CITY COUNCIL MEETING

MONDAY, SEPTEMBER 16, 2024 | 7:00 PM

City Council will meet in the Mauldin City Hall Council Chambers, 5 East Butler Road

Please note that members of the public are encouraged to participate remotely through Zoom. Please visit the City's website at https://cityofmauldin.org/your-government/meeting-minutes-agendas/ to access the meeting via audio and videoconferencing

CITY OF MAULDIN
COUNCIL MEETING AGENDA
SEPTEMBER 16, 2024
CITY HALL COUNCIL CHAMBERS, 5 E. BUTLER ROAD

1. Call to Order Mayor Merritt
a. Welcome
b. Invocation
c. Pledge of Allegiance

2. Proclamations and Presentations Mayor Merrit
a. Constitution Week Proclamation [Page 4]
b. Gene Smith Proclamation [Page 5]

3. Reading and Approval of Minutes Mayor Merritt
a. City Council Meeting- August 19, 2024 [Pages 6-10]
b. Special Called City Council- September 4, 2024 [Pages 11-12]

4. Public Comment Mayor Merritt

5. Report from City Administrator Seth Duncan
a. Fire Prevention Month- Fire Marshal John Centrone

6. Report from Standing Committees
a. Economic Planning & Development (Chairperson Matney)
b. Public Safety (Chairperson King)
c. Public Works (Chairperson Kraeling)
d. Finance and Policy (Chairperson Reynolds)
e. Recreation (Chairperson Allgood)
f. Building Codes (Chairperson Steenback)

7. Unfinished Business- Mayor Merritt
Ordinances- 2nd Reading

a. Ordinance 1044- Franchise Agreement with Ripple Fiber [Pages 13-31] Chairman Reynolds

8. New Business Mayor Merritt
Ordinances – 1st Reading

a. Ordinance 1045- Franchise Agreement with Frontier Communications [Pages 32- 54] Chairman Reynolds

Standing Committee Items

b. FY 2024 Surplus Plan [Pages 55-61] Chairman Reynolds

Committee of the Whole- None

9. Public Comment Mayor Merritt

10. Council Concerns Mayor Merritt

11. Call for Executive Session Mayor Merritt

a. Executive Session to consider discussion of negotiations incident to proposed contractual arrangements with the Mauldin Police Department as allowed by State Statute Section 30-4-70(a)(2)
b. Executive Session to consider an economic development matter related to Bridgeway Station as allowed by State Statute Section 30-4-70(a)(2)

c. Possible action on items discussed in Executive Sessions

12. Adjournment Mayor Merritt

WHEREAS: The Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law; and

WHEREAS: September 17, 2024, marks the two hundred and thirty-seventh anniversary of the framing of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS: It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate it; and

WHEREAS: Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week,

NOW, THEREFORE I, Terry Merritt, Mayor of the City of Mauldin, South Carolina, do hereby proclaim the week of September 17 through 23 as

CONSTITUTION WEEK

and ask our citizens to reaffirm the ideals the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties.

_____

Mayor Terry Merritt

Mauldin
SOUTH CAROLINA

PROCLAMATION

WHEREAS, Gene Smith served the City of Mauldin from 1979-1985 as a City Councilman;

WHEREAS, Gene Smith was the City of Mauldin's Recreation Director and then went on to be named the Executive Director of the Greenville County Recreation District; and

WHEREAS, Gene Smith was married for 52 years to his wife Linda with whom he had two daughters and five grandchildren;

WHEREAS, Gene Smith passed away on August 28, 2024 after having touched the lives of countless individuals and families of our community throughout his life; and

WHEREAS, Gene Smith will be remembered for his steadfast commitment to our City, his neighbors, and the community at-large, and will forever serve as a shinning example of devotion, leadership, friendship, and loyalty for others to follow.

NOW, THEREFORE, BE IT PROCLAIMED, that I, Terry Merritt, Mayor of the City of Mauldin, along with all the residents of our City, and my fellow Council members, do hereby proclaim that we are grateful for Mr. Gene Smith's service to the City of Mauldin and though he is gone, he will never be forgotten. The City of Mauldin has lost a good and faithful servant and may God Bless Gene, his family, and all others who continue on with his memory.

Dated this 16th day of September, 2024.

_____

Terry Merritt, Mayor

ATTEST:

_____

Cindy Miller, Municipal Clerk

MINUTES
CITY OF MAULDIN
COUNCIL MEETING
AUGUST 19, 2024
CITY HALL COUNCIL CHAMBERS, 5 E. BUTLER ROAD

Members present were Mayor Terry Merritt, Council Members Taft Matney, Carol King, Jason Kraeling, Frank Allgood and Mark Steenback. Councilman Michael Reynolds was not in attendance at Call to Order, but arrived at 7:25 p.m.

Others present were City Attorney Daniel Hughes and City Administrator Seth Duncan

PUBLIC HEARING: ADAMS GLEN PUMP STATION ORDINANCE- Mayor Merritt called the public hearing to order at 7:02 p.m. There were no public comments. The Mayor closed the public hearing at 7:04 p.m.

1. Call to Order- Mayor Merritt
a. Welcome- Mayor Merritt
b. Invocation- Councilwoman King
c. Pledge of Allegiance- Councilwoman King

2. Proclamations and Presentations
a. Mauldin Cultural Council- Jennifer Paradis, Chairwoman of the Board, made a short presentation to Council to bring awareness of what the Cultural Council is doing and plans to do in the future.

b. Greater Mauldin Chamber of Commerce- Chamber President Kim Guthrie was present to share some upcoming events with Council.

3. Reading and Approval of Minutes
a. City Council Meeting- July 15, 2024

Motion: Councilman Matney made a motion to approve the minutes as distributed with Councilman Kraeling seconding.

Vote: The vote was unanimous (6-0).

b. Special Called City Council- August 5, 2024

Motion: Councilwoman King made a motion to approve the minutes as distributed with Councilman Matney seconding.

Vote: The vote was unanimous (6-0).

4. Public Comment- None

5. Report from City Administrator

Mr. Duncan reported that A Chorus Line is still running at the Cultural Center Theater and will be there through next weekend. Tickets are selling fast.

Sooie BBQ Festival will be held September 13th and 14th.

Mr. Duncan thanked citizens for their patience with the traffic created by the Whataburger opening.

November 1st will be Mauldin Night at the Greenville Swamp Rabbits game with more details coming soon.

Councilman Reynolds came into the meeting at this point.

6. Report from Standing Committees

a. Economic Planning & Development (Chairperson Matney)- Chairman Matney advised the Cultural Center won the Best of Upstate Award for Best Community Theater.
b. Public Safety (Chairperson King)- No report
c. Public Works (Chairperson Kraeling)- No report
d. Finance and Policy (Chairperson Reynolds)- No report
e. Recreation (Chairperson Allgood)- Chairman Allgood reported tackle football, baseball, and soccer are in full swing. The Seniors will be taking trips to the Hendersonville Apple Festival and City Scape Winery.
f. Building Codes (Chairperson Steenback)- Chairman Steenback reported the Planning Commission will not meet this month.

7. Unfinished Business-

Ordinances- 2nd Reading

a. Ordinance 1043- Adams Glen Pump Station Fee

Motion: Chairman Reynolds made a motion to approve this ordinance on second reading with Councilwoman King seconding.

Vote: The vote was unanimous (7-0).

8. **New Business**
   Ordinances – 1st Reading

   a. Ordinance 1044- Franchise Agreement with Ripple Fiber

      Motion: Chairman Reynolds made a motion to approve this ordinance on first reading with Councilman Allgood seconding.

      Councilman Steenback is concerned the company would not be bound by their current intentions of only going into one neighborhood. He wondered how many times the residents have to get part of their yards torn up and utility lines accidentally cut for more fiber. Eventually the ROW will be saturated and there will be no room for anything else.

      City Administrator Duncan said Ripple Fiber wants to go into this specific neighborhood because they do not currently have but one provider. Councilman Allgood asked if one of the companies already serving Mauldin could serve them. Mr. Duncan answered they could.

      Vote: The vote was 5-2 with Councilman Steenback and Councilman Allgood dissenting.

   Standing Committee Items

   b. Resolution 06-2024- Employee Policy Manual

      Motion: Chairman Reynolds made a motion to approve this resolution with Councilwoman King seconding.

      Vote: The vote was unanimous (7-0).

   c. Resolution 07-2024- Lease Purchase Agreement

      Motion: Chairman Reynolds made a motion to approve this resolution with Councilman Steenback seconding.

      Vote: The vote was unanimous (7-0).

   d. Resolution 08-2024- Reappoint Board of Directors to Mauldin Public Facilities Corporation

      Motion: Chairman Reynolds made a motion to approve this resolution with Councilman Matney seconding.

Vote: The vote was unanimous (7-0).

e. Resolution 09- 2024-Sale of Surplus Equipment

Motion: Chairman Kraeling made a motion to approve this resolution with Councilman Allgood seconding.

Vote: The vote was unanimous (7-0).

f. Trailer Purchase from Drug and Alcohol Abuse Fund

Motion: Chairwoman King made a motion to approve the purchase of two trailers for a not to exceed price of $15,500. Councilman Steenback seconded the motion.

Vote: The vote was unanimous (7-0).

g. Approval of Financial Advisory Services Agreement

Motion: Chairman Reynolds made a motion to appoint First Tryon Advisors as the City's financial advisor and to approve the agreement. Councilman Matney seconded the motion.

Vote: The vote was unanimous (7-0).

Committee of the Whole

Motion: Councilwoman King made a motion to consider this item informally. Councilman Reynolds seconded the motion.

Vote: The vote was unanimous (7-0).

h. Greenville County Schools School Resource Officer Agreement

Mr. Duncan advised Council that he would meet with the school district in the near future to discuss the reimbursement terms.

Motion: Councilwoman King made a motion to adopt this agreement with Councilman Reynolds seconding.

