of land that contains an existing water and/or sewer service (residential or commercial) that does not increase the amount of water and/or usage; or
- (4) Changing or adding uses or equipment on a parcel of land that contains an existing water and/or sewer service, unless it is clearly demonstrated that the use creates new or increased water and/or sewer demand for the City's facilities and equipment.

Sec. 34-291.-Calculation.

The calculation of Capacity Fees shall be based upon the proposed meter sizes and equivalency units approved by the Council as provided by the owner, developer, or design engineer. If, after one year of substantially completed operation of the new use, the actual daily water and/or sewer demands are in excess of the demands used to determine the Capacity Fees or the meter sizes are different than originally determined, the individual or entity in whose name the water and/or sewer account is held will be assessed additional Capacity Fees in accordance with the then-existing capacity fee schedule. The Utilities Director of the City may request such additional information, studies, or analysis as may be necessary to determine anticipated water and/or sewer demands of any new use.

Sec. 34-292.-Collection.

All Capacity Fees will be collected at such time as connection fees are collected for all new development or redevelopment.

Sec. 34-293.-Fire Suppression Systems.

No Capacity Fee will be assessed for metered fire suppression system-only connections. Uses of this connection for other than fire suppression may result in the assessment of Capacity Fees to the owner or tenant. A compound meter is not sufficient to determine fire flow. A separate, fire-only meter (in addition to the regular service meter) must be established for any qualifying metered fire suppression system-only connection.

Sec. 34-294.-Usage.

Capacity Fees shall be imposed only to fund system improvement costs reasonably related to new development or redevelopment, including, but not limited to: design and construction plan preparation for additional capacity or rehabilitation of existing capacity supporting the efficient usage of such water and/or sewer capacity; right of way acquisition; construction of new facilities, structures, or amenities that provide additional capacity or rehabilitation of existing capacity supporting the efficient usage of water and/or sewer capacity; programs to prevent or limit water loss or sewer inflow and/or infiltration; purchase of new equipment that provide additional capacity or rehabilitation of existing capacity supporting the efficient usage of water and/or sewer capacity; principal payments, interest and other finance charges on bonds or other indebtedness issued by or on behalf of the City for financing any or all of these public facilities. Capacity Fees cannot be used to offset the City's operating costs, and shall be maintained, from an accounting standpoint, separate and distinct from the City's general operating fund for the System.

Sec. 34-295.-Appeals.

The payor of any Capacity Fee (a "*Fee Payor*") may appeal any Capacity Fee assessed on new development or redevelopment in accordance with the following procedures:

- (1) A Fee Payor may pay Capacity Fees under protest. Payment under protest is a condition precedent to appealing any Capacity Fees described herein. Additionally, a Fee Payor, at his option, may also post a bond or submit an irrevocable letter of credit for the amount of Capacity Fees due instead of making a cash payment under protest, pending the outcome of an appeal.
- (2) A Fee Payor may file an administrative appeal with the Utilities Director regarding the payment of Capacity Fees by filing a written notice of appeal. Said notice shall be filed within ten calendar days of the payment of the Capacity Fees. The filing of an appeal will immediately halt all proceedings regarding the provision of water and/or sewer services unless the Fee Payor posts a bond or submits an irrevocable letter of credit for the full amount of the Capacity Fees, as calculated by the City, to be due. All notices of appeal shall include a full explanation of the reasons for the appeal, specifying the grounds therefor, and containing any documentation that the Fee Payor desires to be considered. The appeal shall contain the name and address of the Fee Payor filing the appeal and shall state their capacity to act as representative or agent if they are not the owner of

the property to which recovery fees pertain. By no later than twenty calendar days following receipt of the written notice of appeal, the Utilities Director will review the appellant's written report, supporting documentation and departmental staff reports. The review period may be extended in the discretion of the Utilities Director if additional information is needed from the appellant in order to render a decision. Upon completion of the administrative review, the Utilities Director will provide a written response to the Appellant constituting a final administrative determination.

- (3) Any person desiring to appeal the final administrative determination of the Utilities Director regarding payment of Capacity Fees shall file a written notice of appeal to the Council. Said Notice of Appeal to the Council shall be filed with the Clerk to Council within five business days following receipt of the final administrative determination. Receipt shall be construed to have occurred when the final administrative decision is deposited in the United States mail postage prepaid to the person whose name and address is identified in the original notice of appeal. Thereafter, the Council shall conduct a hearing at its next regularly scheduled meeting, or such other meeting time as may be agreeable to Council and the appellant, and shall allow the appellant, in person or acting through counsel, to present an oral presentation to the Council regarding its appeal. After hearing such appeal, the Council, within ten business days, shall make a written finding as to the appeal and either accept the findings appeal, reject it or proffer a compromise. If any refund is determined, the City shall refund the required amount within ten business days of the written determination by the Council. The findings and determination of the Council shall constitute the final judicial determination as to the payment of Capacity Fees.
- (4) Only after all administrative appeals have been exhausted under the provisions of this policy, the aggrieved Fee Payor may determine to file a suit in a court of competent jurisdiction to challenge the payment of the disputed Capacity Fees.

Section 5 Removal of Codification of Utility Fees. By and through the enactment of this Ordinance, the Comprehensive Fee Schedule in Appendix B of the City's Code of Ordinances is amended to remove references to all "Utility Support Department Fees", including "Water," "Sewer," and "Sanitation" fees. Instead, the schedule of all water, sewer and sanitation fees shall be set forth in the City's annual budget, including the City's most recent fiscal year 2023-24 budget, and made available on the City's website and upon request at City Hall.

Section 6 Budget Amendment. In response to the imposition of the Capacity Fees, the City has determined to amend its Enterprise Fund Budget for fiscal year 2023-24 to duly and properly supplement the projected revenues and expenses for the remainder of the 2023-24 fiscal year, which began on July 1, 2023 and ends on June 30, 2024.

Section 7 Public Hearings. Prior to the date of enactment of this Ordinance and pursuant to the requirements of Sections 6-1-330 and 6-1-80 of the SC Code, the City held public hearings on November 14, 2023 on the questions of (1) implementing the Capacity Fees, and (2) amending the fiscal year 2023-24 budget for the System and the ratification of the water, sewer and sanitation fees in the existing fiscal year 2023-24 budget. Notice of the public hearings, in the form and format required by Sections 6-1-80 and 6-1-330 of the SC Code, a copy of which is attached hereto as Exhibit C, was timely published in the *Press and Standard*, which is a newspaper of general circulation in the City (and Colleton County). All interested parties were given an opportunity to speak in favor of or against this Ordinance.

Section 8 Ratification of Findings; Actions. The Council ratifies and approves the findings of fact recited above. Further, all actions of the Mayor and other City staff regarding the public hearings, preparation of the Capital Improvement Plan and the Capacity Fee Report and the required amendments to the fiscal year 2022-23 budget are ratified, approved and confirmed. Further, the Mayor and City staff shall be authorized to do all things necessary to implement the provisions of this Ordinance.

Section 9 Effective Date. This Ordinance has been duly approved by a positive majority (as defined in Section 6-1-300 of the SC Code) of the Council, and shall be effective as of the date of second and final reading. All prior ordinances and resolutions conflicting with the provisions of this Ordinance are hereby repealed.

DONE AND ORDAINED, this 14th day of November 2023.

CITY OF WALTERBORO, SOUTH CAROLINA

William T. Young, Jr.
Mayor

ATTEST:

Adrienne Nettles
City Clerk

First Reading:	October 3, 2023
Public Hearing #1 (Capacity Fees):	November 14, 2023
Public Hearing #2 (Budget):	November 14, 2023
Second Reading:	November 14, 2023

Exhibit A
Capital Improvement Plan

Capacity Fee Analysis
Capital Improvement Program for FY 2024 - FY 2033
Water & Wastewater Systems

Line	Description	Total	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
1	Pickup truck(s)	\$ 407,000	\$ 32,000	80,000	35,000	35,000	36,500	36,500	37,000	37,000	39,000	39,000
2	Service truck w/walby body	145,000	70,000	0	0	0	75,000	0	0	0	0	0
3	Atlas compressor	32,000	0	0	0	0	0	0	0	0	0	32,000
4	Armory Well Rehab	0	0	0	0	0	0	0	0	0	0	0
5	(2) Pickup trucks	0	0	0	0	0	0	0	0	0	0	0
6	Asphalt roller w/trailer	60,000	60,000	0	0	0	0	0	0	0	0	0
7	Dump Truck	130,000	0	130,000	0	0	0	0	0	0	0	0
8	Backhoe	100,000	0	0	100,000	0	0	0	0	0	0	0
9	Trencher	75,000	0	0	0	75,000	0	0	0	0	0	0
10	Mini Excavator	70,000	0	0	0	0	0	0	0	70,000	0	0
11	Lawnmower	30,000	0	15,000	0	0	15,000	0	0	0	0	0
12	Pickup truck	182,500	0	35,000	0	35,000	0	36,500	0	37,000	0	39,000
13	SBR tank cleanout	0	0	0	0	0	0	0	0	0	0	0
14	SBR pipe replacement	0	0	0	0	0	0	0	0	0	0	0
15	Dump truck	140,000	0	0	0	0	0	0	0	140,000	0	0
16	Beaver Lifting/demolition	45,000	0	45,000	0	0	0	0	0	0	0	0
17	Wellston Force Main relocation	55,000	0	55,000	0	0	0	0	0	0	0	0
18	Tractor	50,000	0	0	50,000	0	0	0	0	0	0	0
19	Service truck w/crane body	125,000	0	0	0	0	0	0	0	125,000	0	0
20	Crewcab pickup	40,000	0	40,000	0	0	0	0	0	0	0	0
21	Pickup truck	329,500	0	35,000	35,000	35,000	36,500	36,500	36,500	37,000	39,000	39,000
22	Vacuum trailer	0	0	0	0	0	0	0	0	0	0	0
23	Wastewater Treatment Plant Expansion	38,454,908	38,454,908	0	0	0	0	0	0	0	0	0
24	Black Street Sub Basin 12	0	0	0	0	0	0	0	0	0	0	0
25	Sub System 1 East and 3	1,000,000	1,000,000	0	0	0	0	0	0	0	0	0
26	WWTP truck line - Washington St	3,692,178	0	3,692,178	0	0	0	0	0	0	0	0
27	WWTP generator	1,703,850	1,703,850	0	0	0	0	0	0	0	0	0
28	Total Water & Wastewater CIP	\$46,866,936	\$41,320,758	\$ 4,127,178	\$ 220,000	\$ 180,000	\$ 163,000	\$ 109,500	\$ 73,500	\$ 446,000	\$ 78,000	\$ 140,000

Exhibit B

Capacity Fee Report

CITY OF WALTERBORO, SOUTH CAROLINA

WATER & WASTEWATER CAPACITY FEE STUDY – SEPTEMBER 2023



September 28, 2023

Mr. Jeff Molinari, City Manager
City of Walterboro
300 Hamilton St.
Walterboro, SC 29488

Subject: Water and Wastewater Capacity Fee Study

Dear Mr. Molinari:

WILLDAN FINANCIAL SERVICES ("Willdan") is pleased to submit to the City of Walterboro, South Carolina (the "City") the Water and Wastewater Capacity Fee Study report (the "Report") for your consideration. We have completed the analyses for the review and development of water and wastewater capacity fees and have summarized the results herein.

GENERAL

Capacity fees may be referred to by a number of different terms including impact fees, connection fees, capacity reservation charges, system development fees, facility fees, capital connection charges or other such terminology. In general, a capacity fee is a one-time charge implemented as a means to recover (in whole or part) the costs associated with capital investments made by the utility in order to provide service to future users of the system. Such capital costs generally include the construction of facilities as well as engineering, surveys, land, financing, legal and administrative costs. It has become common practice for water and wastewater utility systems to implement capacity fees (or other similar charges) in order to establish a supplemental source of funding for future capital projects. This practice helps to mitigate the need for existing customers to subsidize system expansions entirely through increased user rates.

CRITERIA FOR CAPACITY FEES

The purpose of a capacity fee is to assign, to the extent practical, growth-related capital costs to those customers responsible for such additional costs. To the extent that new population growth imposes identifiable additional capital costs to municipal services, equity and prudent financial practice necessitate the assignment of such costs to those customers or system users responsible for the additional costs rather than the existing user base. Generally, this practice has been labeled as "growth paying for growth" without placing the full cost burden on existing users.

It is important to note that a capacity fee is different than an assessment or tax. A special assessment is predicated upon an estimated increment in value to the property assessed by virtue

of the improvement being constructed in the vicinity of the property. Further, the assessment must be directly and reasonably related to the benefit which the property receives. Capacity fees are not directly related to the value of the improvement to the property but rather to the usage of the facilities required by the property. Until property is put to use (i.e., developed), there is no burden upon servicing facilities and the land use may be entirely unrelated to the value of the assessment basis of the underlying land. With respect to a comparison to taxes, capacity fees are distinguishable primarily in the direct relationship between the amount charged and the measurable quantity of public facilities required. In the case of taxation, there is no requirement that the payment be in proportion to the quantity of public services consumed, and funds received by a municipality from taxes can be expended for any legitimate public purpose.

