

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER)

RESOLUTION NO: 12-02

A RESOLUTION OF THE COUNTY COUNCIL OF DORCHESTER COUNTY PROVIDING FOR THE AMENDMENTS OF THAT CERTAIN WATER PURCHASE AND SUPPLY AGREEMENT BETWEEN THE LAKE MARION REGIONAL WATER AGENCY AND DORCHESTER COUNTY, SOUTH CAROLINA; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE COUNTY COUNCIL OF DORCHESTER COUNTY, THAT:

WHEREAS, Dorchester County, South Carolina (the "*County*") has entered into that certain Water Purchase and Supply Agreement with the Lake Marion Regional Water Agency (the "*Agency*") with an effective date of October 4, 2007 (the "*Agreement*"), related to the provision of wholesale water service by the Agency to the County;

WHEREAS, the Agreement contain provisions related to the priority of payment to the Agency from revenues generated by the water and utility systems operated by its members and customers and the liens on those revenues;

WHEREAS, certain members and customers of the Agency are pursuing industrial development opportunities that may require them to provide water service through assets and subsystems that are dedicated to small and isolated service areas and are most appropriately financed on a stand-alone basis;

WHEREAS, certain current terms of the Agreement make it difficult to finance and construct these non-interconnected subsystems;

WHEREAS, given the importance of economic development and job creation to the region served by the County, which are key goals of the County as well as the members of the Agency, the County has determined that it is in the public interest to amend the Agreement in response to the concerns listed above;

NOW THEREFORE, BE IT ORDAINED by the County Council of Dorchester County (the "*County Council*"), the County Council does hereby authorize the execution, entering into and performance of the amendments to the Agreement (the "*Amendment*"), substantially in the form of which is attached hereto as Exhibit A. The form of the Amendment may be changed and/or revised as necessary so as to effect the nature and purpose of such amendments, with such changes and revisions to be approved by the Chairman of County Council.

AND BE IT FURTHER RESOLVED, that the Chairman of County Council is hereby authorized and directed to take all actions necessary to effect the amendments to the Agreement and other certificates, documents and any other necessary documentation required to accomplish such purposes.

Adopted this 3rd day of January, 2012.

DORCHESTER COUNTY COUNCIL

Signature: 
Larry Hargett, Chairman

ATTEST:


Signature: 
Sandy W. Lawley, Clerk

Exhibit A

AMENDMENT TO WATER PURCHASE AND SUPPLY AGREEMENT

This Amendment to Water Purchase and Supply Agreement (this “*Agreement*”), is entered into as of the 3rd day of January, 2012, by and between the Lake Marion Regional Water Agency (the “*Agency*”) and Dorchester County, South Carolina (the “*County*”).

Section 1. Background and Purpose.

(A) The Agency and the County have entered into that certain Water Purchase and Supply Agreement with an effective date of October 4, 2007, (the “*Agreement*”), related to the provision of wholesale water service by the Agency to the County.

(B) The Agreement contains certain provisions related to the priority of payment to the Agency from revenues generated by the water and utility systems operated by the County and the liens on such revenues.

(C) Certain members and customers of the Agency are pursuing industrial development opportunities that may require them to provide water service through assets and subsystems that are dedicated to small and isolated service areas and are most appropriately financed on a stand-alone basis. Certain terms of the Agreement make it difficult to finance and construct these non-interconnected subsystems.

(D) Given the importance of economic development and job creation to the region served by the Agency and the County, which are key goals of the Agency and the County, the Agency and the County have together determined that it is in the public interest to amend the Agreement in response to the concerns listed above.

Section 2. Amendments.

(A) The definition of “Customer’s System” as contained in Section 1.4.9 of the Agreement is amended as follows (deleted language has been struck; new provisions have been underlined):

“Customer’s System,” means those the water distribution systems or subsystems (or, where applicable, the combined utility system) of the Customer that under ordinary operating conditions are physically able to receive water produced by the Agency.”

(B) Section 3.8 of the Agreement, “Customer’s Source of Payment,” is amended as follows (deleted language has been struck; new provisions have been underlined):

3.8 Customer’s Source of Payment – The obligation of the Customer under this Agreement to pay the charges required to be paid under this Agreement shall be a cost of operation and maintenance of the Customer’s water distribution system payable from the revenues derived from the Customer’s System, ~~with priority in order of payment over the payment of debt service on any notes, bonds or other obligations of the Customer’s System.~~ Payments under this Agreement shall be made from the revenues derived from the Customer’s System and the obligation under this

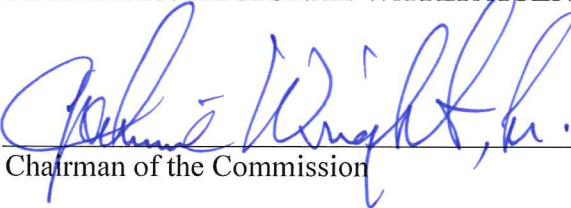
Agreement does not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the Customer or upon any of its income, receipts, or revenues, ~~except the revenues of the Customer's System~~, and neither the faith and credit nor the taxing power of the Customer is pledged for the payment of any obligation under this Agreement.

Section 3. Continuation of Agreement. The remaining terms and conditions of the Agreement remain in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed by their duly authorized officers as of the date first above written.

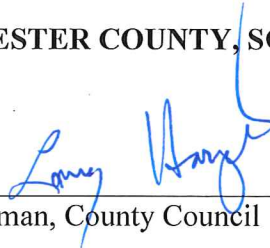
LAKE MARION REGIONAL WATER AGENCY

By: 
Chairman of the Commission

Attest:


Secretary of the Commission

DORCHESTER COUNTY, SOUTH CAROLINA

By: 
Chairman, County Council

Attest:


Clerk to County Council

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER)

I, the undersigned Clerk to County Council of Dorchester County, South Carolina (the "*County*"), DO HEREBY CERTIFY THAT:

1. The foregoing constitutes a true, correct and verbatim copy of a resolution (the "*Resolution*") which was given a reading on January 3, 2012. The original of the Resolution is duly entered in the permanent records of minutes of meetings of the County Council of Dorchester County (the "*County Council*"), the governing body of the County, in my custody as such Clerk to County Council.


2. The said meeting was duly called, and all members of the County Council were notified of the same; that a quorum of the membership attended and remained throughout the proceeding incident to the adoption of the Resolution.

3. As required by Chapter 4, Title 30 of the Code of Laws of South Carolina 1976, as amended, a notice of the meeting (including the date, time, and place thereof, as well as an agenda) was posted prominently in the offices of the County at least twenty-four hours prior to the meeting. In addition, the local news media and all persons requesting notification of meetings of the County Council were notified of the time, date, and place of the meeting, and were provided with a copy of the agenda therefore at least twenty-four hours in advance of the meeting.

4. The original of the Resolution is duly entered in the permanent records of the County, in my custody as Clerk to County Council. The Resolution is now of full force and effect, and has not been modified, amended or repealed.

IN WITNESS WHEREOF, I have hereunto set my hand and the official seal of the County, this 3rd day of January, 2012.

(SEAL)


Clerk to County Council
Dorchester County, South Carolina