City Attorney Daniel Hughes said he would like the agreement to reflect specific start and end dates instead of the current wording of the beginning and end of the school year.

Motion: Councilwoman King made a motion to amend the original motion with the addition of the specific school year dates. Councilman Reynolds seconded the amendment.

Vote: The vote on the amendment was unanimous (7-0).

Vote: The vote on the motion as amended was unanimous (7-0).

9. Public Comment

Nick Netchaef of Distinctive Details asked for help with the dust blowing onto his business from the vacant lot the City owns on North Main.

Mr. Netchaef then advised Council he found a space to move to if he leaves his current property. He has been paying the utilities and taxes on the property so that the owner would hold it for him should he be paid to move from his current location. The owner of the property wants to sell her property now. If she sells her property before Mr. Netchaef can purchase it, there is nowhere else for him to move.

10. Council Concerns- None

11. Call for Executive Session

a. Executive Session to consider an economic development matter related to Bridgeway Station as allowed by State Statute Section 30-4-70(a)(2)

Motion: Councilman Matney made a motion to adjourn into executive session with Councilman Steenback seconding.

Vote: The vote was unanimous (7-0).

Mayor Merritt called the meeting back to order at 8:58 p.m. Councilman Matney reported no decisions were made and no action taken.

b. Possible action on items discussed in Executive Session- None

12. Adjournment- Mayor Merritt adjourned the meeting at 8:59 p.m.

Respectfully Submitted,
Cindy Miller
Municipal Clerk

MINUTES
CITY OF MAULDIN
SPECIAL CALLED CITY COUNCIL MEETING
TUESDAY, SEPTEMBER 3, 2024
CITY HALL COUNCIL CHAMBERS–5 E. BUTLER ROAD
AFTER COMMITTEE MEETINGS

Members present were Mayor Terry Merritt, Councilman Jason Kraeling, Councilman Michael Reynolds and Councilman Frank Allgood. Councilwoman Carol King and Councilman Mark Steenback were not present. Councilman Matney was not present at the Call to Order, but joined during executive session.

1. Call to Order- Mayor Merritt
a. Welcome- Mayor Merritt
b. Invocation- Councilman Kraeling
c. Pledge of Allegiance- Councilman Kraeling

2. New Business
a. Motion to enter into Executive Session to consider a contractual matter regarding a codes enforcement issue as allowed by State Statute Section 30-4-70 (a)(2) and an economic development matter related to Bridgeway Station as allowed by State Statute Section 30-4-70 (a)(2)

Motion: Councilman Kraeling made a motion to go into executive session with Councilman Reyolds seconding.

Vote: The vote was unanimous (4-0).

Councilman Matney joined the executive session discussion via Zoom at 6:42 p.m.

Mayor Merritt reconvened the Council meeting at 7:03 p.m. Councilman Reynolds reported no decisions were made and no action taken in executive session.

b. Possible action on items discussed in Executive Session

Motion: Councilman Reynolds made a motion to approve the City Administrator to spend up to $25,000 out of the general fund for emergency codes enforcement action. Councilman Kraeling seconded the motion.

Vote: The vote was unanimous (5-0).

3. Council Requests- None

4. Adjournment- Mayor Merritt adjourned the meeting at 7:06 p.m.

Respectfully Submitted,
Cindy Miller
Municipal Clerk

CITY COUNCIL
AGENDA ITEM

MEETING DATE: September 16, 2024

AGENDA ITEM: 7a

TO: City Council

FROM: Seth Duncan, City Administrator

SUBJECT: Franchise Agreement with Ripple Fiber

REQUEST

Council is being asked to consider an Ordinance establishing a franchise agreement to authorize a Non-Exclusive Master License Agreement for Fiber Networks to Ripple Fiber.

HISTORY/BACKGROUND

Ripple Fiber recently broke ground in Simpsonville, SC and is a fiber-based telecommunications company. Looking to expand into Mauldin, Ripple Fiber offers up to 1 gig of upload and download internet for $85/ month.

Though Ripple Fiber is only interested, for now, of providing fiber-based services to a single subdivision, the agreement being provided to Council would be a master agreement that allows for future buildout city-wide. Staff has requested additional language be added that requires the company to provide advance notice of its desire to access additional right-of-ways prior to submitting plans to permitting. This language was added to the agreement.

ANALYSIS or STAFF FINDINGS

Ripple Fiber is interested in bringing their high-speed internet to residents in Mauldin. Their first area of interest is the Carriage Run neighborhood off Holland Road. The subdivision does have an HOA and Ripple would need their permission prior to installation as the roads in the neighborhood are all private. Though no public ROW will be accessed, Ripple still needs an agreement approved by City Council in order to operate in the City.

At this time, this is the only location Ripple Fiber is interested in, but could be interested in the City's growth corridors. The company has told staff that their primary business focus is in areas that are not built out with 2 or 3 providers, but rather underserved areas and areas without competition. This area of the City is only served by a single provider (Spectrum).

FINANCIAL IMPACT

The Agreement states that Ripple Fiber will be required to pay a fee of $1,000 annually (maximum allowed to charge by state law).

RECOMMENDATION

Staff recommends Council consider approval of the Ordinance, however, should Ripple desire to rollout their product to other parts of the City, no additional approval by Council will be needed.

ATTACHMENT(S)

- Non-Exclusive Master License Agreement for Fiber Networks – Ripple Fiber

AN ORDINANCE

ESTABLISHING A FRANCHISE AGREEMENT WITH RIPPLE FIBER

WHEREAS, Ripple Fiber, INC, ("Franchisee") seeks to enter into a Non-Exclusive License Agreement for Fiber Networks with the City of Mauldin (the "City") to allow Franchisee to install, operate, use, maintain, repair, replace, upgrade and remove a fiber-based telecommunications network and facilities in the City owned right-of-way; and,

WHEREAS, Franchisee is considered a telecommunications company pursuant to the definition under Section 58-9-2200 of the Code of Laws of South Carolina ("Code"); and,

WHEREAS, Franchisee holds a certificate of public convenience and necessity granted by the Public Service Commission of the State of South Carolina; and,

WHEREAS, the City is required by S.C. Code § 58-9-2230 and Section 153 (2) of Title 47 of the U.S. Code to manage its public rights-of-way on a competitively neutral and nondiscriminatory basis and is entitled to impose a fair and reasonable franchise or consent fee on a telecommunications company, or an administrative fee upon a telecommunications company that is not subject to the franchise or consent fee, for the use of the public streets and public property on a nondiscriminatory basis, to provide telecommunications services unless the telecommunications company has an existing contractual, constitutional, statutory, or other right to contract or operate in the public streets and public property, in amounts not to exceed the amounts specified in said Section 58-9-2230; and,

WHEREAS, the purpose of this franchise is to allow Franchisee the right to install, operate, use, maintain, upgrade, repair, replace and remove telecommunication services as contemplated by the Non-Exclusive License Agreement for Fiber Networks attached hereto as **Exhibit "A;"** and,

WHEREAS, the City of Mauldin desires to enter into the Agreement attached hereto as **Exhibit "A",** the terms of which are incorporated herein as is set forth verbatim; and,

WHEREAS, pursuant to S.C. Code § 5-7-260, the grant, renewal, or extension of a franchise shall be made by Ordinance; and,

WHEREAS, the Mayor and City Council find that it is in the best interests of the City of Mauldin to enter into the Agreement attached hereto as **Exhibit "A"**.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Council of the City of Mauldin, that the Mayor is hereby authorized, empowered and directed to execute acknowledge and deliver the Franchise Agreement attached hereto as **Exhibit "A".**

This Ordinance shall be effective upon second reading approval thereof and no further authorization is required to execute and deliver all documents related to Franchise Agreement contemplated by this Ordinance.

SIGNATURE OF MAYOR:

_____
Terry Merritt

ATTEST:

_____
Cindy Miller
City Clerk

APPROVED AS TO FORM:

_____
Daniel Hughes
City Attorney

FIRST READING: _____, 2024
SECOND READING: _____, 2024

NON-EXCLUSIVE MASTER LICENSE AND FRANCHISE AGREEMENT FOR FIBER NETWORKS

THIS MASTER RIGHT-OF-WAY USE AND FRANCHISE AGREEMENT ("Use Agreement") is dated as of the ____ day of _____, 202__ (the "Effective Date"), and entered into by and between Mauldin, a municipal corporation of South Carolina with an address of 5 E. Butler Road, Mauldin, SC 29662 (the "City"), and Ripple Fiber Inc., a South Carolina corporation (the "Company").

RECITALS

A. The City is the owner of a property interest ("Property") for public right-of-way ("R.O.W."), and desires to protect and preserve the R.O.W. The City further maintains police power authority to regulate access to and use of the R.O.W. in a manner that protects the public health, safety and welfare, consistent with Applicable Law.

B. Company owns, maintains, operates and controls, in accordance with regulations promulgated by the Federal Communications Commission ("F.C.C."), a fiber-based telecommunications Network or Networks serving the Company's customers.

C. For purpose of operating the Network, the Company desires the City's permission to locate, place, attach, install, operate, control, maintain, and repair Equipment in the Public Right-of-Way in the locations detailed in Supplemental Sites Licenses as shown on Exhibit B.

D. The City desires to grant to Company a non-exclusive license ("License") and Franchise for the above-stated purpose, upon the terms and conditions contained below, and in accordance with Applicable Law.

AGREEMENT

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to the following covenants, terms, and conditions:

I. DEFINITIONS.

The following definitions shall apply generally to the provisions of this Use Agreement.

"Applicable Law" means all statutes, constitutions, ordinances, resolutions, regulations, judicial decisions, rules, tariffs, administrative orders, certificates, orders, or other requirements of the City or other governmental agency having joint or several jurisdiction over the parties to this Agreement.