LEGAL CONSIDERATIONS

Court Proceedings

In 1999, a precedent was set in the South Carolina Supreme Court (the "Court") decision for the case of J.K. Construction vs. Western Carolina Regional Sewer Authority (336 S.C. 162), regarding the validity of a "new account fee" that was applied for capital recovery purposes. Pursuant to the Court's ruling, certain conditions were identified as necessarily present in order to have a valid fee. Generally, the Court decision found that such fees are valid if the following standards are met:

1. The required payment should primarily benefit those who must pay it because they receive a special benefit or service as a result of improvements made with the proceeds;
2. Proceeds from the required payments are dedicated solely to capital improvement projects (i.e., the proceeds are not placed in a general fund to be spent on ongoing expenses and maintenance, which characterizes a tax);
3. The revenue generated by the required payment should not exceed the cost of capital improvements to the system; and
4. The required payments are imposed uniformly on all new customers based on their anticipated usage.

The Court also addressed the issue of the Equal Protection Clause (the "Clause") provided in the South Carolina Constitution. According to the Court's ruling, to satisfy the Clause, a classification must bear a reasonable relation to the legislative purpose sought to be achieved; members of the class must be treated alike under similar circumstances; and the classification must rest on some rational basis.

With regard to legislative purpose, the Court determined that the classification (new customer connections) is reasonably related to the legislative purpose to be achieved (paying for future

capital improvement projects). As such, it is reasonable for utility systems to take steps to ensure there are adequate funds for capital projects, and to set aside collected fees in a special account for that purpose. Additionally, members of the class (new customers) are treated alike in that they all must pay a fee based on their anticipated usage. Finally, the Court reasoned that it is rational for a utility system to prepare to pay for future capital projects and, while imposing a capacity or new account fee may not be the only way to raise such funds, it is a reasonable and legitimate method of accruing funds. The Court further reasoned that, since existing system customers have often collectively paid substantial amounts to build the current facilities, "it seems eminently fair and reasonable to require new customers to shoulder a portion of the cost of future expansions their presence will demand".

Legislation

On June 30, 1999, the Governor of South Carolina signed into law the South Carolina Development Impact Fee Act (the "Act"). The Act permits a county or municipality to impose a development impact fee for the cost of new public facilities or to make system improvements caused by new growth and development. Public facilities are generally defined in the Act as those facilities related to water and wastewater utilities; solid waste and recycling; roads, streets and bridges; storm water and flood control; public safety; street lighting; parks; libraries; open spaces; recreation areas; and capital equipment and vehicles, with an individual unit purchase price of not less than \$100,000. The Act was subsequently codified as Article 9, Chapter 1, Title 6 of the South Carolina Code of Laws.

The implementation of development impact fees for public water and wastewater utility systems are addressed in S.C. Code Ann. Section 6-1-1080. The section states that "the provisions of this chapter do not apply to a development impact fee for water or wastewater utilities, or both, imposed by a city, county, commission of public works, special purpose district, or nonprofit corporation...". The section does however require that, in order to impose such a fee, the public entity must:

1. Have a capital improvements plan before imposition of the development impact fee;
2. Prepare a report to be made public before imposition of the development impact fee, which shall include, but not be limited to, an explanation of the basis, use, calculation, and method of collection of the development impact fee; and
3. Enact the fee in accordance with the requirements of Article 3 of the chapter (i.e., Chapter 1, Title 6).

The final item is addressed in S.C. Code Ann. Section 6-1-330. In general, the section requires that a local governing body must provide public notice of any new service or user fee being considered and that a public hearing must be held prior to final enactment of any new service or user fee. To the extent that all these criteria are satisfied, the imposition of such fees is legally permissible.

EXISTING CONNECTION-RELATED CHARGES

The City currently imposes administrative and connection-related charges to new customers connecting to the water and wastewater systems. However, it is important to note that such charges are different than the capacity fees developed and proposed herein. The distinguishing characteristic is that the installation and meter charges are established for the purpose of recovering the operating costs associated with performing the customer service act of physically making a new system connection (i.e., labor and benefits, equipment, vehicles, materials, and supplies, etc.). Capacity fees on the other hand are for the purpose of recovering the major capital costs incurred in making water and wastewater utility services available to the general public. The proposed capacity fees designed herein are intended to be in addition to the existing connection-related charges. As such, it is proposed that these charges continue to be imposed. It should be noted that, for the purpose of this Report, the existing administrative and connection-related charges are assumed to recover the costs associated with these items. A review of these charges in relation to actual costs incurred is beyond the scope of this Report.

CALCULATION METHODOLOGY

Based on common industry practice, the calculation of the capacity fees will employ methodologies including the buy-in, incremental cost or marginal cost, and combined cost. A brief description of each of these methods as identified in American Water Works Association Manual M1 is described below.

- *Buy-in Method.* Based on the value of the existing system's capacity. Under this method, new development "buys" a proportionate share of capacity at the cost (value) of the existing facilities.
- *Incremental/Marginal Cost Method.* Based on the value or cost to expand the existing system's capacity. This method assigns to new development the incremental cost of future system expansion needed to serve new development.
- *Combined Cost Method.* Based on blended value of both the existing and expanded system capacity. This method uses a combination of the buy-in and incremental/marginal cost methods.

Each of these methods was analyzed and applied to the City's system to determine and calculate the applicable capacity fees. After such review, and based on discussions with staff, the proposed fee is based on the Combined Cost Method.

EXISTING & PROJECTED CAPITAL FACILITIES

Existing Facilities – Buy-In Method

In considering the recovery of existing asset costs under the buy-in method, the general concept is that new customers “buy” a proportionate share of system capacity at the value of the existing facilities. It is important to note that while this methodology is labeled as *buy-in*, payment of a capacity fee does not transfer any ownership of the assets to the customer. Rather, such payment provides access to capacity at a status equal to that of existing customers of the system.

While there are asset valuation methods, a common approach is to value the existing assets at a replacement cost amount. According to the replacement cost method, the existing system components are valued at the estimated current cost of replacing the facilities. The analysis developed herein uses an approach referred to as Replacement Cost New Less Depreciation (RCNLD). Applying the RCNLD method, the original costs are escalated to current dollars using construction cost indices, and then the result is adjusted down for the accumulated depreciation, which is also adjusted by the construction cost indices. This approach results in a replacement cost valuation that reflects the remaining depreciable life of the facilities.

In performing the RCNLD analysis, the City provided a detailed listing of the current water and wastewater system facilities (the “Asset Listing”). The Asset Listing contained the original cost, the date placed in service and the accumulated depreciation for each asset. The replacement cost of each asset is estimated by using construction cost indices information contained in the Handy-Whitman Index of Public Utility Construction Costs for the South Atlantic Region. The Handy-Whitman Index calculates the cost trends for distinct types of utility construction, including water systems. Since much of the construction material and equipment is similar, the index is commonly applied to wastewater systems as well. The published indices are used by regulatory bodies, operating entities, utility systems, service companies, valuation experts and insurance companies. The Handy-Whitman Index values are widely used to trend earlier valuations and original cost records to estimate replacement cost at prices prevailing at a certain date or to the present. While other construction cost indices are available, the Handy-Whitman Index is used in this analysis because it is specifically tailored to the utility industry.

After the replacement cost is calculated for each individual asset item, the adjusted accumulated depreciation is deducted for each asset item. The result is the RCNLD. The asset data and applicable recoverable cost allocations are provided in **Exhibit 1** at the end of this Report. The existing capital facilities and RCNLD calculations are summarized in **Table 1**.



TABLE 1
SUMMARY OF EXISTING RECOVERABLE FACILITIES

Description	Original Cost	Replacement Cost New	Accumulated Depreciation	RCNLD
Total Utility Assets:				
Buildings & Improvements	\$ 305,512	\$ 305,512	\$ (281,916)	\$ 23,596
CIP	3,540,174	4,092,038	0	4,092,038
Furniture & Equipment	1,294,590	1,499,324	(1,130,915)	368,409
Land	44,774	44,774	0	44,774
ROU Equipment	620,142	620,142	(183,844)	436,298
Sewer System	21,472,702	67,535,375	(42,370,752)	25,164,623
Vehicles	1,256,894	1,256,894	(927,752)	329,142
Water System	19,343,819	51,268,068	(22,879,914)	28,388,154
Total	\$ 47,878,607	\$ 126,622,127	\$ (67,775,093)	\$ 58,847,034

As part of the capacity fee analyses, the existing assets are categorized based on the major components of **Treatment** and **Transmission**. The treatment category includes any treatment plant facilities (water and/or wastewater) and accompanying supply and storage facilities (water only), as well as wastewater effluent disposal facilities. The transmission/collection category consists of major water mains, water pumping facilities, sewer lift stations and collection lines. Since the localized distribution and collection facilities are oftentimes contributed by developers or funded from other sources (i.e., assessments, direct customer payments, etc.), these facilities are not included for recovery through the capacity fees. Additionally, a cost limit or threshold is set as a condition of inclusion of the asset items in the capacity fee calculation. Based on discussions with City staff, for the purposes of this analysis, the cost limit is set at \$100,000.

The cost limit assumes that any asset item that costs less than the limit amount is not a major facility that provides a system-wide benefit. A final adjustment was made to exclude certain asset items that were identified as projects that only restored existing capacity rather than provided system upgrades or additional system capacity (e.g., equipment, vehicles, etc.) The existing recoverable water and wastewater capital asset cost allocations included in the analysis are summarized in **Table 2**.

TABLE 2 SUMMARY OF EXISTING RECOVERABLE FACILITIES			
Description	RCNLD Included for Recovery		
	Water	Wastewater	Total
Total Recoverable Assets:			
Buildings & Improvements	\$ 0	\$ 0	\$ 0
CIP	0	0	0
Furniture & Equipment	0	0	0
Land	0	0	0
ROU Equipment	0	0	0
Sewer System	0	24,860,911	24,860,911
Vehicles	0	0	0
Water System	26,564,971	0	26,564,971
Total	\$26,564,971	\$24,860,911	\$51,425,882
Allocation of Recoverable Assets:			
Treatment Facilities	\$ 4,501,566	\$ 9,317,957	\$13,819,523
Transmission Facilities	22,063,405	15,542,954	37,606,359
Total	\$26,564,971	\$24,860,911	\$51,425,882

Capital Improvements Program – Incremental Cost Method

In addition to recovering the cost of existing utility facilities, since the purpose of a capacity fee is to fund growth-related projects from revenues generated by new customer growth, the development of the capacity fees includes future capital improvement projects and their applicable additions to system capacity. The City has adopted a capital improvement program (herein referred to as the “CIP”) that identifies certain projects and anticipated construction costs for the next 10-year planning horizon. The CIP is provided in **Exhibit 2**. Similar to the rationale for excluding certain existing assets from recovery through capacity fees, the CIP costs included for recovery in the capacity fee analysis consist of only those projects associated with system upgrades or expansions. As such, projects related to general maintenance (i.e., renewal and replacement of existing facilities) or localized facilities that benefit only certain customers are excluded from recovery through capacity fees. It is also important to consider the planned funding sources for the projects identified in the CIP. For example, projects that are funded from grants or developer contributions are excluded from the capacity fee calculation since these are costs that are not incurred by the utility. The allocation of the CIP into the applicable recoverable and non-recoverable categories is developed in **Exhibit 3**. The projected growth-related projects and capital costs included in the analysis are summarized in **Table 3**.

TABLE 3
SUMMARY OF THE CIP

Description	Recoverable Capital	Excluded Capital	Total CIP
Recoverable Assets - Water:			
Treatment Facilities	\$ 0	\$ 0	\$ 0
Transmission Facilities	0	0	0
Other Facilities	0	958,000	958,000
Total	\$ 0	\$ 958,000	\$ 958,000
Recoverable Assets - Wastewater:			
Treatment Facilities	\$ 14,495,000	\$ 25,663,758	\$ 40,158,758
Transmission Facilities	2,008,310	2,783,868	4,792,178
Other Facilities	0	958,000	958,000
Total	\$ 16,503,310	\$ 29,405,626	\$ 45,908,936
Recoverable Assets - Combined:			
Treatment Facilities	\$ 14,495,000	\$ 25,663,758	\$ 40,158,758
Transmission Facilities	2,008,310	2,783,868	4,792,178
Other Facilities	0	1,916,000	1,916,000
Total	\$ 16,503,310	\$ 30,363,626	\$ 46,866,936

Total Facilities – Combined Cost Method

The analysis developed herein for calculation of the capacity fees proposes the combined cost method. As the name implies, the combined cost method includes the cost/value of both the existing facilities currently providing service, as well as the planned facilities required to perpetuate or expand service. This method assumes that the utility has capacity within the existing system sufficient to serve near-term growth but will require additional capacity to meet future growth needs. Using this method, new customers pay a capacity fee that reflects the value of both existing and planned capacity. The combined system costs included for recovery are summarized in Table 4.