"Claims" means (1) losses, liabilities, and expenses of any sort, including attorneys' fees; (2) fines and penalties; (3) environmental costs, including, but not limited to, investigation, removal, remedial, and restoration costs, and consultant and other fees and expenses; and (4) any and all other costs or expenses.

"Equipment" means electronics equipment, transmission equipment, shelters, coaxial cables, mounts, generators, containment structures, hangers, pull boxes, conduit, pedestals, brackets, fiber optic cable and other accessories and component equipment.

"Hazardous Substance" means any substance, chemical or waste that is identified as hazardous or toxic in any applicable federal, state or local law or regulation, including but not limited to petroleum products and asbestos.

"Installation Date" shall mean the date that the first Equipment is installed by the Company pursuant to this Use Agreement.

"Network" or collectively "Networks" means one or more of the neutral-host, communication or telecommunication systems operated by the Company to serve its customers in the City.

"Public Right-of-Way" or "Right of Way" means the space in, upon, above, along, across, and below the public streets, roads, highways, lanes, courts, ways, alleys, boulevards, sidewalks and bicycle lanes, including all public rights-of-way, utility easements and public service easements as the same now or may hereafter exist, that are under the jurisdiction of the City. This term shall not include City parkland, open space, trails, state or federal rights of way, or any property owned by any person or entity other than the City, except as provided by Applicable Laws or pursuant to an agreement between the City and any such person or entity.

"Services" means the telecommunications services provided through the Network by the Company to its customers. Services also includes the lease of a Network, or any portion thereof, to another person or entity, or the provision of capacity or bandwidth on the Network to another person or entity, provided that Company at all times retains exclusive control over the Network and remains responsible for locating, servicing, repairing, relocating or removing its Network pursuant to the terms of this Agreement. From time-to-time, the Company may enter into sales contracts with its customers to sell them additional services unrelated to its use of Equipment in the Public Right-of Way, for example: engineering design, network consulting, or for the sale of hardware. Revenues from these additional engineering services and hardware are not considered to be "Services" for purposes of this Agreement.

"City" means the City of Mauldin, a South Carolina statutory municipality.

II. TERM

This Use Agreement shall be effective as of the Effective Date and shall extend for a term of fifteen (15) years commencing on the Installation Date ("Initial Term"), unless it is earlier terminated by either party in accordance with the provisions herein. Provided, however, that if the Company's Network is not operational and providing Services to customers within the City within two (2) years of the effective date of this Use Agreement, this Use Agreement may be terminated by the City, in its sole discretion, upon thirty (30) days written notice. At the expiration of the Initial Term, and each subsequent Renewal Term, the term shall automatically renew for an additional ten (10) years (the "Renewal Term"), unless Company, with regard to its operation and provision of Service within the City, has been found on the record to have substantially failed to comply with either this Agreement, Federal law, the laws of the State of South Carolina, or the City's municipal ordinances.

III. SCOPE OF AGREEMENT

A. All rights expressly granted to the Company under this Agreement, which shall be exercised at the Company's sole cost and expense, shall be subject to the City's lawful exercise of its police powers and the prior and continuing right of the City under applicable Laws to use any and all parts of the Public Right-of-Way exclusively or concurrently with any other person or entity and shall be further subject to all deeds, easements, dedications, conditions, covenants, restrictions, leases, licenses, permits, franchises, encumbrances, and claims of title of record which may affect the

Public Right-of-Way. Nothing in this Agreement shall be deemed to grant, convey, create, or vest in the Company a real property interest in land, including any fee, leasehold interest, or easement. Any work performed pursuant to the rights granted under this Agreement shall be subject to the reasonable prior review and approval of the City and shall conform with applicable laws and regulations. This Agreement does grant a franchise and right to utilize the Public Right-of-Way to construct a cable system, provide cable or other video programming services, construct a wireless communications facility, or provide wireless communications services pursuant to Title V, Chater 7, Section 30 of the South Carolina Code and Title LVIII, Chapter 9, Section 2230 of the South Carolina Code, whereby the City has the authority to grant franchises and other authorizations for the use and occupancy of the streets and public rights-of-way.

B. *Applicability of City Site Planning Process*. Nothing in this Agreement shall waive or modify the Company's obligation to comply with the City's regular site plan process, in the placement of the Company's Equipment. Company will submit to the City additional site and route plans at least 30 days prior to permit submission for informational purposes only. Company understands that such submission may be made publicly available.

C. *No Interference*. The Company in the performance and exercise of its rights and obligations under this Agreement shall not interfere in any manner with the current or future existence and operation of any and all public and private rights of way (except in the case where the Company's rights are prior or superior to such private right of way), sanitary sewers, water mains, storm drains, gas mains, poles, aerial and underground electrical and telephone wires, cable television, and other communications, utility, or municipal property, without the express written approval of the owner or owners of the affected property or properties, except as permitted by applicable Laws or this Agreement.

D. *Compliance with Laws*. The Company shall comply with all Applicable Laws in the exercise and performance of its rights and obligations under this Agreement.

E. *Utility Notification Center*. Prior to undertaking any work pursuant to this Agreement, the Company shall take all actions necessary to become a member of SC811, and comply with and adhere to local procedures, customs and practices relating to the one call locator service program established in s, as such may be amended from time to time.

F. *Solicitation*. Where allowed by local law and ordinance, representatives of the Company shall not be hindered by the City in conducting door-to-door solicitation of City residents for purposes of selling the Company's Services.

IV. CONSTRUCTION

A. The Company intends to install its Network and Equipment at the locations set forth on the plan and profile approved by the City and submitted as a request for supplemental site license. The Company shall be required to obtain a supplemental site license for each Equipment location by submitting all information required by Exhibit A prior to beginning construction. The City will authorize the Company to commence construction with the grant of a supplemental site license and the provision of all necessary permits. Approved supplemental site licenses will be attached to this document as part of Exhibit B. The Company shall comply with all applicable federal, State, and City

technical specifications and requirements and all applicable State and local codes related to the construction, installation, operation, maintenance, and control of the Company's Equipment installed in the Public Rights-of-Way. Notwithstanding the foregoing provisions of this paragraph, and subject to the provisions of Applicable Law and ordinance, the Company shall be able to install its Network and Equipment during daylight hours, seven days a week.

B. *Obtaining Required Permits*. If the attachment, installation, operation, maintenance, or location of the Equipment in the Public Right-of-Way shall require any permits, the Company shall, if required under Applicable Law, apply for the appropriate permits and pay any standard and customary permit fees. The City shall respond to the Company's requests for permits in the ordinary course of its business and nevertheless sooner than thirty (30) days following each such request, and shall otherwise cooperate with the Company in facilitating the deployment of the network in the Public Right-of-Way in a reasonable and timely manner. As a condition of obtaining any permit that involves digging or other excavation in the Public Right-of-Way, the Company shall physically identify the horizontal and vertical locations of any other existing underground utility or other facilities in the Public Right-of-Way in the proximity of the proposed work area and illustrate such locations on plan and profile drawings also illustrating the proposed Equipment in accordance with Exhibit A. Such drawings shall be provided to the City with each request for a supplemental site license. For each supplemental site license, the Company shall submit construction drawings prepared by an engineer licensed in the state of South Carolina for review no less than thirty (30) days prior to beginning construction. Construction shall not begin until written confirmation of grant of a supplemental site license by the City and the acquisition of all necessary permits.

C. *Blasting*. The Company shall not do or permit to be done any blasting above, underneath, or near its site without first having received written permission from the City. Any blasting shall be done in the presence of a representative of the City and in accordance with directions such representative may give for the protection or safety of facilities in the area.

D. *Location of Licensed Facilities*. All Licensed Facilities shall be placed a minimum of: (i) ten (10) feet, measured horizontally, from existing and known planned storm sewer, sanitary sewer, and potable and non-potable water lines; and eighteen (18) inches, measured vertically, above or below, existing and known planned storm sewer, sanitary sewer, and potable and non-potable water lines and wherever possible at perpendicular crossings.

Whenever all existing electric utilities, cable facilities or telecommunications facilities are located underground within a particular segment of a street or public right-of-way of the City, GRANTEE shall also install its telecommunications facilities underground.

E. *Microtrenching*. Where feasible, the Company shall be permitted to use microtrenching in the Public Right-of-Way to install its Equipment.

Company shall not open, disturb or obstruct, at any time, any more of the public streets or public rights-of-way than is reasonably necessary to enable it to proceed in laying or repairing its telecommunications system. Company shall not permit any public street or public right-of-way so opened, disturbed, or obstructed by it to remain open, disturbed, or obstructed for a longer period of time than shall be reasonably necessary. In all cases where any public street or public right-of-way is excavated, disturbed, or obstructed by Company, Company shall take all precautions necessary

or proper for the protection of the public and shall maintain adequate warning signs, barricades, signals, and other devices necessary or proper to adequately give notice, protection, and warning to, the public of the existence of all actual conditions present.

V. RELOCATION AND REMOVAL OF EQUIPMENT

A. *Relocation and Displacement of Equipment*. The Company understands and acknowledges that City may require the Company to relocate one or more of its Equipment installations. The Company shall at City's direction relocate such Equipment at the Company's sole cost and expense not later than one hundred and twenty (120) days after receiving written notice that the City reasonably determines that the relocation is needed for any of the following purposes: (a) if required for the construction, completion, repair, relocation, or maintenance of a public facility or Public Right-of-Way; (b) because the Equipment is interfering with or adversely affecting proper operation of street lights, traffic signals, governmental communications networks or other City property; or (c) to protect or preserve the public health or safety. In any such case, City shall use its best efforts (but shall not be required to incur financial costs) to afford the Company a reasonably equivalent alternate location. If the Company shall fail to relocate any Equipment as requested by the City within one hundred and twenty (120) days after the above-referenced notice in accordance with this subsection, City shall be entitled to relocate the Equipment at the Company's sole cost and expense, without further notice to the Company. To the extent the City has actual knowledge thereof, the City will attempt promptly to inform the Company of the displacement or removal of any pole on which any Equipment is located.

B. *Abandonment*. If Company abandons the use of Equipment for a period of six (6) or more consecutive months, the Equipment shall be removed at the expense of Company. In the event Company is unable or refuses to remove such Equipment when requested by the City, the City may authorize removal and Company shall be responsible for all costs incurred for such removal.

C. *Damage and Restoration*. Unless otherwise provided by City rules, regulations, and ordinances, whenever the removal or relocation of Equipment is required or permitted under this Agreement, and such removal or relocation causes the Public Right-of-Way to be damaged, or whenever Company, in connection with any of its operations, causes damage to the R.O.W. or any other City property the Company, at its sole cost and expense, and within thirty (30) days after such damage occurs, repair the damage and return the Public Right-of-Way in which the Equipment is located to a safe and satisfactory condition in accordance with Applicable Law. If the damage is determined by the City to be impacting the public health and safety, the City may perform or cause to be performed such reasonable and necessary repairs on behalf of the Company and to charge the Company for the proposed costs to be incurred or the actual costs incurred by the City at City's standard rates. If the Company does not repair the damage as described herein, then the City shall have the option, upon fifteen (15) days' prior written notice to the Company, to perform or cause to be performed such reasonable and necessary work on behalf of the Company and to charge the Company for the proposed costs to be incurred or the actual costs incurred by the City at City's standard rates. Upon the receipt of a demand for payment by the City, the Company shall promptly reimburse the City for such costs. In the case of fire, disaster or other emergency impacting the public health and safety as solely determined by the City, the City may remove or disconnect the Company's Equipment located in the Public Right-of-Way or on any other property of the City. To the

extent feasible as a result of any emergency, the City shall provide reasonable notice to the Company prior to taking such action and, if the situation safely permits, shall provide the Company with the opportunity to perform such action within twenty-four (24) hours unless, in the City's reasonable discretion, the imminent threat to public health safety or welfare makes such notice impractical.

VI. OTHER UTILITIES

A. The Company agrees and understands that if the City has permitted or allowed natural gas gathering, storage, transmission, distribution, or related facilities at a site, the Company has been fully advised by the City that such natural gas facilities may now transport and may continue to transport natural gas at significant pressures. The Company shall advise all of its employees, agents, contractors, and other persons who enter upon the site of the existence and nature of such natural gas facilities and the potential danger and risk involved.

B. The Company agrees and understands that any natural gas facilities, if located at a site, may be subject to cathodic protection by rectifier and related anode beds, and that the City shall not be liable for stray current or interfering signals induced in the licensed facility as a result of the operating of the cathodic protection system.

C. The Company agrees and understands that if the City has permitted and allowed to be constructed electric transmission, distribution, or related facilities at a site, the Company has been fully advised by the City that such electric facilities may now transmit and may continue to transmit electric current at significant voltages, and that the conductors on electric lines may not be insulated. The Company shall advise all of its employees, agents, contractors, and other persons who enter upon the site of the existence and nature of such electric facilities and the potential danger and risk involved.

VII. HAZARDOUS SUBSTANCES

A. The Company agrees that the Company, its contractors, subcontractors and agents, will not use, generate, store, produce, transport or dispose any Hazardous Substance on, under, about or within the area of a site or the R.O.W. in which it is located in violation of any Applicable Laws. Except to the extent of the negligence or intentional misconduct of the City, the Company will pay, indemnify, defend and hold the City harmless against and to the extent of any loss or liability incurred by reason of any Hazardous Substance produced, disposed of, or used by the Company pursuant to this Agreement. The Company will ensure that any on-site or off-site storage, treatment, transportation, disposal or other handling of any Hazardous Substance will be performed by persons who are properly trained, authorized, licensed and otherwise permitted to perform those services. The Parties recognize that the Company is only using a small portion of the R.O.W. and that the Company shall not be responsible for any environmental condition or issue except to the extent resulting from the Company's, its agents' or contractors' specific activities and responsibilities under this Agreement.

VIII. INDEMNIFICATION AND WAIVER

A. The Company shall indemnify, defend, protect, and hold harmless the City, its elected officials, officers, employees, agents, and contractors from and against any and all Claims, demands, losses, damages, liabilities, fines, charges, penalties, administrative and judicial

proceedings and orders, judgments, and all costs and expenses incurred in connection therewith, including reasonable attorney's fees and costs of defense (collectively, the "Losses") directly or proximately resulting from the Company's activities undertaken pursuant to this Agreement .

B. *Waiver of Claims*. The Company waives any and all Claims, demands, causes of action, and rights it may assert against the City on account of any loss, damage, or injury to any Equipment or any loss or degradation of the Services as a result of any event or occurrence which is beyond the reasonable control of the City.

C. *Limitation of City's Liability*. To the extent permitted by law, the City shall be liable only for the cost of repair to damaged Equipment arising from the gross negligence or willful misconduct of City, its employees, agents, or contractors and shall in no event be liable for indirect or consequential damages. The City does not waive any of the protections, immunities or limitations afforded it by the South Carolina Tort Claims Act (Code 1976 §§ 15-78-10 et. seq,) as same may be amended from time to time.

D. *Limitation of Company's Liability*. In no event shall the Company be liable to the City for indirect or consequential damages.

E. *Notice*. The City shall give the Company timely written notice of the making of any Claim or of the commencement of any action, suit or other proceeding in connection with any Claim. In the event such Claim arises, the City shall tender the defense thereof to the Company and the Company shall consult and cooperate with the City Attorney's Office while conducting its defense. The City and any indemnified party shall cooperate fully therein with the Company's legal representative and shall be consulted on any settlements of Claims prior to the execution of any settlement agreements.

F. *Separate Representation*. If separate representation to fully protect the interests of both parties is or becomes necessary, such as a conflict of interest between the indemnified party and the counsel selected by the Company to represent the City, the Company shall pay for all reasonable expenses incurred by the City as a result of such separate representation; provided, however, in the event separate representation becomes necessary, the City shall select its own counsel and any other experts or consultants, subject to the Company's prior approval, which shall not be unreasonably withheld. The City's expenses hereunder shall include all reasonable out-of-pocket expenses, such as consultants' fees, and shall also include the reasonable value of any services rendered by the City Attorney or his/her assistants or any employees of the City or its agents but shall not include outside attorneys' fees for services that are unnecessarily duplicative of services provided the City by the Company.

IX. INSURANCE.

A. *Required Coverages*. The Company shall, and shall require its subcontractors to maintain substantially the same coverage with substantially the same limits as required of Company, obtain and maintain at its own cost and expense at all times during the term of this Agreement (a) Commercial General Liability insurance protecting the Company in an amount of Five Million Dollars ($5,000,000) per occurrence (combined single limit), for bodily injury and property damage, and Five Million Dollars ($5,000,000) general aggregate including personal and advertising injury liability and products-completed operations; (b) Commercial Automobile Liability covering all owned, hired, and

non-owned autos in an amount of One Million Dollars ($1,000,000) combined single limit each accident for bodily injury and property damage; (c) Statutory workers' compensation and employer's liability insurance in an amount of One Million Dollars ($1,000,000) each accident/disease/policy limit. All required insurance policies shall include the City, its council members, officers, and employees as additional insureds as their interest may appear under this Agreement for any covered liability arising out of the Company's performance of work under this Agreement. Coverage shall be in an occurrence form and in accordance with the limits and provisions specified herein. Claims-made policies are not acceptable. Upon receipt of notice from its insurer(s) the Company shall use commercially reasonable efforts to provide the City with thirty (30) days' advance written notice of cancellation. Notwithstanding the foregoing, upon sixty (60) days' prior notice to and review by the Company, the City may increase the aforementioned limits of insurance at any time in its reasonable discretion.

B. *Filing of Certificates and Endorsements*. Prior to the commencement of any work pursuant to this Agreement, the Company shall file with the City the required original certificate(s) of insurance with blanket additional insured endorsements, which shall state the following:

1. The policy number; name of insurance company; name and address of the agent or authorized representative; name and address of insured; project name; policy expiration date; and specific coverage amounts;
2. That the Company's insurance policies are primary as respects any other valid or collectible insurance that the City may possess, including any self-insured retentions the City may have; and any other insurance the City does possess shall be considered excess insurance only and shall not be required to contribute with this insurance; and
3. That the Company's insurance policies waive any right of recovery the insurance company may have against the City.

The certificate(s) of insurance shall be mailed to the City at the address specified in Article X below, and shall be updated annually within thirty (30) days of the anniversary of the Effective Date of this Agreement.

C. *Insurer Criteria*. Any insurance provider of the Company shall be admitted and authorized to do business in the State of South Carolina and shall carry a minimum rating assigned by A.M. Best & Company's Key Rating Guide of "A-" Overall and a Financial Size Category of "VII". Insurance policies and certificates issued by non-admitted insurance companies are not acceptable.

D. *Severability of Interest*. "Severability of interest" or "separation of insureds" clauses shall be made a part of the Commercial General Liability and Commercial Automobile Liability policies.

X. NOTICES.

A. All notices which shall or may be given pursuant to this Agreement shall be in writing and delivered (a) through the United States mail, by first class mail, postage prepaid; or (b) by facsimile or email transmission, if a hard copy of the same is followed by delivery through the U. S. mail or by overnight delivery service as just described, addressed as follows:

If to the City:

Attn: City Administrator
City of Mauldin
5 E. Butler Road
Mauldin, SC 29662

and

If to Company:

Ripple Fiber Inc.
Lance van der Spuy, President
6000 Fairway Rd., Suite 300
Charlotte, NC 28210

B. *Date of Notices; Changing Notice Address*. Notices shall be deemed given upon receipt in the case of personal delivery, three (3) days after deposit in the United States mail, or the next business day in the case of facsimile, email, or overnight delivery. Either party may from time to time designate any other address for this purpose by written notice to the other party delivered in the manner set forth above.