TABLE 4
SUMMARY OF COMBINED RECOVERABLE FACILITIES

Description	Recoverable Facilities		
	Water	Wastewater	Total
Existing Facilities:			
Treatment Facilities	\$ 4,501,566	\$ 9,317,957	\$13,819,523
Transmission Facilities	22,063,405	15,542,954	37,606,359
Subtotal	\$26,564,971	\$24,860,911	\$51,425,882
Capital Improvement Program:			
Treatment Facilities	\$ 0	\$14,495,000	\$14,495,000
Transmission Facilities	0	2,008,310	2,008,310
Subtotal	\$ 0	\$16,503,310	\$16,503,310
Combined:			
Treatment Facilities	\$ 4,501,566	\$23,812,957	\$28,314,523
Transmission Facilities	22,063,405	17,551,264	39,614,669
Subtotal	\$26,564,971	\$41,364,221	\$67,929,192

CALCULATION CREDIT

It is common practice for utilities to fund major capital improvements and expansion projects with debt (i.e., bond issues). Typically, debt service payments associated with bond issues are recovered through the monthly user rates and charges applied to all system customers, as well as from other available revenue sources (including capacity fees). To mitigate the potential for new customers to pay twice for capital facilities (i.e., paying a capacity fee for facilities that may have been debt funded, and then paying for debt service in their monthly user rates), the capacity fee analysis developed herein includes a debt service credit to the existing facilities (buy-in method). The credit on the existing facilities is equal to the outstanding principal remaining on all utility-related debt. The debt service credit amount for the existing facilities is allocated between water and wastewater based on information provided by staff related to the capital projects that were funded from proceeds of each individual debt instrument. A summary of the combined recoverable capital facilities as adjusted for the applicable credits is provided in **Table 5**.

TABLE 5
SUMMARY OF NET RECOVERABLE FACILITIES

Description	Net Recoverable Facilities		
	Water	Wastewater	Total
Combined Facilities:			
Treatment Facilities	\$ 4,501,566	\$23,812,957	\$28,314,523
Transmission Facilities	22,063,405	17,551,264	39,614,669
Subtotal	\$26,564,971	\$41,364,221	\$67,929,192
Less Debt Service Credit			
Treatment Facilities	\$ 0	\$ (3,414,866)	\$ (3,414,866)
Transmission Facilities	0	(5,696,216)	(5,696,216)
Subtotal	\$ 0	\$ (9,111,082)	\$ (9,111,082)
Net Capital Costs:			
Treatment Facilities	\$ 4,501,566	\$20,398,091	\$24,899,657
Transmission Facilities	22,063,405	11,855,048	33,918,453
Net Recoverable Costs	\$26,564,971	\$32,253,139	\$58,818,110

SYSTEM CAPACITIES

The term “capacity fee” implies that the fee is based on a unit of capacity. In order to apply a fee based on the unit cost of capacity, it is necessary to identify the capacities of the facilities for which cost recovery is assigned. As such, the methodology applied herein relies upon identifying the water and wastewater treatment capacities as well as estimating the capacities of the major transmission facilities. In developing the estimated amount of capacity for each respective category, the analysis relies on information provided by the City, assumptions based on common industry standards, and consulting judgment based on previous experience with similar utility systems.

Water Treatment

The City owns and operates 13 wells that represent “treatment” facilities for purposes of the capacity fee analysis. The wells have a combined groundwater withdrawal permit that allows for 778.3 million gallons per year. This results in an average available water capacity of 2.132 MGD (million gallons per day). While this amount represents the total capacity, an adjustment is made based on the assumed amount of unaccounted-for water (i.e., system flushing and backwashing, testing, line loss, etc.). The unaccounted-for water necessarily reduces the amount of capacity available to existing and future customers. The analysis performed herein assumes an unaccounted-for water factor of 15.0%. This adjustment results in an assumed average daily water capacity of 1.812 MGD.

Water Transmission

Unlike the treatment facilities, the capacity information for major transmission facilities is very difficult to determine and quantify. Such transmission capacity estimates are typically not even developed in engineering documents such as master plans or Consulting Engineer's Reports. Based on discussions with staff, it is assumed that the existing transmission facilities can provide water flow at least equal to 2.00 times the existing water withdrawal capacity, resulting in 4.264 MGD. In addition, similar to the methodology utilized for water treatment, an adjustment is made for unaccounted-for water assuming losses of 15.0%. Applying these assumptions results in an estimated average daily water transmission capacity of 3.624 MGD.

Wastewater Treatment

Due to the regulatory and design requirements for wastewater treatment plants, the capacity of treatment facilities is generally well documented. The wastewater treatment facilities are designed and permitted in accordance with published hydraulic standards adopted by Sections 61-67.100 of the South Carolina Department of Health and Environmental Control ("DHEC") regulations. The City owns and operates a wastewater treatment plant with a permitted average daily capacity of 2.640 MGD. In addition, the CIP includes a treatment plant expansion in 2024 that will provide an additional 2.985 MGD of capacity for a total of 5.625 MGD.

Similar to line loss in the water system, the wastewater system is impacted by inflow and infiltration (I&I) into the wastewater collection system. In essence, the impact of I&I reduces the level of capacity that is available for use by existing and future system customers. Pursuant to discussions with City staff, the ADF for wastewater treatment is adjusted for an assumed I&I impact of 30.0%, resulting in an adjusted average daily expanded capacity of 3.938 MGD.

Wastewater Transmission

Similar to the discussion provided above for the determination of water transmission capacity, it is difficult to identify the capacity of the wastewater transmission facilities. Although an exact capacity number is difficult to determine, for the purpose of this analysis it is assumed that the wastewater trunk lines, and pumping facilities are designed to provide capacity equal to the permitted plant flow amount of 5.625 MGD. Applying an adjustment factor of 30.0% for I&I as was assumed for wastewater treatment, the estimated average daily wastewater transmission capacity is 3.938 MGD.

DEVELOPMENT OF CAPACITY FEES

The methodology utilized herein for developing the water and wastewater capacity fees relies upon the cost of major system facilities as well as the system capacities in order to calculate an estimated cost per unit (gallon) of capacity. Based on this methodology, it is estimated that the water facility costs are \$8.57 per gallon of water capacity. Additionally, it is estimated that the wastewater

facility costs are **\$8.19** per gallon of wastewater capacity. A summary of the estimated cost per gallon of capacity is provided in **Table 6**.

TABLE 6 ESTIMATED COST PER GALLON OF CAPACITY		
Description	Estimated Cost Per Gallon	
	Water	Wastewater
Net Capital Costs:		
Treatment Facilities	\$ 4,501,566	\$20,398,091
Transmission Facilities	22,063,405	11,855,048
Subtotal	\$26,564,971	\$32,253,139
Estimated Treatment Capacity	1.812	3.938
Estimated Transmission Capacity	3.624	3.938
Estimated Cost Per Gallon of Capacity:		
Treatment (\$/Gallon)	\$ 2.48	\$ 5.18
Transmission (\$/Gallon)	6.09	3.01
Total Cost Per Gallon of Capacity	\$ 8.57	\$ 8.19

In developing the capacity fees, the unit costs per gallon of capacity are applied to a common Level of Service (LOS) standard in order to establish the applicable fee per Equivalent Residential Unit (ERU). For purposes of applying the LOS, an ERU is representative of a single-family residential dwelling unit receiving water service from a 5/8x3/4-inch metered connection and discharging normal domestic-strength wastewater through a comparably sized sewer connection. Based on common industry standards for the development and application of capacity-related charges, a typical residential water connection is generally assumed to require average service availability in the range of 300 to 400 gallons per day (gpd) of system capacity. The published hydraulic standards adopted by Sections 61-67.100 of the South Carolina Department of Health and Environmental Control ("DHEC") regulations apply an average flow capacity requirement of 300 gpd for the typical residential customer. In general, this defined flow requirement represents DHEC's standard LOS per ERU. The analyses developed herein assume a LOS of 300 gpd that is applied equally to water and wastewater service. This LOS is developed based on the assumed service needs of a typical residential connection and is consistent with industry standards.

Applying the average day LOS amounts to the estimated unit costs per gallon of capacity and the applicable debt service credit results in the proposed water and wastewater capacity fees of \$2,560 and \$2,450, respectively as rounded down, for a typical single-family residential connection (i.e., per ERU). The development of the proposed water and wastewater capacity fees is detailed in **Exhibits 4 and 5**, respectively. A summary of the proposed capacity fees for a typical new residential connection is provided in **Table 7**.

**TABLE 7
COMPARISON OF FEES PER ERU**

Description	Fee Per ERU		
	Existing	Proposed	Difference
Combined Fees:			
Water	\$ 0	\$ 2,560	2,560
Wastewater	0	2,450	2,450
Total	\$ 0	\$ 5,010	\$ 5,010

APPLICATION OF CAPACITY FEES

For the purpose of developing capacity fees, the average daily flow number is established as one equivalent residential unit (ERU). An ERU provides a standard unit of measure such that capacity fees for connections with larger than average demand requirements can be calculated on an equivalency basis. One ERU is equal to the average anticipated flow for a single-family dwelling unit with a standard 5/8 x 3/4-inch water meter. New connections with larger water meters have the potential of placing more demand on the system and are assessed ERU factors accordingly. The proposed methodology of incrementing the capacity fees for larger connection sizes is based on standardized demand criteria established by the American Water Works Association (AWWA) pursuant to the size of the water meter. Utilizing the AWWA demand criteria, the applicable ERU factors for larger water meters are based on the incremental increase in potential demand as compared to the standard meter size. Since wastewater flow is generally a direct function of water flow, applying the water and wastewater capacity fees based upon the size of the water meter is equitable and administratively efficient. The proposed water and wastewater capacity fees for the various meter sizes are provided in **Exhibit 6** and summarized in **Table 8**.

**TABLE 8
PROPOSED SYSTEM DEVELOPMENT FEES**

Description	Meter Factor ⁽¹⁾	Proposed Fees By Meter Size		
		Water	Wastewater	Total
Meter Size:				
5/8 x 3/4 Inch	1.00	\$ 2,560	\$ 2,450	\$ 5,010
1.0 Inch	2.50	\$ 6,400	\$ 6,125	\$ 12,525
1.5 Inch	5.00	\$ 12,800	\$ 12,250	\$ 25,050
2.0 Inch	8.00	\$ 20,480	\$ 19,600	\$ 40,080
3.0 Inch	16.00	\$ 40,960	\$ 39,200	\$ 80,160
4.0 Inch	25.00	\$ 64,000	\$ 61,250	\$ 125,250
6.0 Inch	50.00	\$ 128,000	\$ 122,500	\$ 250,500
8.0 Inch	80.00	\$ 204,800	\$ 196,000	\$ 400,800

(1) Meter-size equivalency factors established by the AWWA and identified in AWWA Standards C700, M1 and M22. Such factors are commonly applied consistently for both water and wastewater fee calculations.

In situations where the application of the meter-based capacity fees will result in the collection of fees significantly different than the potential demand requirement of a new customer requesting service, a special calculation methodology may be applied at the discretion of the City's Utilities Director. For such situations, it is important for the utility to have the flexibility to utilize an ERU methodology for individual accounts based on specific capacity requirements. This alternative methodology as proposed herein is to apply the calculated unit costs per gallon of capacity as provided in **Exhibit 6** times the capacity requirement for the customer. This type of situation will be uncommon and will typically only involve larger commercial and industrial connections. It is anticipated that in such situations the City will require certified engineering documentation defining the capacity utilization needs for the new customer.

As another example of utilizing a flexible methodology, the City sometimes has new master-metered multi-family connections whereby multiple residential dwelling units receive service through a single, common connection. Such connections generally consist of apartment complexes, patio homes, condominiums, duplexes, triplexes, townhouses, etc. Since the usage characteristics for individual dwelling units within multi-family structures are generally consistent with those of individually metered single-family households, it is common industry practice for such connections to be represented on a per-unit basis regardless of the size of the master-metered connection. As such, the capacity fees for new multi-family connections can be applied based on the number of permitted dwelling units (or factor thereof). The resulting number of equivalent units is then multiplied times the capacity fee per ERU to determine the total capacity fees to be collected.

COMPARISON WITH NEIGHBORING UTILITIES

In order to provide the City with additional insight regarding the development and application of capacity fees and other similar charges, a comparison has been included to show the level of such fees as imposed by several other utility systems in South Carolina. The comparison shows the capacity-related fees for new residential water and wastewater connections that receive service (from the subject utility or other local provider) through a standard 5/8 x 3/4-inch water meter (representative of 1 ERU) calculated under the proposed fees of the City, and those of the other utilities. The fees utilized for the other utility systems are based on fee schedules in effect as of July 2023 and are exclusive of taxes, surcharges for outside City service, or other customer service-related fees applied to new system connections (i.e., tap fees, application fees, inspection fees, etc.). The comparison with other utility systems is summarized in **Exhibit 7**.

It should be noted that, when making comparisons for new water and wastewater service fees, several factors have an effect on the level of the fees and charges. Such factors may include the following:

1. The level of treatment required before the distribution of water to the customers;
2. The level of treatment and effluent disposal methods required for wastewater service;
3. Capacity utilization, age of facilities, anticipated capital improvements program and capital financing methods (i.e., funding from grants, bond indebtedness, developer contributions, capital reserves, etc.); and
4. The extent of capital recovery from the applied fees (i.e., all or a portion of the capital costs).