C. *Emergency Contact*. The Company shall be available to the employees of any City department having jurisdiction over the Company's activities twenty-four (24) hours a day, seven (7) days a week, regarding problems or complaints resulting from the attachment, installation, operation, maintenance, or removal of the Equipment. The 24-hour emergency contact of the Company can be reached at: _____.

The Company shall provide to the City a new 24-hour telephone number pursuant to this Article X prior to changing telephone numbers.

XI. FEES.

A. In consideration of the grant of authority to utilize the streets and public places of the City for the provision of Telecommunications Service, and in accordance with Applicable Law and ordinances, Company shall pay such franchise fees, business license taxes, and administrative fees as are presently permitted by Article 20 of Chapter 9 of Title 58 of the 1976 Code of Laws of South Carolina, as enacted in 1999, and as may be enacted and imposed by the City. Company shall also pay all such ad valorem taxes, service fees, sales taxes, or other taxes and fees as may now or hereafter be lawfully imposed on other businesses within the City. Provided, however, that in the event that Article 20 of Chapter 9 of Title 58 of the 1976 Code of Laws of South Carolina, as enacted in 1999, or other laws governing franchise fees, business license taxes and/or other fees with respect to Telecommunications Service shall be substantially modified by subsequent legislation or court decision, the provisions herein contained shall be brought into conformity with the changes in the Applicable Law by appropriate amendment to this ordinance. If the limitations on the amount of

franchise fees, administrative fees, and business license taxes on Telecommunications Service providers presently contained in said statute shall be removed or modified, the City will be free, by amendment to this ordinance, to impose such fair, reasonable, competitively neutral, and non-discriminatory fees and taxes as may then be permitted by that statute or by such Applicable Law as may then govern; Company will be free to challenge any fee structure not in compliance with Applicable Law.

B. For the use of the Right of Way, as defined by S.C. Code Section 58-9-2230, to provide Telecommunications Service, Company shall pay to the City a franchise fee in the amount of $1,000.00 per annum which fee is in lieu of any permit fee, encroachment fee, degradation fee, or other fee assessed on a Telecommunications Service provider for use of the Right of Way to the extent required by S.C. Code Section 58-9-2230. The initial franchise fee shall be paid to City on or before the effective date, and thereafter on January 2 of each calendar year this Agreement remains in effect.

C. Interest will be charged on any late payment at the maximum rate permitted under state law, or if there is no such rate, the interest will be 1.5% per month a payment is late.

XII TERMINATION.

This Agreement may be terminated by either party upon forty five (45) days' prior written notice to the other party upon a default of any material covenant or term hereof by the other party, which default is not cured within forty-five (45) days of receipt of written notice of default (or, if such default is not curable within forty-five (45) days, if the defaulting party fails to commence such cure within forty-five (45) days or fails thereafter diligently to prosecute such cure to completion), provided that the grace period for any monetary default shall be ten (10) business days from receipt of notice. Except as expressly provided herein, the rights granted under this Agreement are irrevocable during the term.

XIII. ASSIGNMENT/TRANSFER OF OWNERSHIP OR CONTROL.

A. The Company shall not sell, transfer, lease, assign, sublet or dispose of, in whole or in part, either by forced or involuntary sale, or by ordinary sale, contract, consolidation or otherwise, this Agreement or any of the rights or privileges therein granted, without the prior consent of the City, except that such consent shall not be required for sales, transfers, leases, assignments, subleases or disposals to any parent, subsidiary, affiliate or any person, firm or corporation that shall control, or be under common control, with the Company. The consent required by the City shall not be unreasonably withheld or delayed, but may be conditioned upon the performance of those requirements necessary to ensure compliance with the specific obligations of this Agreement imposed upon the Company by City. The Company shall provide no less than thirty (30) days written notice to the City of the details of any transaction described herein that requires City consent. Notwithstanding anything to the contrary in this Section, no City consent is required for transfers to non-affiliates that are currently operating in the City and are in full compliance of all obligations to the City. The Company shall provide no less than thirty (30) days written notice to the City of a transaction covered in this Section to a non-affiliate that it believes is compliant with its obligations to the City.

B. The requirements of this Article shall not, except as set forth below, apply to any surviving successor entity or newly created successor entity in the event of a merger, reorganization or consolidation involving the Company.

C. If the successor entity meets any of these criteria, the City's consent must be obtained to the transfer of this Agreement or any of the rights provided hereunder. The consent required shall not be unreasonably withheld or delayed, but may be conditioned upon the performance of those requirements necessary to ensure compliance with the specific obligations of this Agreement imposed upon the Company by the City.

D. The consent or approval of the City to transfer by the Company does not constitute a waiver or release of the rights of the City in or to its Public Right-of-Way or easements and any transfer shall by its own terms be expressly subject to the terms and conditions of this Agreement.

E. Any sale, transfer or assignment of this Agreement will bind the successor in interest to the terms of this Agreement.

F. Notwithstanding anything contained in this Agreement, the Company may pledge the assets of the Network and Equipment for the purpose of financing provided that such pledge of assets shall not impair the Company or mitigate the Company's responsibility and capability to meet all its obligations under the provisions of this Agreement.

XIV. MISCELLANEOUS PROVISIONS.

The provisions that follow shall apply generally to the obligations of the parties under this Agreement.

A. A copy of the applicable supplemental site license shall be on the Property and available during construction of any licensed facility.

B. *Non-exclusive Use*. The Company understands that this Agreement does not provide the Company with exclusive use of the Public Right-of-Way and that City shall have the right to permit other providers of communications services to install equipment or devices in the Public Right-of-Way. Nevertheless, during the term of this Agreement, the City agrees to not enter into a similar agreement with any competitor of the Company on terms more favorable than those granted to the Company.

C. *Waiver of Breach*. The waiver by either party of any breach or violation of any provision of this Agreement shall not be deemed to be a waiver or a continuing waiver of any subsequent breach or violation of the same or any other provision of this Agreement.

D. *Severability of Provisions*. If any one or more of the provisions of this Agreement shall be held by court of competent jurisdiction in a final judicial action to be void, voidable, or unenforceable, such provision(s) shall be deemed severable from the remaining provisions of this Agreement and shall not affect the legality, validity, or constitutionality of the remaining portions of this Agreement. Each party hereby declares that it would have entered into this Agreement and each provision hereof regardless of whether any one or more provisions may be declared illegal, invalid, or unconstitutional.

E. *Federal and State Authorizations*. The Company has obtained all government licenses, permits and authorizations by the Federal Communications Commission which are required in order to provide the Services.

F. *Governing Law; Jurisdiction*. This Agreement shall be governed and construed by and in accordance with the laws of the State of South Carolina, without reference to its conflicts of law principles. If suit is brought by a party to this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of South Carolina, County of Greenville, or only to the extent that provisions of federal law apply to the dispute, in the United States District Court for the District of South Carolina.

G. *Attorneys' Fees*. Should any dispute arising out of this Agreement lead to litigation, the prevailing party shall be entitled to recover its costs of suit, including (without limitation) reasonable attorneys' fees.

H. *Consent Criteria*. In any case, where the approval or consent of one party hereto is required, requested or otherwise to be given under this Agreement, such party shall not unreasonably delay, condition, or withhold its approval or consent.

I. *Representations and Warranties*. Each of the parties to this Agreement represents and warrants that it has the full right, power, legal capacity, and authority to enter into and perform the parties' respective obligations hereunder and that such obligations shall be binding upon such party without the requirement of the approval or consent of any other person or entity in connection herewith.

J. *Amendment of Agreement*. This Agreement may not be amended except pursuant to a written instrument signed by both parties.

K. *Force Majeure*. With respect to any provisions of this Agreement, the violation or non-compliance of any term of this Agreement which could result in the imposition of a financial penalty, damages, forfeiture or other sanction upon a party, such violation or non-compliance shall be excused where such violation or non-compliance is the result of acts of God, war, civil disturbance, pandemic, strike or other labor unrest, or other events, the occurrence of which was not reasonably foreseeable by such party and is beyond such party's reasonable control.

L. *Entire Agreement*. This Agreement contains the entire understanding between the parties with respect to the subject matter herein. There are no representations, agreements, or understandings (whether oral or written) between or among the parties relating to the subject matter of this Agreement which are not fully expressed herein. Any prior oral or written agreements or licenses between the parties concerning use of the Public Right-of-Way is superseded by this Agreement.

[Signatures on Following Page]

In witness whereof, and in order to bind themselves legally to the terms and conditions of this Agreement, the duly authorized representatives of the parties have executed this Agreement as of the Effective Date.

CITY OF Mauldin, South Carolina

_____

Terry Merritt, Mayor

ATTEST:

_____

APPROVED AS TO FORM:

_____

City Attorney

COMPANY

By: _____

EXHIBIT A

COMPANY SHALL PROVIDE THE FOLLOWING AS IS APPLICABLE TO BE CONSIDERED BY THE CITY IN WHETHER TO GRANT THE SUPPLEMENTAL SITE LICENSE:

1. Plan and profile drawings, engineering design, and specifications for installation of the Facility, including the equipment shelters, cables, conduit, pull boxes, pedestals, fiber runs, point of demarcation, electrical distribution panel, electric meter, electrical conduit and cabling, and all other associated equipment. Where applicable, the design documents shall include specifications on design and A.D.A. compliance.

a. The plot plan shall show existing sidewalk size, existing utilities, existing trees, traffic control signs and equipment, and other existing improvements.

2. The number, size, type, and proximity to the facilities of all communications conduit(s) and cables to be installed.

3. Description of the utility services required to support the facilities to be installed.

4. A typewritten legal description with (1) the Section, Township and Range, and County being affected, and if it is part of a subdivision, it shall be stated also; (2) the Point of Beginning to an established land corner or to a subdivision plat that is tied to an established land corner, with curves showing radius, delta, arc length and angle to radius point if curve is non-tangent, and area to be included in square feet; and (3) the legal description SIGNED and SEALED by a surveyor registered in the State of _____.

5. Completed Right-of-way Permit Application

ALL SUPPLEMENTAL SITE LICENSE MATERIALS SHALL BE LABELED WITH THE APPLICABLE SUPPLEMENTAL SITE ID NUMBER

THE CITY WILL RETAIN ALL DOCUMENTATION FOR GRANTED SUPPLEMENTAL SITE LICENSES

EXHIBIT B

SUPPLEMENTAL SITE LICENSES

THE FOLLOWING SUPPLEMENTAL SITE LICENSES HAVE BEEN GRANTED BY THE CITY:

SUPPLEMENTAL SITE ID NO.	DATE GRANTED	APPROVED BY:

CITY COUNCIL
AGENDA ITEM

MEETING DATE: September 16, 2024

AGENDA ITEM: 8a

TO: City Council

FROM: Seth Duncan, City Administrator

SUBJECT: Ordinance: Frontier Communications Franchise Agreement

REQUEST

Council is being asked to approve an Ordinance establishing a franchise agreement with Frontier Communications.

HISTORY/BACKGROUND

Frontier Communications is an existing fiber and telecommunications company operating in the City, region and state for more than 50 years. It was discovered recently during a encroachment permit request that the company did not have a franchise agreement with the City. The agreement as drafted is a standard franchise agreement that allows the company to install fiber connections within the City's right-of-ways and to operate in the City.

ANALYSIS or STAFF FINDINGS

Frontier is an existing provider of fiber and telecommunications services in the City. The company has some fiber installed, but is actively replacing overhead and underground copper with buried fiber. Frontier services are mostly south of E. Butler Road and west of HWY 276. The company has not provided any plans for installing beyond their existing footprint in the City.

The agreement presented will establish a franchise between the company and the City and apply our general franchise rules.

FINANCIAL IMPACT

As a condition of the franchise agreement, Frontier Communications will pay $1,000 per year to the City for the privilege of operating in the City.

RECOMMENDATION

Staff recommends Council approval of the Ordinance.

ATTACHMENT(S)

- Ordinance approving the franchise agreement
- Frontier Franchise Agreement

AN ORDINANCE

ESTABLISHING A FRANCHISE AGREEMENT WITH FRONTIER COMMUNICATIONS

WHEREAS, Frontier Communications of the Carolinas, LLC, ("Franchisee") seeks to enter into a Franchise Agreement with the City of Mauldin (the "City") to allow Franchisee to install, operate, use, maintain, repair, replace, upgrade and remove a fiber-based telecommunications network and facilities in the City owned right-of-way; and,

WHEREAS, Franchisee is considered a telecommunications company pursuant to the definition under Section 58-9-2200 of the Code of Laws of South Carolina ("Code"); and,

WHEREAS, Franchisee holds a certificate of public convenience and necessity granted by the Public Service Commission of the State of South Carolina; and,

WHEREAS, the City is required by S.C. Code § 58-9-2230 and Section 153 (2) of Title 47 of the U.S. Code to manage its public rights-of-way on a competitively neutral and nondiscriminatory basis and is entitled to impose a fair and reasonable franchise or consent fee on a telecommunications company, or an administrative fee upon a telecommunications company that is not subject to the franchise or consent fee, for the use of the public streets and public property on a nondiscriminatory basis, to provide telecommunications services unless the telecommunications company has an existing contractual, constitutional, statutory, or other right to contract or operate in the public streets and public property, in amounts not to exceed the amounts specified in said Section 58-9-2230; and,

WHEREAS, the purpose of this franchise is to allow Franchisee the right to install, operate, use, maintain, upgrade, repair, replace and remove telecommunication services as contemplated by the Franchise Agreement attached hereto as **Exhibit "A;"** and,

WHEREAS, the City of Mauldin desires to enter into the Agreement attached hereto as **Exhibit "A",** the terms of which are incorporated herein as is set forth verbatim; and,

WHEREAS, pursuant to S.C. Code § 5-7-260, the grant, renewal, or extension of a franchise shall be made by Ordinance; and,

WHEREAS, the Mayor and City Council find that it is in the best interests of the City of Mauldin to enter into the Agreement attached hereto as **Exhibit "A"**.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Council of the City of Mauldin, that the Mayor is hereby authorized, empowered and directed to execute acknowledge and deliver the Franchise Agreement attached hereto as **Exhibit "A".**

This Ordinance shall be effective upon second reading approval thereof and no further authorization is required to execute and deliver all documents related to Franchise Agreement contemplated by this Ordinance.

SIGNATURE OF MAYOR:

_____
Terry Merritt

ATTEST:

_____
Cindy Miller
City Clerk

APPROVED AS TO FORM:

_____
Daniel Hughes
City Attorney

FIRST READING: _____, 2024
SECOND READING: _____, 2024

CITY OF MAULDIN, SOUTH CAROLINA FRANCHISE AGREEMENT WITH FRONTIER

This Franchise Agreement (hereinafter "Agreement") is made and entered into as of this [__] day of [_____] 2024 ("Effective Date"), by and between the CITY OF MAULDIN, a South Carolina municipal corporation (hereinafter "City" or "Grantor") and Frontier Communications of the Carolinas LLC, a Delaware limited liability company and its Affiliates, (hereinafter "Frontier" or "GRANTEE"), having an office at 725 E Markham Ave., Durham NC 27701.

WHEREAS, GRANTEE is a limited liability company duly organized and existing under the laws of Delaware; and,

WHEREAS, GRANTEE desires to use and occupy the streets and public rights-of-way (as hereinafter defined) located within the City for the purposes of constructing, installing, and maintaining network facilities for telecommunications services within and through the City; and,

WHEREAS, the City maintains that, pursuant to Title V, Chapter 7, Section 30 of the South Carolina Code, and Title LVIII, Chapter 9, Section 2230 of the South Carolina Code, the City has the authority to grant franchises and other authorizations for the use and occupancy of the streets and public rights-of-way; and,

WHEREAS, Frontier holds a certificate of public convenience and necessity granted by the Public Service Commission of the State of South Carolina; and,

WHEREAS, the City is agreeable to allowing GRANTEE to use the streets and public rights-of-way, subject to the terms and conditions hereinafter set forth and subject to any lawful telecommunications regulatory ordinance that may be adopted by the City in the future; and

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the City and GRANTEE agree as follows:

Section 1. Grant of Authority. (a) Subject to the terms of this Agreement, the City hereby grants to GRANTEE the non-exclusive right to construct, install, maintain, locate, move, operate, place, protect, reconstruct, reinstall, relocate, remove, and replace fiber optic or other cable and related facilities for the provision of telecommunications service in the public streets and public rights-of-way in the City. GRANTEE shall be solely

responsible for obtaining any required consents from State agencies or private parties to the extent that its operations affect State or private property.

(b) GRANTEE acknowledges that this grant of authority is for the benefit of GRANTEE only, and that GRANTEE is not authorized to lease, sublease, assign or otherwise allow other non-affiliated providers to use or occupy the public rights-of-way except in accordance with provisions of this Agreement.

(c) GRANTEE acknowledges that, to the extent allowed by State and Federal law, the City has the authority to adopt ordinances regulating the use of the public rights-of-way, so long as such ordinances apply equally to all certificated providers of telecommunications services and are related to using the public streets and public rights-of-way in the City. GRANTEE agrees to be bound by all such future lawful ordinances so long as it operates telecommunication services or has property or equipment within the public streets or rights-of-way located in the City.

(d) This Agreement is not a grant by the City of any fee simple or other property interest except as expressly contemplated by this Agreement and is made subject and subordinate to the prior and continuing right of the City to use the public streets and public rights-of-way occupied by GRANTEE for the purpose of laying, installing, maintaining, repairing, protecting, replacing, and removing sanitary sewers, water mains, storm drains, gas mains, poles and other equipment for municipal uses and with the right of ingress and egress, along, above, over, across and in said public streets and public rights-of-way.

(e) This Agreement shall be in full force and effect from and after the date of its approval by the City Council governing body; provided, however, that notwithstanding such approval, this Agreement shall not become effective until all required bonds, certificates of insurance and other instruments required by this Agreement have been filed with, and accepted and approved by the City, which acceptance and approval shall not be unreasonably delayed, conditioned, or withheld.

Section 2. Definitions. For the purpose of this Agreement, and the interpretation and enforcement thereof, the following words and phrases shall have the following meanings, unless the context of the sentence in which they are used shall indicate otherwise:

"Affiliate" means a person or entity that directly, or indirectly, through one or more intermediaries, owns, manages, controls, is owned or controlled by, or is under common ownership, management or control with another person or entity.

"Cable service" shall have the same meaning as in the 47 U.S. Code § 522 and shall be synonymous with the term "cable television service."

"City" means the City of Mauldin, South Carolina, and where appropriate to the context, its officers, agents, employees, and volunteers.

"City Attorney" means the City Attorney or his designee.

"City Council" means the City Council of the City of Mauldin.

"City Engineer" means the City Engineer or his designee.

"City Administrator" means the City Administrator or his designee.

"City Property" means and includes all real property owned by the City, including all property held in a proprietary capacity by the City.

"Conduit" means any materials, such as metal or plastic pipe, that protects wire, cable, lines, fiber optic cable, or other technology for the provision of telecommunications service.

"Duct" means a pipe, tube, channel, or similar item for carrying wires, lines, cables, fiber optic cable, or other technology for the provision of telecommunications service.

"Fiber facilities" means fiber optic cables and fiber-related facilities, conduits, converters, splice boxes, handholds, manholes, vaults, equipment, drains, surface location markers, appurtenances and related facilities placed or located by GRANTEE in the public streets or rights-of-way of the City after the Effective Date of this Agreement.