For utilities included in the comparison, no analysis has been performed with consideration to the aforementioned factors as they relate to the water and wastewater capacity fees proposed herein.

GENERAL ASSUMPTIONS AND CONSIDERATIONS

In preparation of this Report, certain information has been used and relied upon that was provided by other entities. Such information includes, but is not limited to, audited financial statements, annual operating budgets, capital information, asset listings, cost data, system capacities, fee schedules for other utilities, and other information provided during the study. While the sources and applicable information are believed to be reliable, no independent verification of the information has been made and no assurances are offered with respect to the accuracy of the applicable information. To the extent that information used to develop the assumptions applied in the Report differs from actual results, the analyses developed herein could be impacted accordingly.

CONCLUSIONS

This study has found a need for the City to establish a mechanism for recovering the capital costs associated with system growth and expansion. Based on the reviews, analyses and assumptions provided herein, it is concluded that:

1. The application of capital recovery fees for new system connections has become more common in South Carolina. As growth continues to impact the region, and as state and federal funding programs are reduced or eliminated, it is prudent management practice to apply mechanisms to recover capital costs incurred by the utility for making service available to future customers.
2. The South Carolina Supreme Court and the State Legislature have found that it is fair and reasonable to require new customers to bear a portion of the costs of future expansions their presence will demand. In addition, the Court and State have each established certain criteria for capacity-related fees. To the extent that these criteria are satisfied, capacity-related fees are assumed to be equitable and appropriate. It should be noted that Willdan is not qualified or attempting to issue a legal opinion regarding the Court proceedings. The summary discussion of the Court ruling is intended for informational purposes only. Any questions regarding the legal consideration provided herein should be directed to the City's legal counsel.
3. The capacity fees developed herein are equitable and provide for reasonable recovery of the capital costs associated with providing service to new customers. Since the City has developed a capital improvement plan and has commissioned this Report, the proposed capacity fees satisfy the first and second requirement of S.C. Code Ann. Section 6-1-1080. Since it is anticipated that the proposed capacity fees will be enacted in accordance with standard approval and public hearing procedures, the third and final requirement is assumed to be satisfied.
4. The proposed capacity fees are based on a listing of the existing system assets as provided by the City, as well as the 10-year capital plan developed by the City.
5. The water and wastewater LOS standards applied herein for establishing an ERU basis are consistent with common industry standards and capacity requirements defined by DHEC.
6. The City currently imposes administrative and connect-related for new customer connections. The capacity fees developed herein are intended to be charged in addition to the existing connection-related charges. The analysis developed herein assumes that the existing charges sufficiently recover the labor and material costs incurred for performing these services.

7. The proposed capacity fees are intended to be applied equally to comparable customers whether they are located inside or outside the incorporated City limits. The rationale for this methodology is that, while operating costs may increase for providing service outside of the City limits, the capital costs per gallon of capacity for major system facilities do not typically differ based on the location of the customer.

RECOMMENDATIONS

Based on the reviews, analyses and assumptions discussed herein, as well as the resulting conclusions provided above, it is respectfully recommended that the City:

1. Adopt the proposed capacity fees, fee structure and application methodology as developed in the Report;
2. Enact the proposed capacity fees to become effective on November 1, 2023, or other such date as determined appropriate by the City Council; and
3. Readdress the capacity fees at such time as future capital budgets are developed or additional capital costs are incurred, which may result in material adjustments to the capacity fees as adopted.

We appreciate the opportunity to be of service to the City in this matter. In addition, we would like to thank you and the other members of the City staff for the valuable assistance and cooperation provided during the preparation of the Report. We look forward to collaborating with you on future projects and continuing a successful professional relationship.

Respectfully Yours,

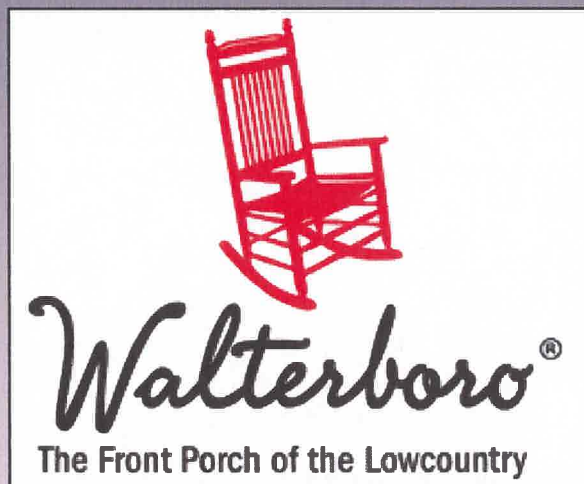
WILLDAN FINANCIAL SERVICES.

A handwritten signature in blue ink that reads 'Daryll B. Parker'.

Daryll B. Parker
Principal Consultant

EXHIBITS 1 - 7

SUPPORTING OUTPUT FOR THE WATER & WASTEWATER CAPACITY FEE STUDY



WATER & WASTEWATER CAPACITY FEE STUDY FOR
THE CITY OF WALTERBORO, SOUTH CAROLINA

Prepared by Willdan Financial Services



Exhibit 1
Capacity Fee Analysis
Existing Capital Costs Recoverable From Capacity Fees
Water & Wastewater Systems

Line	Description	Original Cost	Replacement Cost New	Accumulated Depreciation	RCNLD
WATER ASSETS					
Total Assets by Category:					
1	Buildings & Improvements	\$ 152,756	\$ 152,756	\$ (140,958)	\$ 11,798
2	CIP	1,838,052	2,172,653	0	2,172,653
3	Furniture & Equipment	609,215	759,706	(636,632)	123,074
4	Land	22,387	22,387	0	22,387
5	ROU Equipment	310,071	310,071	(91,922)	218,149
6	Sewer System	0	0	0	0
7	Vehicles	628,447	628,447	(463,876)	164,571
8	Water System	19,343,819	51,268,068	(22,879,914)	28,388,154
9	Total	\$ 22,904,747	\$ 55,314,088	\$ (24,213,302)	\$ 31,100,786
Adjusted For Assumed Cost Limit (\$):					
10	Buildings & Improvements	\$ 111,785	\$ 111,785	\$ (111,785)	\$ 0
11	CIP	1,754,401	2,060,369	0	2,060,369
12	Furniture & Equipment	0	0	0	0
13	Land	0	0	0	0
14	ROU Equipment	0	0	0	0
15	Sewer System	0	0	0	0
16	Vehicles	0	0	0	0
17	Water System	17,917,285	46,502,788	(19,937,817)	26,564,971
18	Total	\$ 19,783,471	\$ 48,674,942	\$ (20,049,602)	\$ 28,625,340
WASTEWATER ASSETS					
Total Assets by Category:					
19	Buildings & Improvements	\$ 152,756	\$ 152,756	\$ (140,958)	\$ 11,798
20	CIP	1,702,122	1,919,385	0	1,919,385
21	Furniture & Equipment	685,375	739,618	(494,283)	245,335
22	Land	22,387	22,387	0	22,387
23	ROU Equipment	310,071	310,071	(91,922)	218,149
24	Sewer System	21,472,702	67,535,375	(42,370,752)	25,164,623
25	Vehicles	628,447	628,447	(463,876)	164,571
26	Water System	0	0	0	0
27	Total	\$ 24,973,860	\$ 71,308,039	\$ (43,561,791)	\$ 27,746,248

Exhibit 1
Capacity Fee Analysis
Existing Capital Costs Recoverable From Capacity Fees
Water & Wastewater Systems

Line	Description	Original Cost	Replacement Cost New	Accumulated Depreciation	RCNLD
Adjusted For Assumed Cost Limit (\$):					
28	Buildings & Improvements	\$ 111,785	\$ 111,785	\$ (111,785)	\$ 0
29	CIP	1,686,947	1,897,988	0	1,897,988
30	Furniture & Equipment	114,553	124,863	(2,602)	122,261
31	Land	0	0	0	0
32	ROU Equipment	0	0	0	0
33	Sewer System	21,165,465	66,915,126	(42,054,215)	24,860,911
34	Vehicles	0	0	0	0
35	Water System	0	0	0	0
36	Total	\$ 23,078,750	\$ 69,049,762	\$ (42,168,602)	\$ 26,881,160
COMBINED ASSETS					
Total Assets by Category:					
33	Buildings & Improvements	\$ 305,512	\$ 305,512	\$ (281,916)	\$ 23,596
34	CIP	3,540,174	4,092,038	0	4,092,038
35	Furniture & Equipment	1,294,590	1,499,324	(1,130,915)	368,409
36	Land	44,774	44,774	0	44,774
37	ROU Equipment	620,142	620,142	(183,844)	436,298
38	Sewer System	21,472,702	67,535,375	(42,370,752)	25,164,623
39	Vehicles	1,256,894	1,256,894	(927,752)	329,142
40	Water System	19,343,819	51,268,068	(22,879,914)	28,388,154
41	Total	\$ 47,878,607	\$126,622,127	\$ (67,775,093)	\$ 58,847,034
Adjusted For Assumed Cost Limit (\$):					
42	Buildings & Improvements	\$ 223,570	\$ 223,570	\$ (223,570)	\$ 0
43	CIP	3,441,348	3,958,357	0	3,958,357
44	Furniture & Equipment	114,553	124,863	(2,602)	122,261
45	Land	0	0	0	0
46	ROU Equipment	0	0	0	0
47	Sewer System	21,165,465	66,915,126	(42,054,215)	24,860,911
48	Vehicles	0	0	0	0
49	Water System	17,917,285	46,502,788	(19,937,817)	26,564,971
50	Total	\$ 42,862,221	\$117,724,704	\$ (62,218,204)	\$ 55,506,500

Exhibit 1
Capacity Fee Analysis
Existing Capital Costs Recoverable From Capacity Fees
Water & Wastewater Systems

Line	Description	Original Cost	Replacement Cost New	Accumulated Depreciation	RCNLD
Recoverable Allocation - Water (%):					
51	Buildings & Improvements				0%
52	CIP				0%
53	Furniture & Equipment				0%
54	Land				100%
55	ROU Equipment				0%
56	Sewer System				100%
57	Vehicles				0%
58	Water System				100%
Recoverable Allocation - Wastewater (%):					
57	Buildings & Improvements				0%
58	CIP				0%
59	Furniture & Equipment				0%
60	Land				100%
61	ROU Equipment				0%
62	Sewer System				100%
63	Vehicles				0%
64	Water System				100%
System Allocation - Water (\$):					
63	Buildings & Improvements			\$	0
64	CIP				0
65	Furniture & Equipment				0
66	Land				0
67	ROU Equipment				0
68	Sewer System				0
69	Vehicles				0
70	Water System				26,564,971
71	Total			\$	26,564,971
System Allocation - Wastewater (\$):					
72	Buildings & Improvements			\$	0
73	CIP				0
74	Furniture & Equipment				0
75	Land				0
76	ROU Equipment				0
77	Sewer System				24,860,911
78	Vehicles				0
79	Water System				0
80	Total			\$	24,860,911
81	Grand Total Recoverable Assets				\$ 51,425,882

Exhibit 1
Capacity Fee Analysis
Existing Capital Costs Recoverable From Capacity Fees
Water & Wastewater Systems

Line	Description	Original Cost	Replacement Cost New	Accumulated Depreciation	RCNLD
COMPONENT ALLOCATION					
Total Recoverable Water Facilities:					
82	Treatment Facilities			16.95%	\$ 4,501,566
83	Transmission Facilities			83.05%	22,063,405
84	Total			100.00%	\$ 26,564,971
Total Recoverable Wastewater Facilities:					
85	Treatment Facilities			37.48%	\$ 9,317,957
86	Transmission Facilities			62.52%	15,542,954
87	Total			100.00%	\$ 24,860,911
Combined Recoverable Facilities:					
88	Treatment Facilities			26.87%	\$ 13,819,523
89	Transmission Facilities			73.13%	37,606,359
	Total			100.00%	\$ 51,425,882
COMPARISON TO TOTAL					
90	Total Utility Assets				\$ 58,847,034
91	Combined Recoverable Assets				\$ 51,425,882
Difference (Assets Excluded From Recovery):					
92	Excluded From Recovery (\$)				\$ 7,421,152
93	Excluded From Recovery (%)				12.61%
DEBT SERVICE CREDIT					
94	Outstanding Debt Principal				\$ 9,111,082
Allocation Percentage:					
95	Water			0.00%	
96	Wastewater			100.00%	
Allocated Debt Service Credit:					
97	Water				\$ 0
98	Wastewater				9,111,082
99	Total				\$ 9,111,082
Component Allocation - Water:					
100	Treatment Facilities			0.00%	\$ 0
101	Transmission Facilities			100.00%	0
102	Total			100.00%	\$ 0
Component Allocation - Wastewater:					
103	Treatment Facilities			37.48%	\$ 3,414,866
104	Transmission Facilities			62.52%	5,696,216
105	Total			100.00%	\$ 9,111,082

Exhibit 2

Capacity Fee Analysis

Capital Improvement Program for FY 2024 - FY 2033

Water & Wastewater Systems

Line	Description	Total	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
1	Pickup truck(s)	\$ 407,000	\$ 32,000	80,000	35,000	35,000	36,500	36,500	37,000	37,000	39,000	39,000
2	Service truck w/utility body	145,000	70,000	0	0	0	75,000	0	0	0	0	0
3	Atlas compressor	32,000	0	0	0	0	0	0	0	0	0	32,000
4	Armory Well Rehab	0	0	0	0	0	0	0	0	0	0	0
5	(2) Pickup trucks	0	0	0	0	0	0	0	0	0	0	0
6	Asphalt roller w/trailer	60,000	60,000	0	0	0	0	0	0	0	0	0
7	Dump Truck	130,000	0	130,000	0	0	0	0	0	0	0	0
8	Backhoe	100,000	0	0	100,000	0	0	0	0	0	0	0
9	Trencher	75,000	0	0	0	75,000	0	0	0	0	0	0
10	Mini Excavator	70,000	0	0	0	0	0	0	0	70,000	0	0
11	Lawnmower	30,000	0	15,000	0	0	15,000	0	0	0	0	0
12	Pickup truck	182,500	0	35,000	0	35,000	0	36,500	0	37,000	0	39,000
13	SBR tank cleanout	0	0	0	0	0	0	0	0	0	0	0
14	SBR pipe replacement	0	0	0	0	0	0	0	0	0	0	0
15	Dump truck	140,000	0	0	0	0	0	0	0	140,000	0	0
16	Beaver Liftstation demolition	45,000	0	45,000	0	0	0	0	0	0	0	0
17	Wellston Force Main relocation	55,000	0	55,000	0	0	0	0	0	0	0	0
18	Tractor	50,000	0	0	50,000	0	0	0	0	0	0	0
19	Service truck w/crane body	125,000	0	0	0	0	0	0	0	125,000	0	0
20	Crewcab pickup	40,000	0	40,000	0	0	0	0	0	0	0	0
21	Pickup truck	329,500	0	35,000	35,000	35,000	36,500	36,500	36,500	37,000	39,000	39,000
22	Vacuum trailer	0	0	0	0	0	0	0	0	0	0	0
23	Wastewater Treatment Plant Expansion	38,454,908	38,454,908	0	0	0	0	0	0	0	0	0
24	Black Street Sub Basin 12	0	0	0	0	0	0	0	0	0	0	0
25	Sub System 1 East and 3	1,000,000	1,000,000	0	0	0	0	0	0	0	0	0
26	WWTP trunk line - Washington St	3,692,178	0	3,692,178	0	0	0	0	0	0	0	0
27	WWTP generator	1,703,850	1,703,850	0	0	0	0	0	0	0	0	0
28	Total Water & Wastewater CIP	\$46,866,936	\$41,320,758	\$ 4,127,178	\$ 220,000	\$ 180,000	\$ 163,000	\$ 109,500	\$ 73,500	\$ 446,000	\$ 78,000	\$ 149,000

Exhibit 3
Capacity Fee Analysis
Allocation of Capital Improvements Program
Water and Wastewater Systems

Line	Description	System Allocation		Total	Percentage Allocation ⁽¹⁾			Allocation Amount		
		System	Project Type		Expand/ Upgrade	R&R	Other	Expand/ Upgrade	R&R	Other
SYSTEM PROJECTS										
1	Pickup truck(s)	W/S	Other	\$ 407,000	0.00%	0.00%	100.00%	\$ 0	\$ 0	\$ 407,000
2	Service truck w/utility body	W/S	Other	145,000	0.00%	0.00%	100.00%	0	0	145,000
3	Atlas compressor	W/S	Other	32,000	0.00%	0.00%	100.00%	0	0	32,000
4	Armory Well Rehab	Water	Treatment	0	0.00%	100.00%	0.00%	0	0	0
5	(2) Pickup trucks	W/S	Other	0	0.00%	0.00%	100.00%	0	0	0
6	Asphalt roller w/trailer	W/S	Other	60,000	0.00%	0.00%	100.00%	0	0	60,000
7	Dump Truck	W/S	Other	130,000	0.00%	0.00%	100.00%	0	0	130,000
8	Backhoe	W/S	Other	100,000	0.00%	0.00%	100.00%	0	0	100,000
9	Trencher	W/S	Other	75,000	0.00%	0.00%	100.00%	0	0	75,000
10	Mini Excavator	W/S	Other	70,000	0.00%	0.00%	100.00%	0	0	70,000
11	Lawnmower	W/S	Other	30,000	0.00%	0.00%	100.00%	0	0	30,000
12	Pickup truck	W/S	Other	182,500	0.00%	0.00%	100.00%	0	0	182,500
13	SBR tank cleanout	Sewer	Treatment	0	100.00%	0.00%	0.00%	0	0	0
14	SBR pipe replacement	Sewer	Transmission	0	100.00%	0.00%	0.00%	0	0	0
15	Dump truck	W/S	Other	140,000	0.00%	0.00%	100.00%	0	0	140,000
16	Beaver Liftstation demolition	Sewer	Transmission	45,000	0.00%	100.00%	0.00%	0	45,000	0
17	Wellston Force Main relocation	Sewer	Transmission	55,000	0.00%	100.00%	0.00%	0	55,000	0
18	Tractor	W/S	Other	50,000	0.00%	0.00%	100.00%	0	0	50,000
19	Service truck w/crane body	W/S	Other	125,000	0.00%	0.00%	100.00%	0	0	125,000
20	Crewcab pickup	W/S	Other	40,000	0.00%	0.00%	100.00%	0	0	40,000
21	Pickup truck	W/S	Other	329,500	0.00%	0.00%	100.00%	0	0	329,500
22	Vacuum trailer	W/S	Other	0	0.00%	0.00%	100.00%	0	0	0
23	WWTP Expansion	Sewer	Treatment	38,454,908	36.35%	0.00%	63.65%	13,980,000	0	24,474,908
24	Black Street Sub Basin 12	Water	Transmission	0	0.00%	0.00%	100.00%	0	0	0
25	Sub System 1East and 3	Sewer	Transmission	1,000,000	73.15%	0.00%	26.85%	731,502	0	268,498
26	WWTP trunk line - Washington St	Sewer	Transmission	3,692,178	34.58%	0.00%	65.42%	1,276,808	0	2,415,370
27	WWTP generator	Sewer	Treatment	1,703,850	30.23%	0.00%	69.77%	515,000	0	1,188,850
28	Total - All Capital Projects			\$ 46,866,936				\$ 16,503,310	\$ 100,000	\$ 30,263,626

Exhibit 3
Capacity Fee Analysis
Allocation of Capital Improvements Program
Water and Wastewater Systems

Line	Description	System Allocation		Total	Percentage Allocation ⁽¹⁾			Allocation Amount		
		System	Project Type		Expand/ Upgrade	R&R	Other	Expand/ Upgrade	R&R	Other
ALLOCATION OF PROJECTS										
Water:										
29	Treatment Projects			\$ 0			\$ 0	\$ 0	\$ 0	
30	Transmission Projects			0			0	0	0	
31	Other Projects			958,000			0	0	0	958,000
32	Total			\$ 958,000			\$ 0	\$ 0	\$ 0	\$ 958,000
Wastewater:										
33	Treatment Projects			\$ 40,158,758			\$ 14,495,000	\$ 0	\$ 25,663,758	
34	Transmission Projects			4,792,178			2,008,310	100,000	2,683,868	
35	Other Projects			958,000			0	0	0	958,000
36	Total			\$ 45,908,936			\$ 16,503,310	\$ 100,000	\$ 29,305,626	
Combined:										
37	Treatment Projects			\$ 40,158,758			\$ 14,495,000	\$ 0	\$ 25,663,758	
38	Transmission Projects			4,792,178			2,008,310	100,000	2,683,868	
39	Other Projects			1,916,000			0	0	1,916,000	
40	Grand Total			\$ 46,866,936			\$ 16,503,310	\$ 100,000	\$ 30,263,626	

Notes:

- (1) The capital costs are allocated in order to determine the costs that are recoverable from a capacity-related fee. The costs allocated as expansion and/or upgrade projects are assumed to be recoverable from such fees. All other capital costs are assumed to either be maintenance-related (R&R) projects or localized projects that do not provide system-wide capacity benefits.

Exhibit 4
Capacity Fee Analysis
Calculation of Capacity Fee Per ERU
Water System

Line	Description	Total
Recoverable Capital Facilities		
Existing Facilities:		
1	Treatment Facilities	\$ 4,501,566
2	Transmission Facilities	22,063,405
3	Subtotal	\$ 26,564,971 ⁽¹⁾
Less Debt Service Principal:		
4	Treatment Facilities	\$ 0
5	Transmission Facilities	0
6	Subtotal	\$ 0 ⁽²⁾
Net Recoverable Existing Facilities:		
7	Treatment Facilities	\$ 4,501,566
8	Transmission Facilities	22,063,405
9	Total	\$ 26,564,971
Capital Improvement Program:		
10	Treatment Facilities	\$ 0
11	Transmission Facilities	0
12	Subtotal	\$ 0
Net Capital Costs:		
13	Treatment Facilities	\$ 4,501,566
14	Transmission Facilities	22,063,405
15	Net Recoverable Costs	\$ 26,564,971
Available System Capacity (MGD)		
Water Capacity:		
16	Groundwater Withdrawl Permit	2.132 ⁽³⁾
17	Added CIP Capacity	0.000
18	Combined Capacity (MGD)	2.132
Capacity Adjustment:		
19	Unaccounted-For Water Capacity Adjustment	15.0%
20	Estimated Treatment Capacity	1.812 ⁽⁴⁾
Estimated Transmission System Capacity:		
21	Daily Water Capacity	2.132
22	Assumed Transmission Capacity Factor	2.00
23	Unaccounted-For Water Capacity Adjustment	15.0%
24	Estimated Transmission Capacity	3.624 ⁽⁵⁾

9/28/2023

Exhibit 4
Capacity Fee Analysis
Calculation of Capacity Fee Per ERU
Water System

Line	Description	Total
Estimated Cost Per Gallon of Capacity		
<u>Estimated Cost Per Gallon of Capacity:</u>		
25	Treatment (\$/Gallon)	\$ 2.48
26	Transmission (\$/Gallon)	6.09
27	Total Cost Per Gallon of Capacity	\$ 8.57
28	Assumed Standard Level of Service Per ERU (GPD of Capacity)	300 ⁽⁶⁾
Calculation of Proposed Fee Per ERU		
<u>Calculation of SDF Per ERU:</u>		
29	Treatment Facilities	\$ 744
30	Transmission Facilities	1,827
31	Combined Cost	\$ 2,571
<u>Adjusted Fee - Treatment:</u>		
32	Calculated Fee Per ERU	\$ 744
33	Less Rounding Adjustment	(4)
34	Adjusted Fee	\$ 740
<u>Credit Adjusted Fee - Transmission:</u>		
35	Calculated Fee Per ERU	\$ 1,827
36	Less Rounding Adjustment	(7)
37	Adjusted Fee	\$ 1,820
<u>Proposed SDF Per ERU (Rounded):</u>		
38	Treatment Facilities	\$ 740
39	Transmission Facilities	1,820
40	Combined Cost	\$ 2,560

Exhibit 4
Capacity Fee Analysis
Calculation of Capacity Fee Per ERU
Water System

Line	Description	Total
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Notes:

- (1) See **Exhibit 1** for the development of existing asset costs identified for capital recovery.
- (2) In an effort to account for the facility costs that may be recovered from user rates as part of the normal budgetary process, a debt service credit is applied to the applicable fee calculation. The credit is equal to outstanding principal amount on existing utility-related debt as reported in the most recent audited financial report. The principal balance is allocated between water and wastewater as provided in **Exhibit 1**.
- (3) The City's Groundwater Withdrawal Permit allows for 778.3 million gallons per year. There are a total of 13 wells. Only 9 are active with the remainder listed as "emergency".
- (4) An adjustment is made for assumed unaccounted-for water flows (e.g. line losses) in the system. For the purpose of this analysis, the line-loss factor is assumed to be 15%.
- (5) It is assumed that the transmission facilities are capable of providing average water flow of 2.0 times the permitted water withdrawal capacity. In addition, similar to the methodology utilized for available water, an adjustment is made for unaccounted-for water assuming losses of 15%.
- (6) The fees are to be applied on an equivalent residential unit (ERU) basis such that 1 ERU is equal to the estimated capacity requirements for a typical single family residential connection with a 5/8-inch X 3/4-inch water meter. The level of service assumption applied in this analysis is in accordance with standard hydraulic requirements established by South Carolina Department of Health and Environmental Control Regulation Sections 61-67, Appendix A. Although the DHEC Regulation is developed to establish standards for general and technical design requirements for wastewater treatment facilities, the hydraulic/flow standards are used to develop applicable equivalency factors that can be applied for purposes of both water and wastewater.