"GRANTEE" or *"Frontier"* means Frontier Communications of the Carolinas LLC.

"Grantor" means the City of Mauldin.

"Public streets and public rights-of-way" or *"public ways"* include the surface of, and the space above and below, any public street, road, highway, avenue, sidewalk, way, bridge, viaduct, alley or other public right-of-way, including unimproved surfaces, now or hereafter held by the City for the purpose of public travel, communications, alarm,

street lighting, power distribution, water or sewer service or other public use, whether present or future, to the extent of the City's right, title, interest or authority to grant a franchise to occupy and use such streets and easements for the purpose of providing telecommunications services.

"Public works project or public improvements" include, without limitation, the construction, realignment, paving or repaving, or other work on any public street or public right-of-way, change of grade or alignment of any public street or public right-of-way, the construction or reconstruction of any water, sanitary sewer, storm sewer, force main, drainage or communications facility of the City.

"Telecommunications facilities" means the plant, equipment, and property, including, but not limited to, the poles, pipes, mains, conduits, ducts, fiber optic and other cables, circuits, and wires, and any other equipment and property used to provide telecommunications service.

"Telecommunications service" means the providing or offering for rent, sale, or lease, or in exchange for other value received, the transmittal of signals, including but not limited to, voice, data, internet, image, graphic or video or other programming information, except cable television service, between or among points by wire, lines, cable, fiber optics, circuits, laser or infrared, microwave, radio, satellite, or other telecommunications facilities, but not including cable television service.

Section 3. Term of Agreement. The term of this Agreement shall be for an initial term of ten (10) years, commencing on the Effective Date ("Initial Term"). Unless either party gives ninety (90) days written notice of its intention to terminate the Agreement prior to the end of the Initial Term, the Agreement shall thereafter automatically renew for up to three (3) additional ten (10) year terms, for a maximum of forty (40) years (each a "Renewal Term"); however, such renewal shall not automatically occur if a material, uncured breach has not been remedied prior to the expiration of applicable notice and cure periods and the non-breaching party provides ninety (90) days' written notice prior to the end of a Renewal Term. Upon termination of this Agreement as herein provided, and unless the parties are in active good faith negotiation of a replacement agreement or otherwise agree in writing to an extension, GRANTEE shall be prohibited from further access to the public rights-of-way in the City.

Section 4. Compliance With Applicable Law. GRANTEE shall at all times during the term of this Agreement, including any renewal period, comply with all applicable federal, state, and local laws, ordinances, and regulations. Expressly reserved

to the City is the right to adopt, in addition to the provisions of this Agreement and existing laws, such additional ordinances and regulations as are necessary for the lawful exercise of its police power for the benefit and safety of the public.

Section 5. Construction; Location or Relocation of Facilities. All GRANTEE Fiber facilities shall be constructed, installed, and located according to the terms and conditions contained herein, unless otherwise specified by the City.

5.1. Grantee shall place Fiber facilities underground when commercially and technologically reasonable and subject to the rights and obligations set forth in Sections 5.8 and 5.9 below. Commercially reasonable means, with respect to any action required to be made, attempted or taken by GRANTEE under this Section 5.1, the level of effort in light of the facts known to GRANTEE at the time a decision is made that: (a) can reasonably be expected to accomplish the desired action without a material increase in costs incurred by GRANTEE; (b) is consistent with industry practices; and (c) takes into consideration the amount of advance notice required to take such action, the duration and type of action, and the competitive environment in which such action occurs.

5.2 Whenever all existing electric utilities, cable facilities or telecommunications facilities are located underground within a particular segment of a street or public right-of-way of the City, GRANTEE shall also install its Fiber facilities underground.

5.3. Whenever existing overhead electric utilities, cable facilities or telecommunications facilities are relocated underground within a particular segment of a street or public right-of-way of the City, GRANTEE shall relocate its Fiber facilities underground within a reasonable amount of time after notification by the City that such facilities must be relocated. Absent extraordinary circumstances or undue hardship as reasonably determined by the City, such relocation shall be made concurrently to minimize the disruption of the public streets or public rights-of-way.

5.4. GRANTEE shall obtain all required permits for the construction or installation of its Fiber facilities as required in this Agreement, provided, however, that nothing in this Agreement shall prohibit the City and GRANTEE from agreeing to an alternative plan to review permit and construction procedures, provided such alternative procedures provide substantially equivalent safeguards for responsible construction practices.

5.5. In the performance and exercise of its rights and obligations under this Agreement, GRANTEE shall not interfere in any manner with the existence and operation of any public street and public or private right-of-way, sanitary sewer, water line, storm drain

gas main, pole, overhead or underground electric and telephone wires, television cables, public works, facilities of other telecommunication providers, whose installations predate those of GRANTEE, or City Property, without the prior approval of the City.

5.6. Except as may be expressly provided herein, nothing in this Agreement shall be construed to abrogate or limit the right of the City to perform any public works or public improvements. If any Fiber facilities of GRANTEE interfere with the construction, operation, maintenance, repair or removal of such public works or public improvements, within ninety (90) days after receipt of written notice from the City (or such other period of time set forth in Section 5.7 or as may be agreed upon in writing by the City and GRANTEE), GRANTEE shall, at its own expense protect, alter, remove or relocate facilities, as directed by the City Administrator or City Engineer. If GRANTEE fails to so protect, alter, remove, or relocate equipment within such period, the City may break through, remove, alter, or relocate the facilities of GRANTEE without any liability to City, and GRANTEE shall pay to the City the actual, reasonable costs incurred in connection with such breaking through, removal, alteration, or relocation. GRANTEE shall also reimburse the City for or bear any additional actual, reasonable cost actually incurred by the City as a result of GRANTEE's failure to comply with the City's request to protect, alter or remove equipment under this Agreement. The City may collect such costs, and any reasonable expenses and reasonable attorney fees incurred in collecting such costs, as debts owed to the City, by bringing action in any court of competent jurisdiction or exercising the City's rights to draw on bonds or in any other lawful manner, individually or in combination.

5.7. The City retains the right and privilege to cut or move any Fiber facilities located within the public ways or other areas of the City as the City may reasonably determine to be necessary, appropriate, or useful in response to any life-threatening emergency. The City will endeavor to provide prior notice to GRANTEE of such emergencies which may impact its Fiber facilities. If City is unable to provide prior notice of the life-threatening emergency as described above, City shall notify GRANTEE within twenty-four (24) hours of the occurrence of such emergency.

5.8. The Fiber facilities of GRANTEE shall be located so as not to interfere with public safety or, to the extent possible, with the convenience of persons using the public streets or rights-of-way. GRANTEE shall construct, maintain, and locate its Fiber facilities system so as not to interfere with the construction, location and maintenance of sewer, water, drainage, electrical, signal, and fiber optic facilities of the City.

5.9. The City shall have the right to specifically designate the location of the Fiber facilities of GRANTEE with reference to sewer and water mains, drainage facilities,

fiber optic cable, signal poles and lines and similar services, other facilities, such as public telephone utilities, public electric utilities, cable television facilities, and railway, communication, and power lines, in such a manner as to protect the public safety and public and private property. Failure by the City to designate the location of GRANTEE's facilities shall not relieve GRANTEE of its responsibilities in matters of public safety, as provided in this Agreement.

5.10. Except in the cases of emergencies, GRANTEE shall not move, alter, change, or extend any of its Fiber facilities in any public street or public right-of-way unless prior written notice of its intention to do so is given to the City Administrator and permission in writing to do so is granted, or such requirement is waived, by the City Administrator. The City Administrator shall either approve or deny GRANTEE's request to relocate its facilities within five (5) days of receipt of GRANTEE's request. Such permission shall not be unreasonably withheld by the City Administrator and shall be conditioned upon compliance with the terms and conditions of this Agreement, and as will prevent undue interference with or obstruction of the use of the public ways by the public, the City or by any other public utility, public service corporation or cable operator for their respective purposes and functions. Such work by GRANTEE shall also be coordinated with the City's annual paving program through the Office of the City Engineer.

5.11. GRANTEE shall not open, disturb or obstruct, at any time, any more of the public streets or public rights-of-way than is reasonably necessary to enable it to proceed in laying or repairing its telecommunications system. GRANTEE shall not permit any public street or public right-of-way so opened, disturbed, or obstructed by it to remain open, disturbed, or obstructed for a longer period of time than shall be reasonably necessary. In all cases where any public street or public right-of-way is excavated, disturbed, or obstructed by GRANTEE, GRANTEE shall take all precautions necessary or proper for the protection of the public and shall maintain adequate warning signs, barricades, signals, and other devices necessary or proper to adequately give notice, protection, and warning to, the public of the existence of all actual conditions present.

5.12. After the installation, removal, relocation, construction, or maintenance of the Fiber facilities is completed, GRANTEE shall, at its own cost, repair and return the public streets or public rights-of-way to the same or similar condition existing before such installation, removal, relocation, construction, or maintenance, in a manner as may be reasonably specified by the City and to the reasonable satisfaction of the City. GRANTEE shall be responsible for damage to City street pavements, existing utilities,

curbs, gutters, and sidewalks due to GRANTEE's installation, construction, maintenance, repair, or removal of its telecommunications facilities in the public streets, public rights-of-way, and shall repair, replace, and restore in kind, the said damaged property at its sole expense. Upon failure of GRANTEE to repair, replace and restore said damaged property, in a manner as may be reasonably specified by the City and to the reasonable satisfaction of the City, after sixty (60) days' notice in writing shall have been given by the City, the City may cause such necessary repairs to be made and may collect the actual, reasonable costs incurred from GRANTEE, including but not limited to, exercising the City's rights to draw on bonds. The City may collect such costs, and any reasonable expenses and attorney fees incurred in collecting such costs, as debts owed to the City, by bringing an action in any court of competent jurisdiction or in any manner allowed by law.