Exhibit 5
Capacity Fee Analysis
Calculation of Capacity Fee Per ERU
Wastewater System

Line	Description	Total
Recoverable Capital Facilities		
Existing Facilities:		
1	Treatment Facilities	\$ 9,317,957
2	Transmission Facilities	15,542,954
3	Subtotal	\$ 24,860,911 ⁽¹⁾
Less Debt Service Principal:		
4	Treatment Facilities	\$ (3,414,866)
5	Transmission Facilities	(5,696,216)
6	Subtotal	\$ (9,111,082) ⁽²⁾
Net Recoverable Existing Facilities:		
7	Treatment Facilities	\$ 5,903,091
8	Transmission Facilities	9,846,738
9	Total	\$ 15,749,829
Capital Improvement Program:		
10	Treatment Facilities	\$ 14,495,000
11	Transmission Facilities	2,008,310
12	Subtotal	\$ 16,503,310
Net Capital Costs:		
13	Treatment Facilities	\$ 20,398,091
14	Transmission Facilities	11,855,048
15	Net Recoverable Costs	\$ 32,253,139
Available System Capacity (MGD)		
<u>Daily Treatment Capacity (MGD):</u>		
16	Wastewater Treatment Plant	2.640
17	Added WWTP Expansion CIP Capacity	2.985
18	Combined Capacity of Wastewater Treatment Facilities (MGD)	5.625
<u>Average Day Capacity Adjustment:</u>		
19	I&I Capacity Adjustment	30.0%
20	Adjusted Average Day Treatment Capacity	3.938 ⁽³⁾
<u>Estimated Transmission System Capacity:</u>		
21	Maximum Daily Treatment Capacity	5.625
22	Assumed Transmission Capacity Factor	1.00
23	I&I Capacity Adjustment	30.0%
24	Estimated Transmission Capacity	3.938 ⁽⁴⁾

9/28/2023

Exhibit 5
Capacity Fee Analysis
Calculation of Capacity Fee Per ERU
Wastewater System

Line	Description	Total
Estimated Cost Per Gallon of Capacity		
<u>Estimated Cost Per Gallon of Capacity:</u>		
25	Treatment (\$/Gallon)	\$ 5.18
26	Transmission (\$/Gallon)	3.01
27	Total Cost Per Gallon of Capacity	\$ 8.19
28	Assumed Standard Level of Service Per ERU (GPD of Capacity)	300 ⁽⁵⁾
Calculation of Proposed Fee Per ERU		
<u>Calculation of SDF Per ERU:</u>		
29	Treatment Facilities	\$ 1,554
30	Transmission Facilities	903
31	Combined Cost	\$ 2,457
<u>Adjusted Fee - Treatment:</u>		
32	Calculated Fee Per ERU	\$ 1,554
33	Less Rounding Adjustment	(4)
34	Adjusted Fee	\$ 1,550
<u>Credit Adjusted Fee - Transmission:</u>		
35	Calculated Fee Per ERU	\$ 903
36	Less Rounding Adjustment	(3)
37	Adjusted Fee	\$ 900
<u>Proposed SDF Per ERU (Rounded):</u>		
38	Treatment Facilities	\$ 1,550
39	Transmission Facilities	900
40	Combined Cost	\$ 2,450

Exhibit 5
Capacity Fee Analysis
Calculation of Capacity Fee Per ERU
Wastewater System

Line	Description	Total
------	-------------	-------

Notes:

- (1) See Exhibit 1 for the development of existing asset costs identified for capital recovery.
- (2) In an effort to account for the facility costs that may be recovered from user rates as part of the normal budgetary process, a debt service credit is applied to the applicable fee calculation. The credit is equal to outstanding principal amount on existing utility-related debt as reported in the most recent audited financial report. The principal balance is allocated between water and wastewater as provided in Exhibit 1.
- (3) Similar to the line loss adjustment for water, the wastewater system capacity is reduced by the impacts of system inflow and infiltration (I&I). The assumed I&I adjustment is based on discussions with staff.
- (4) It is assumed that the wastewater trunk lines and pumping facilities are designed to provide capacity equal to the permitted plant flow capacity.
- (5) The fees are to be applied on an equivalent residential unit (ERU) basis such that 1 ERU is equal to the estimated capacity requirements for a typical single family residential connection with a 5/8-inch X 3/4-inch water meter. The level of service assumption applied in this analysis is in accordance with standard hydraulic requirements established by South Carolina Department of Health and Environmental Control Regulation Sections 61-67, Appendix A.

Exhibit 6
Capacity Fee Analysis
Summary of Proposed Capacity Fees
Water & Wastewater Systems

Line	Description	Meter-Based ERU Factor	Fees by System		Combined Fee
			Water	Sewer	

PROPOSED FEES

(1)

Meter Size:

1	5/8 x 3/4 Inch	1.00	\$ 2,560	\$ 2,450	\$ 5,010
2	1.0 Inch	2.50	\$ 6,400	\$ 6,125	\$ 12,525
3	1.5 Inch	5.00	\$ 12,800	\$ 12,250	\$ 25,050
4	2.0 Inch	8.00	\$ 20,480	\$ 19,600	\$ 40,080
5	3.0 Inch	16.00	\$ 40,960	\$ 39,200	\$ 80,160
6	4.0 Inch	25.00	\$ 64,000	\$ 61,250	\$ 125,250
7	6.0 Inch	50.00	\$ 128,000	\$ 122,500	\$ 250,500
8	8.0 Inch	80.00	\$ 204,800	\$ 196,000	\$ 400,800

OPTIONAL ACTUAL FLOW BASIS

(2)

Charge Per Gallon of Capacity (GPD):

9	Treatment Facilities	\$ 2.48	\$ 5.18	\$ 7.66
10	Transmission Facilities	6.09	3.01	9.10
11	Cost Per GPD	\$ 8.57	\$ 8.19	\$ 16.76

Notes:

- (1) The proposed capacity fees are based on the calculated fee per ERU as applied to the respective ERU factor. The proposed ERU factors for the capacity fees are based on meter equivalency factors established by the AWWA.
- (2) In situations where the application of the meter-based fees will result in the collection of fees significantly different than the potential demand requirement, a special fee calculation methodology may be applied based on the unit cost of capacity and the estimated daily capacity needs of the new service connection. The estimated capacity needs will be based on the amount determined by the utility's engineering staff to be appropriate.

Exhibit 7
Capacity Fee Analysis
Comparison With Other Utility Systems
Water & Wastewater Systems

Line	Description	Water	Wastewater	Combined
<u>City of Walterboro, SC:</u>				
1	Existing Fee Per ERU	\$ 0	\$ 0	\$ 0
2	Proposed Fee Per ERU	\$ 2,560	\$ 2,450	\$ 5,010
<u>Other Utilities:</u>				
		(1)		
3	Orangeburg	\$ 300	\$ 350	\$ 650
4	Santee	\$ 1,010	\$ 1,872	\$ 2,882
5	Ridgeland	\$ 759	\$ 2,025	\$ 2,784
6	York County	\$ 1,725	\$ 2,000	\$ 3,725
7	Goose Creek	(2) \$ 1,500	\$ 2,850	\$ 4,350
8	Berkeley County Water & Sanitation (BCWS)	\$ 2,200	\$ 2,850	\$ 5,050
9	Dorchester County	\$ 2,200	\$ 3,500	\$ 5,700
10	Beaufort - Jasper WSA	\$ 1,996	\$ 4,884	\$ 6,880
11	Charleston Water System	\$ 3,715	\$ 4,260	\$ 7,975
12	Average of Other Utilities	\$ 1,712	\$ 2,732	\$ 4,444

Notes:

- (1) Developed from fee information made available by the other utilities included. This study has attempted to ensure that fees included for comparison are applicable capital recovery fees consistent with the intent of the proposed fees developed herein. However, due to differences in terminology, fee structure and method of applying fees, such a direct comparison is often difficult to establish.
- (2) Water service is provided by the City and wastewater service is provided by BCWS.

Exhibit C

Notice of Public Hearings

The City Council of the City of Walterboro (the “Council”), the governing body of the City of Walterboro, South Carolina (the “City”), has determined that it may be in the interest of the City to impose capacity fees benefiting the City’s waterworks and sewer system (the “Capacity Fees”) and enact a corresponding amendment to the City’s enterprise fund budget (the “Budget Amendment”) for the 2023-24 fiscal year, including the removal of certain codified utility fees in Appendix B of the City’s code of ordinances.

Pursuant to Section 6-1-330(A) of the Code of Laws of South Carolina 1976, as amended (the “SC Code”) and Section 6-1-80 of the SC Code, the Council has ordered two separate public hearings to be held regarding (1) whether to impose the Capacity Fees in accordance with the provisions of Title 6, Chapter 1 of the SC Code (the “Capacity Fee Hearing”), and (2) whether to enact the Budget Amendment (the “Budget Amendment Hearing” and together with the Capacity Fee Hearing, the “Public Hearings”).

The Public Hearings will be held in the City Hall, located at 242 Hampton Street, Walterboro, South Carolina 29488, on Tuesday, November 14, 2023. The Capacity Fee Hearing will begin at 6:15p.m. (or as soon thereafter as possible) and the Budget Amendment Hearing will begin as soon as practicable after the conclusion of the Capacity Fee Hearing. The aforesaid Public Hearings shall be conducted publicly and both proponents and opponents of the proposed actions shall be given full opportunity to be heard in person or by counsel.

A schedule of the Capacity Fees is included in “AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY’S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO” (the “Ordinance”). Copies of the Ordinance are available for pick up at City Hall, which is located at 242 Hampton Street, Walterboro, South Carolina 29488, during regular business hours.

The proposed Budget Amendment does not result in any change to the tax millage rate as no taxes are directly levied or collected for the City’s waterworks and sewer system. The current operating budget for the water and sewer enterprise fund for fiscal year 2023-24 and the proposed Budget Amendment for fiscal year 2023-24 are as follows:

<u>Source</u>	<u>FY 2023-2024 Approved</u>	<u>FY 2023-2024 Proposed Amended</u>	<u>Percentage Increase</u>
Revenues	\$ 4,876,324	\$ 5,026,624	3.08%
Expenditures	\$ 5,026,624	\$ 5,026,624	0.00%

Following the Public Hearings, the Council will consider the enactment of the Ordinance, the provisions of which impose the Capacity Fees and implement the Budget Amendment.

Downtown Merchants

09/25/2023

Washington Street
Walterboro SC 29488

Council Members:

We request that the council add to the October Agenda, the topic of continuing the 1st Thursday activities through the 2024 calendar year with a continuation of same terms that have been approved for 2023. We wish to continue the street closure and events as in the past with an expectation of substantial growth.

We have, as a group, accelerated our efforts and our investment in Marketing and Planning to stimulate the community's utilization of our downtown area. We hope that City Council will continue to support our efforts and will engage with us as we attempt to grow community interest in our downtown as a regular destination for Food, Shopping, Fun and Community. We expect this will align with the Main Street America goals to make our downtown a destination for both residents and visitors alike.

Thank you for your support.

Sincerely,

Mark Bradley, on behalf of downtown merchants and business owners.

843-599-1870

Jeffrey Molinari

From: Mark Bradley <bradley@lowcountry.com>
Sent: Thursday, September 28, 2023 4:54 PM
To: Jeffrey Molinari; Ryan McLeod
Cc: downtownenvy@gmail.com
Subject: RE: City Council Agenda Request

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Jeff,

Please add to the 1st Thursday item on the City Council agenda the issue of placing real estate signs advertising 1st Thursday during the week prior to each event.

Many thanks for the support.

Great chat today Ryan....thanks!!

From: Jeffrey Molinari <jmolinari@walterborosc.org>
Sent: Wednesday, September 27, 2023 8:36 AM
To: Mark Bradley <bradley@lowcountry.com>
Subject: RE: City Council Agenda Request

Mark,

I will place this request on Tuesday's agenda.

Jeff

From: Mark Bradley <bradley@lowcountry.com>
Sent: Tuesday, September 26, 2023 12:24 PM
To: Jeffrey Molinari <jmolinari@walterborosc.org>
Cc: Ladson Fishburne <lfishburne@walterborosc.org>; Bill Young <byoung@walterborosc.org>; gpryor@walterborosc.org; Paul Siegel <psiegel@walterborosc.org>; Carl Brown <cbrown@walterborosc.org>; Judy Bridge <jbridge@walterborosc.org>; James Broderick <jbroderick@walterborosc.org>
Subject: City Council Agenda Request
Importance: High

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Jeff,

Please see the attached letter requesting 1st Thursday topic addition to the October City Council Meeting Agenda. Thank you in advance.

Mark and Annette Bradley
Downtown Envy



HOME OF THE BRICE HERNDON DRAFT HORSE AND CARRIAGE COMPANY
1193 Bells Highway, Walterboro, South Carolina 29488

September 25, 2023

City of Walterboro
Mayor and City Council
Post Office Box 709
Walterboro, South Carolina 29488

Dear City Officials,

We are requesting to be placed on the City Council agenda for Tuesday, October 3, 2023. We wish to inform you about our proposed, holiday carriage tours which will be horse-drawn carriage rides in Walterboro, showcasing our beautiful homes on Hampton Street. We would like permission to operate in December, doing everything just as last year. Our proposed dates are December 19-23, 2023.

These carriage rides will last approximately 25 mins. We will utilize two of our large 10 passenger surreys which will be pulled by two draft horses each, as well as private carriages also pulled by a draft horse. We would like to request to set up and operate across from City Hall as we did last year, offering a family environment with Santa and sweet treats with the hopes of drawing folks to Walterboro. We will also, again this year host a contest for the homes along our route for best decorated.

Please also know, these horses are traffic safe and will need no consideration for blocking or stopping traffic in any areas. They are highly trained carriage horses and work daily in larger cities, such as Charleston and downtown Savannah, Georgia.

Yours truly,

Stephen Anthony Herndon
Brice Herndon Draft Horse and Carriage Company.

CITY OF WALTERBORO
PARADE/PROCESSION PERMIT REQUEST

(PLEASE PRINT INFORMATION REQUESTED)

Application Date: 9/26/23

1. Person submitting application: Brandon Russell / Justice Tabb
Address: 174 Mandy Avenue
Telephone: (843) 635-0935 (843) 908-0082
2. Name of Organization: Marching for MIA
Chairperson/President: Brandon Russell
Address: 174 Mandy Avenue 1007 miles Jamison Rd. SC 29485
Telephone: (843) 635-0935
3. Parade Chairman: _____
Address: _____
Telephone: _____
4. Date/Time of Parade: October 7th, 3:30 ~~4th, 11:30~~
5. Parade Route requested (Attach Sketch) Washington Street
6. Number of Vehicles/Floats: 0 Number of Animals: 0
7. Portion (width) of street parade will occupy: the whole street
8. Additional Information (Upon Request): _____


Signature/Parade Chairman


Signature/Organization Chairperson

X Approval _____ Disapproval


Police Chief

City Manager

NOTE: >>> Call Police Chief (782-1032) to confirm Parade/Procession Route three days prior to parade.



MEMORANDUM

TO: Mayor and City Council
FROM: City Manager
DATE: September 28, 2023
SUBJECT: Request to Purchase New Police Administrative Vehicle

The FY 2023-2024 Police Department budget allocated \$127,040 for the purchase of new police vehicles. I have attached a memo and supporting documentation from Police Chief, Wade Marvin to purchase a new police admin vehicle. The Police Department received three (3) bids and one (1) no bid:

<u>Vendor</u>	<u>Vehicle</u>	<u>Price</u>
Love Chevrolet (Columbia, SC)	2023 Chevy Tahoe PPV	\$39,898.00
Santee Automotive LLC (Manning, SC)	2023 Dodge Durango Admin	\$43,884.00
Santee Automotive LLC (Manning, SC)	2023 Dodge Durango Pursuit	\$44,045.00
Cooper Chevrolet/GMC (Walterboro, SC)	2023 Chevy Tahoe PPV	No bid

Staff is recommending purchasing a 2023 Chevy Tahoe PPV with pursuit package in the amount of **\$39,898.00** from Love Chevrolet (Columbia, SC). If you have any questions, comments, or concerns, please do not hesitate to contact me, or come by City Hall at your convenience.

Sincerely,

Jeffrey P. Molinari
City Manager

Attachments

WALTERBORO POLICE DEPARTMENT

WADE B. MARVIN

CHIEF

TEL. 843-549-1811

FAX 843-549-8583

police@walterborosc.org

CITY OF WALTERBORO

242 HAMPTON STREET • POST OFFICE BOX 709

Walterboro, South Carolina 29488



To: City Manager

From: Chief Marvin

Date: September 27, 2023

Ref.: Request to purchase a Police Patrol Vehicle

The following is a request for authorization by the Walterboro Police Department to purchase a Police Admin. vehicle. Based on the bids provided, I am recommending that we purchase the 2023 Chevrolet Tahoe PPV pursuit package from Love Chevrolet for 39,898.00.

<u>Vender</u>	<u>Vehicle</u>	<u>Price</u>
Cooper Chev\GMC	Chev. Tahoe PPV	No bid
Love Chev	Chev. Tahoe PPV	\$39,898.00
Santee Auto LLC	Durango Admin	\$43,884.00
Santee Auto LLC	Durango Pursuit	\$44,045.00

*Prices include sales tax



Wade Marvin, Chief of Police

Re: WPD vehicle bid

Larry Mitchell <larry@coopermotor.com>

Tue 9/26/2023 10:35 AM

To: Wade Marvin <mwade@walterborosc.org>

📎 1 attachments (5 KB)

Outlook-hdondz55.png;

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Wade sorry at this time I am unable to submit a bid I cannot get a Tahoe at this moment thanks for the inquiry

Cooper Chevrolet GMC

843-549-6363

Larry@coopermotor.com

www.cooperchevygmc.com



On Tue, Sep 26, 2023 at 10:23 AM Wade Marvin <mwade@walterborosc.org> wrote:

Good morning,

The Walterboro Police Department is requesting a bid on a 2023 Chevrolet Tahoe PPV Pursuit 2WD. We would like to include the 9C1 Police Pursuit package, 5.3L gas V8 engine, and cloth/vinyl interior.

Thanks for your consideration.

Wade B. Marvin, Chief of Police

Walterboro Police Department

242 Hampton Street

Walterboro, S.C. 29488

Phone: 843-782-1032

Email: wmarvin@walterborosc.org



LOVE CHEVROLET COMPANY

100 PARKRIDGE DR

Columbia, South Carolina 29212

803-794-9000 OR 803-794-9004

\$39,898.00

2023 CHEVROLET TAHOE PPV PURSUIT 2WD

EXTERIOR COLOR-BLACK ONLY

INTERIOR-EBONY CLOTH/VINYL

PRICING WITH BID ASSISTANCE FROM GM

9C1 POLICE PURSUIT PACKAGE

HEAVY DUTY AIR FILTER

250 AMP HIGH OUTPUT ALTERNATOR

BATTERY 850 CCA

HEAVY DUTY COOLING SYSTEM

760 CCA BATTERY-AUXILLARY

Z56 HEAVY DUTY POLICE RATED SUSPENSION

FRONT SKID PLATES

GVWR 7400 LBS

NO LUGGAGE RACK

SURVEILLANCE MODE INTERIOR LIGHTING CALIBRATION

5.3L GAS V8 ENGINE ENGINE

10 SPEED AUTOMATIC TRANSMISSION

A/C-CLIMATE CONTROL

TILT WHEEL, TELESCOPIC WHEEL AND CRUISE CONTROL

POWER WINDOWS AND DOOR LOCKS

POWER HEATED EXTERIOR MIRRORS

KEYLESS REMOTES (6)

KEYLESS ENTRY

KEYLESS PUSH BUTTON START

REAR WINDOW DEFOGGER- ELECTRIC

CLOTH FRONT BENCH 40/20/40 SEATS

POWER DRIVERS SIDE

FRONTAL AIR BAGS

SIDE IMPACT AND ROOF RAIL AIR BAGS

VINYL FLOOR COVERING

SECOND ROW VINYL SPLIT BENCH SEAT

NO THIRD ROW SEATING

LOCKING DIFFERENTIAL

CALIBRATION FOR TAIL LAMP FLASHER

FLASHER SYSTEM FOR HEADLAMP AND TAIL LAMP

WIRING FOR GRILLE LAMPS AND SPEAKER

WIRING FOR HORN AND SIREN CIRCUIT

WIRING FOR AUXILLARY SPEAKER

ENGINE OIL COOLER

TRANSMISSION COOLING SYSTEM

3:23 REAR AXLE

8" AM/FM STEREO RADIO TOUCHSCREEN

DRIVERS INFORMATION CENTER

BLUETOOTH CAPABLE

REAR VISION CAMERA

NO SPOTLIGHT

20" PAINTED BLACK STEEL WHEELS

20" BW FIREHAWK PURSUIT RATED TIRES 275/55R20

FRONT FASCIA HIGH APPROACH ANGLE

TRAILER HITCH AND WIRING

BLACK ASSIST STEPS

MANUAL REAR LIFTGATE

PRICING INCLUDES SC IMF AND DMV TEMP TAGS

NO ADDITIONAL ORDERS AVAILABLE FOR 2023 MODEL



ESTIMATE

Santee Automotive LLC
2601 Paxville Highway
Manning, South Carolina 29102
United States

Phone: 1-888-853-5338
Fax: 1-888-853-5338
info@santeefleet.com

BILL TO
Walterboro Police Department
Lieutenant Jesse Moon

(803)608-8166
jmoon@walterborosc.org

Estimate Number: 54

Estimate Date: September 26, 2023

Valid Until: October 26, 2023

Estimate Total (USD): \$43,884.00

Units	Quantity	Price	Amount
Dodge Durango Pursuit Admin Unit State Contract:4400029870 Dodge Durango Pursuit AWD V8 Hemi Engine 8 Speed Auto Transmission Law Enforcement Dome Lamp Cloth Bucket Front Seats Cloth Rear Bench Floor Carpet Full Length Floor Console Push Button Start ParkView Rear Backup Camera U Connect Bluetooth Power 8 Way Driver Seat 18X8.0 Painted Aluminum Wheels Full Size Spare Tire Delete Liftgate Badge Power Liftgate	1	\$43,384.00	\$43,384.00
Exterior Color White Knuckle	1	\$0.00	\$0.00
Vehicle Sales Tax South Carolina Vehicle Sales Tax/Infrastructure Maintenance Fee	1	\$500.00	\$500.00

Subtotal: \$43,884.00

Total: \$43,884.00

Estimate Total (USD): \$43,884.00



ESTIMATE

Santee Automotive LLC
2601 Paxville Highway
Manning, South Carolina 29102
United States

Phone: 1-888-853-5338
Fax: 1-888-853-5338
info@santeefleet.com

BILL TO

Walterboro Police Department
Lieutenant Jesse Moon

(803)608-8166
jmoon@walterborosc.org

Estimate Number: 56

Estimate Date: September 26, 2023

Valid Until: October 26, 2023

Estimate Total **\$44,045.00**
(USD):

Units	Quantity	Price	Amount
Dodge Durango Pursuit AWD Dodge Durango Pursuit AWD State Contract: 4400029870 V8 Hemi Engine 8 Speed Auto Transmission Black Vinyl Floor Covering Law Enforcement Dome Lamp Cloth Bucket Front Seats Vinyl Rear Bench Push Button Start ParkView Rear Backup Camera U Connect Bluetooth Power 8 Way Driver Seat Full Size Spare Tire Driver's Side Spotlight BLIS Trailer Tow Package Skid Plates	1	\$43,545.00	\$43,545.00
Exterior Color Destroyer Gray Black	1	\$0.00	\$0.00
Vehicle Sales Tax South Carolina Vehicle Sales Tax/Infrastructure Maintenance Fee	1	\$500.00	\$500.00



ESTIMATE

Santee Automotive LLC
2601 Paxville Highway
Manning, South Carolina 29102
United States

Phone: 1-888-853-5338
Fax: 1-888-853-5338
info@santeefleet.com

Subtotal:	\$44,045.00
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Total:	\$44,045.00
---------------	--------------------

Estimate Total (USD):	\$44,045.00
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MEMORANDUM

TO: Mayor and City Council
FROM: City Manager
DATE: September 29, 2023
SUBJECT: Gadsden Loop Water Upgrade Project

The Utilities Department accepted bids on September 26, 2023, to upgrade the water distribution system along Gadsden Loop and the surrounding area. The project consists of approximately 5,036 linear feet of new 6-inch water mains to replace existing small diameter water mains, seven (7) new fire hydrants, valves, and all appurtenances to perform the work. The city received bids from five (5) contractors:

<u>Contractor</u>	<u>Base Bid</u>
Corbett and Son Construction, LLC (Greenwood, SC)	\$622,285.00
MS Utilities & Construction, LLC (Pinewood, SC)	\$679,545.54
Williams Infrastructure, LLC (Lexington, SC)	\$922,860.00
MJL, Inc. (Moncks Corner, SC)	\$1,036,328.00
Carolina Tap & Bore, Inc. (West Columbia, SC)	\$1,163,259.00

Hybrid Engineering has evaluated the construction experience of the bidders and found that the low bidder, Corbett and Son Construction, LLC (Greenwood, SC) has provided evidence of both experience and resources that would allow them to complete the project. Staff recommends awarding the Gadsden Loop Water Upgrade project contract to Corbett and Son Construction (Greenwood, SC) in the amount of **\$622,285.00** contingent upon review and approval from the South Carolina Department of Commerce. The city received a CDBG grant in the amount of \$783,068 for construction of the project. If you have any questions, comments, or concerns, please do not hesitate to contact me, or come by City Hall at your convenience.

Sincerely,

Jeffrey P. Molinari
City Manager

Attachments

MEMORANDUM

To: Jeff Molinari and Council
From: Wayne Crosby, Utilities Director
Re: Gadsden Loop Water Upgrade Project
Date: 9/29/2023

The City of Walterboro's Utilities Department accepted bids on September 26, 2023, to upgrade the water distribution system along Gadsden Loop and the surrounding area. This project consists of approximately 5,036 linear feet of new 6-inch water mains to replace existing small diameter water mains, 7 new fire hydrants, valves, and all appurtenances to perform the work.

The City received bids from five (5) contractors with a low base bid of \$622,285.00. The certified bid tabulation is attached and are as listed below:

<u>Contractor</u>	<u>Base Bid</u>
Corbett and Son Construction, LLC	\$622,285.00
MS Utilities & Construction, LLC	\$679,545.54
Williams Infrastructure, LLC	\$922,860.00
MJL, Inc.	\$1,036,328.00
Carolina Tap & Bore, Inc.	\$1,163,259.00

Our engineering representatives at Hybrid Engineering Inc. have evaluated the construction experience of the bidders and found that the low bidder, Corbett & Son Construction, LLC has provided evidence of both experience and resources that would allow them to complete the project. It is therefore staff's recommendation to award this construction contract to Corbett & Son Construction, LLC in the amount of \$622,285.00 contingent on review and approval from SCDOC-CDBG.

The City of Walterboro received a Community Development Block Grant in the amount of \$783,068.00 for the construction of this project.



September 28, 2023

Mr. Wayne Crosby, Utilities Director
City of Walterboro
242 Hampton Street
Walterboro, SC 29488

Re: Gadsden Loop Water Upgrades Project
CDBG Project #4-CI-22-013

Dear Mr. Crosby:

As you know, the bid opening for the Gadsden Loop Water Upgrades Project was conducted at 2 p.m. on September 26, 2023 at Walterboro City Hall there in Walterboro. There were five (5) bids received and opened. A copy of the Bid Tabulation is enclosed. The received bids were found to be responsive though several minor mathematical errors had to be corrected. The only addendum for the project was Addendum No. 1, and it had been transmitted to prospective bidders electronically.

Corbett & Son Construction, LLC was the low bidder with a base bid price of \$622,285 which compares fairly favorably to the last Preliminary Cost Opinion of \$790,000. Corbett & Son Construction, LLC also submitted an additive additional bid price of \$5 per linear foot for an estimated 100 linear feet of Sediment & Erosion Control-Silt Fence. We are of the opinion that these are fair and reasonable prices for this work.

We are also of the opinion that Corbett and Son Construction, LLC. is both qualified and capable of performing the Gadsden Loop Water Upgrades Project. We have previously checked their qualifications and references. They successfully completed your Washington Street Water Improvements Project in 2019 as well as projects of our design for the Town of Santee and Breezy Hill Water & Sewer Co., Inc. Accordingly, Hybrid Engineering, Inc. recommends that a construction contract be awarded to Corbett and Son Construction, LLC in the amount of \$622,785 (Base Bid of \$622,285 plus additive additional bid of \$500 for Sediment & Erosion Control-Silt Fence) subject to the review and approval of the SCDOC-CDBG. Upon receipt of SCDOC-CDBG's approval, we will be glad to prepare a Notice of Award.

Let us know if you have any questions or if we might provide additional information. As always, it is our pleasure to be of service.

Yours sincerely,

HYBRID ENGINEERING, INC.

A handwritten signature in black ink, appearing to read 'C. Douglas Clary, Jr.', with a long horizontal line extending to the right.

C. Douglas Clary, Jr., P.E.

Enclosure

cc: Ms. Kimberly M. Mullinax (LCOG)

BID TABULATION
GAUDEN LOOP WATER UPGRADES PROJECT
CITY OF WALTERBORO
SEPTEMBER 26, 2023

Item No.	Item Description	Unit	Estimated Quantity	Contract and Shop Design Function, LLC.	MS Utilities & Construction, LLC.	Williams Infrastructure, LLC.	Carroll Top & Bros, Inc.	MSL, Inc.	
Item No.	Item Description	Unit	Estimated Quantity	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
A-1	Segment & Erosion Control-Silt Fence	LF	100	\$5.00	\$500.00	\$5.00	\$500.00	\$3.00	\$3,000.00
1	6" Water Main	LF	3,134	\$50.00	\$156,700.00	\$60.00	\$188,040.00	\$71.00	\$222,514.00
2	6" DI Water Main (per SCODT)	LF	60	\$65.00	\$3,900.00	\$60.00	\$3,600.00	\$75.00	\$4,500.00
3	16" Steel Casing Pipe- Bore & Jack (per SCODT)	LF	56	\$200.00	\$11,200.00	\$190.00	\$10,640.00	\$200.00	\$11,200.00
4	2" Screw Gate Valve & Box	EA	5	\$900.00	\$4,500.00	\$1,485.00	\$7,425.00	\$1,232.00	\$1,262.00
5	6" MUD Gate Valve & Box	EA	2	\$1,000.00	\$2,000.00	\$2,298.00	\$4,592.00	\$2,200.00	\$4,400.00
6	6" x 6" Tapping Sleeve with 6" Valve and Box	EA	1	\$4,500.00	\$4,500.00	\$8,100.00	\$16,200.00	\$6,000.00	\$6,000.00
7	6" x 2" MUD Tapped Tee	EA	4	\$1,000.00	\$4,000.00	\$862.00	\$3,448.00	\$658.00	\$2,632.00
8	2" PVC Dresser Coupling (8' Long)	EA	5	\$400.00	\$2,000.00	\$240.00	\$1,800.00	\$400.00	\$2,000.00
9	2" Screw Brass Nipple (4' Long)	EA	2	\$325.00	\$650.00	\$368.00	\$1,180.00	\$1,080.00	\$1,225.00
10	Connected to Existing 2" Water Main	EA	3	\$2,000.00	\$6,000.00	\$1,364.00	\$4,092.00	\$2,924.00	\$8,772.00
11	6" x 6" MUD Tee	EA	2	\$1,200.00	\$2,400.00	\$805.00	\$1,610.00	\$1,500.00	\$3,000.00
12	6" MUD 45 Bend	EA	7	\$1,000.00	\$7,000.00	\$714.00	\$5,000.00	\$665.00	\$4,655.00
13	Concrete Valve Meter Post	EA	3	\$50.00	\$150.00	\$343.00	\$1,241.00	\$216.00	\$708.00
14	Fire Hydrant Assembly w/ Swivel Hydrant Tee & Valve w/ Box	EA	7	\$27,000.00	\$189,000.00	\$10,571.00	\$73,997.00	\$26,317.00	\$184,314.00
15	Service Assembly	EA	44	\$3,000.00	\$132,000.00	\$2,201.00	\$96,844.00	\$2,215.00	\$97,460.00
16	1/2" PE Service Tubing	LF	1,236	\$10.00	\$12,360.00	\$4.19	\$5,178.84	\$6.00	\$7,416.00
17	Dr. Rime 1 1/4" PE Casing for Service Tubing	LF	582	\$10.00	\$5,820.00	\$6.60	\$3,841.20	\$60.00	\$34,920.00
18	Remove & Replace Asphalt Pavement- Roadways	LF	136	\$85.00	\$11,560.00	\$25.00	\$3,400.00	\$176.00	\$23,960.00
19	Remove & Replace Asphalt Pavement- Driveways	LF	391	\$50.00	\$19,550.00	\$25.00	\$9,775.00	\$86.00	\$33,626.00
20	Flammable Fd	LF	60	\$50.00	\$3,000.00	\$75.00	\$4,500.00	\$80.00	\$4,800.00
21	Grassing	LF	2,407	\$3.00	\$7,221.00	\$1.50	\$3,610.50	\$5.00	\$12,035.00
22	Segment & Erosion Control-General	LF	2,407	\$5.00	\$12,035.00	\$1.50	\$3,610.50	\$5.00	\$12,035.00
23	Segment & Erosion Control-Settlement Tubes	LF	330	\$5.00	\$1,650.00	\$10.00	\$3,300.00	\$25.00	\$8,250.00
24	Clearing & Grubbing	EA	1	\$3,000.00	\$3,000.00	\$1,000.00	\$1,000.00	\$8,250.00	\$8,250.00
25	Connected to Existing 6" Water Main	EA	1	\$2,500.00	\$2,500.00	\$8,135.00	\$8,135.00	\$5,564.00	\$5,564.00
Jackson Road									
26	6" Water Main	LF	1,712	\$50.00	\$85,600.00	\$60.00	\$102,720.00	\$74.00	\$126,808.00
27	6" DI Water Main (per SCODT)	LF	60	\$65.00	\$3,900.00	\$60.00	\$3,600.00	\$78.00	\$4,680.00
28	2" PVC Water Main	EA	10	\$10.00	\$100.00	\$5.00	\$50.00	\$29.00	\$290.00
29	2" Screw Gate Valve & Box	EA	4	\$600.00	\$2,400.00	\$1,465.00	\$5,860.00	\$1,232.00	\$4,928.00
30	6" Tapping Sleeve w/ Valve & Box	EA	1	\$4,500.00	\$4,500.00	\$8,100.00	\$16,200.00	\$6,464.00	\$6,464.00
31	6" MUD Gate Valve & Box	EA	1	\$1,000.00	\$1,000.00	\$2,296.00	\$2,296.00	\$2,076.00	\$2,076.00
32	6" x 6" MUD Tee, Connect to Existing 6" Water Mains	EA	2	\$2,000.00	\$4,000.00	\$975.00	\$1,950.00	\$984.00	\$1,968.00
33	6" x 2" MUD Tapped Tee, Connect to Existing 2" PVC/Galvanized Water Main	EA	6	\$2,000.00	\$12,000.00	\$1,253.00	\$7,518.00	\$3,944.00	\$23,664.00
34	2" PVC Coupling (8' Long)	EA	6	\$400.00	\$2,400.00	\$240.00	\$1,440.00	\$679.00	\$4,074.00
35	2" Brass Nipple (4' Long)	EA	6	\$65.00	\$390.00	\$80.00	\$480.00	\$223.00	\$1,338.00
36	6" MUD 1 1/2 Bend	EA	1	\$1,000.00	\$1,000.00	\$765.00	\$765.00	\$693.00	\$693.00
37	6" MUD 22.25 Bend	EA	5	\$1,000.00	\$5,000.00	\$760.00	\$3,800.00	\$663.00	\$3,315.00
38	6" MUD 45 Bend	EA	1	\$1,000.00	\$1,000.00	\$800.00	\$4,000.00	\$663.00	\$3,315.00
39	6" MUD 90 Bend	EA	1	\$1,000.00	\$1,000.00	\$792.00	\$792.00	\$726.00	\$726.00
40	6" MUD Plug	EA	1	\$250.00	\$250.00	\$250.00	\$250.00	\$379.00	\$379.00
41	Concrete Valve Meter Post	EA	7	\$50.00	\$350.00	\$343.00	\$2,401.00	\$216.00	\$1,512.00
42	Fire Hydrant Assembly w/ Swivel Hydrant Tee & Valve w/ Box	EA	4	\$9,000.00	\$36,000.00	\$10,571.00	\$42,284.00	\$8,326.00	\$33,304.00
43	Service Assembly	EA	11	\$22,000.00	\$242,000.00	\$2,291.00	\$25,201.00	\$3,304.00	\$36,344.00
44	1/2" PE Service Tubing	LF	420	\$10.00	\$4,200.00	\$4.19	\$1,755.60	\$26.00	\$10,920.00
45	Dry Box 1.25' PE Casing for Service Tubing	LF	182	\$10.00	\$1,820.00	\$6.60	\$1,201.20	\$40.00	\$1,640.00
46	Flammable Fd (Roadway)	LF	60	\$85.00	\$5,100.00	\$32.00	\$1,920.00	\$78.00	\$4,680.00
47	Remove & Replace Asphalt Pavement-Roadways	LF	144	\$85.00	\$12,240.00	\$32.00	\$4,608.00	\$74.00	\$10,656.00
48	Remove & Replace Asphalt Pavement-Driveways	LF	114	\$85.00	\$9,690.00	\$32.00	\$3,648.00	\$74.00	\$8,436.00
49	Grassing	LF	1,524	\$3.00	\$4,572.00	\$1.50	\$2,286.00	\$5.00	\$7,620.00
50	Segment & Erosion Control-General	LF	1,524	\$3.00	\$4,572.00	\$1.50	\$2,286.00	\$5.00	\$7,620.00
51	Segment & Erosion Control-Settlement Tubes	LF	190	\$3.00	\$570.00	\$10.00	\$1,900.00	\$25.00	\$4,750.00
52	Clearing & Grubbing	LS	1	\$2,000.00	\$2,000.00	\$2,500.00	\$2,500.00	\$3,750.00	\$3,750.00
53	Grass Removal & Replacement	LS	1	\$2,000.00	\$2,000.00	\$2,500.00	\$2,500.00	\$3,750.00	\$3,750.00
TOTAL OF BID					\$622,285.00		\$679,545.54		\$922,860.00

Note: Highlighted figures represent those contracted by the Engineer

The bids tabulated herein were received by the City of Walterboro on September 26, 2023 at 2:00 PM at City of Walterboro Council Chambers

Hybrid Engineering, Inc.

C. Douglas Clay, Jr., P.E.