5.13. Neither GRANTEE, nor any person acting on GRANTEE's behalf, shall take any action or permit any action to be done which may impair or damage any City Property more than is reasonably necessary to enable it to install or repair its Fiber facilities, including, but not limited to, any public street, public right-of-way or other property located in, on or adjacent thereto.

5.14. In the event of an unexpected repair or emergency, GRANTEE may commence such repair and emergency response work as required under the circumstances, provided GRANTEE shall notify the City as promptly as possible, before such repair or emergency work is started or as soon thereafter as possible if advance notice is not practicable.

5.15. GRANTEE shall maintain its facilities in good and safe condition and in a manner that complies with all applicable federal, state and local requirements, laws, ordinances, and regulations.

5.16. GRANTEE shall at all times employ a high standard of care and shall install and maintain and use approved methods and devices for preventing failure or accidents which are likely to cause damages, injuries, or nuisances to the public.

5.17. GRANTEE shall obtain all required permits from the City and any other governmental entity having jurisdiction prior to commencing work of any nature related to its Fiber facilities and shall comply with all terms and conditions of any such permit. GRANTEE shall furnish detailed plans of the work and other required information prior to issuance of a permit. GRANTEE shall comply with all applicable ordinances and permitting requirements.

A single permit may be issued for multiple excavations to be made in public streets and rights-of-way. Exceptions to the requirement for a written permit may be allowed in cases of emergencies involving public safety or restoration of service. In the case of emergency excavations made in a public street or public right-of-way without a permit, GRANTEE shall make a report of each such excavation to the City within two (2) working days. Any permit application and inspection related to repair of excavations shall be promptly acted upon by the City so as not to unreasonably delay GRANTEE in efficiently discharging its public service obligation and in any event shall be granted or denied within thirty (30) days from submission and, if denied, accompanied by a written explanation of the reasons the permit was denied and the actions required to cure the denial.

5.18. (a) Promptly after installation, repair or extension of the Fiber facilities or any portion thereof or any pavement cut by GRANTEE in any public way of the City, the incidental trenches or excavations shall be refilled by GRANTEE in a manner reasonably acceptable to the City Administrator. Pavement, sidewalks, curbs, gutters or any other portions of public ways damaged, disturbed or destroyed by such work shall be promptly restored and replaced with like materials to their former condition by GRANTEE at its own expense; however, where it is necessary, and if authorized by the City, in order to achieve the former conditions, GRANTEE shall use materials whose type, specification and quantities exceed or are different from those used in the installation, then GRANTEE at its own expense shall provide such different materials. Where a cut or disturbance is made in a section of sidewalk or paving, rather than replacing only the area actually cut, GRANTEE shall replace the full width of the existing sidewalk or appropriate sections of paving as determined by the City Engineer and the full length of the section or sections cut, a section being defined as that area marked by expansion joints or scoring or as determined by the City Engineer. GRANTEE shall maintain, repair, and keep in good condition for a period of one (1) year following such disturbance all portions of public ways disturbed by GRANTEE, provided such maintenance and repair shall be necessary because of defective workmanship or materials supplied by GRANTEE.

(b) All trees, landscaping and grounds removed, damaged, or disturbed as a result of the construction, installation maintenance, repair or replacement of Fiber facilities shall be replaced or restored, as nearly as may be practicable, to the condition existing prior to performance of work. All restoration work within the public ways or other areas shall be done in accordance with landscape plans approved by the City, which approval shall not be unreasonably withheld, delayed or conditioned.

5.19. (a) GRANTEE shall promptly remove or correct any obstruction, damage, or defect in any public street or public right-of-way caused by GRANTEE in the installation, operation, maintenance, or extension of GRANTEE's Fiber facilities. Any such obstruction, damage, or defect which is not promptly removed, repaired, or corrected by GRANTEE after thirty (30) days' written notice to do so, given by the City to GRANTEE, may be removed or corrected by the City, and the actual, reasonable cost thereof shall be charged against GRANTEE and payable on demand. Any expense, cost, or damages incurred for repair, relocation, or replacement to City water, sanitary sewer, storm sewer, storm drainage, telecommunication facilities or other property resulting from construction or maintenance of GRANTEE Fiber facilities shall be borne by GRANTEE and any and all actual, reasonable expense and cost incurred in connection therewith by the City shall be fully reimbursed by GRANTEE to the City.

(b) If weather or other conditions do not permit the complete restoration required by this Section, GRANTEE shall temporarily restore the affected property. Such temporary restoration shall be at GRANTEE's sole expense and GRANTEE shall only be required to make reasonable, temporary restorations based on the conditions. GRANTEE shall promptly undertake and complete the required permanent restoration when the weather or other conditions no longer prevent such permanent restoration.

(c) GRANTEE or other person acting on its behalf shall use suitable barricades, flags, flaggers, lights, flares and other measures as required for the safety of all members of the general public and to prevent injury or damage to any person, vehicle or property by reason of such work in or affecting such ways or property and shall comply with all federal, state, and local laws and regulations, including, but not limited to, the flagging requirements of the South Carolina Department of Transportation.

5.20. Except in the case of the City's, its officers', agents' or employees' negligence or intentional or willful misconduct, the City, its officers, agents, or employees, shall not be liable for any damage to or loss of any of GRANTEE's Fiber facilities within the public ways or any other areas of the City as a result of or in connection with any public works, public improvements, construction, excavation, grading, filling, or work or activity or lack of any activity of any kind by or on behalf of the City.

5.21. GRANTEE shall cooperate with the City in coordinating its construction activities as follows:

(a) GRANTEE shall provide the City with a schedule of its proposed

construction activities prior to commencing any expansion of its backbone system;

(b) Upon at least thirty (30) days' prior written request, GRANTEE shall meet with the City and other users of the public ways to coordinate construction in the public ways; and

(c) All construction locations, activities and schedules shall be coordinated, as directed by the City Engineer, to minimize public inconvenience, disruption, or damages. GRANTEE shall submit a written construction schedule to the City Engineer at least ten (10) working days before commencing any work in or about the public streets or public rights-of-way. GRANTEE shall further notify the City Engineer not less than five (5) working days in advance of such excavation or work and shall comply with the provisions of the South Carolina Underground Facility Damage Prevention Act, South Carolina Title 58, Chapter 36.

Section 6. Mapping. (a) GRANTEE shall maintain an accurate map of its telecommunications facilities in the City. GRANTEE shall provide the City with "as built" drawings and an accurate map or maps showing the location of its facilities, including pole lines and conduit lines and any other facilities requested by the City, to include a digitized map(s) in both printed and electronic form. GRANTEE shall, upon request, provide updated maps annually of telecommunications facilities in the City.

(b) If any of the requested information of GRANTEE in this Agreement is considered proprietary, confidential, or a trade secret, GRANTEE will notify the City of this opinion and the City will keep such information confidential to the extent permitted by the South Carolina Freedom of Information Act (South Carolina Code Title 30 Chapter 4) or other any successor statute or law. As for new installations, after the Effective Date of this franchise, GRANTEE shall submit the proposed Mapping of its plans for new construction to the City prior to any construction. As-built drawings of any new construction of facilities shall be furnished to the City within sixty (60) days of completion of such construction. All as-built maps and drawings shall be drawn to scale and reference to a physical City benchmark to the extent the physical benchmark is in reasonable proximity to GRANTEE new installation. All mapping shall be provided in a format compatible to the City's present and future mapping systems. Alternatively, GRANTEE will pay for the cost of making the mapping compatible.

(c) Prior to its installation of any Fiber facilities in the public streets or public rights-of-way and after GRANTEE provides the City with its proposed plans for the Fiber facilities, the City may in its reasonable discretion designate certain locations to be excluded

from use by GRANTEE for its Fiber facilities, including, but not limited to, ornamental or similar specially designed streets lights or other facilities or locations which, in the reasonable judgment of the City Engineer, do not have electrical service adequate for or appropriate for GRANTEE's Fiber facilities or cannot safely bear the weight or wind loading thereof, or any other facility or location that in the reasonable judgment of the City Engineer is incompatible with the proposed Fiber facilities or would be rendered unsafe or unstable by the installation. The City Engineer may further exclude certain other facilities that have been designated or planned for other use or are not otherwise proprietary, legal, or other limitations or restrictions as may be reasonably determined by the City. In the event such exclusions conflict with reasonable requirements of GRANTEE, the City will cooperate in good faith with GRANTEE to attempt to find suitable alternatives, if available, provided that the City shall not be required to incur financial costs nor require the City to acquire new locations for GRANTEE. GRANTEE shall, prior to any excavation or installation within the public streets or public rights-of-way, provide sufficient notification and joint installation opportunity on a shared cost basis to potential users of the public streets or public rights-of-way as may be provided for by a separate City policy. Such notification and adopted policies shall be designed to maximize co-location of providers to minimize the disturbance to the public streets or public rights-of-way and maximize its useable capacity.

Section 7. Insurance Requirements. At all times during the term of this Agreement and any renewal period, GRANTEE shall, at its expense, maintain the following insurance policies. Any required insurance shall be in a form and with an insurance company authorized to do business in South Carolina and have a rating of no less than A- VII by A.M. Best Co.

(a) *Commercial General Liability.* Commercial General Liability insurance coverage insuring against claims, loss, cost, damage, expense, or liability from loss of life or damage or injury to persons or property arising out of the work or activity under or by virtue of this Agreement, and contractual liability (subject to the terms and conditions of the policy). The limit of liability for such coverage shall be Two Million Dollars ($2,000,000) combined single limit for any one occurrence. However, the parties acknowledge that GRANTEE may meet the policy limit in this section by combination of GRANTEE's General Commercial Liability Policy and GRANTEE's Umbrella or Excess Liability Policy.

(b) *Contractual Liability*. Broad form Contractual Liability insurance, including the indemnification obligations of GRANTEE set forth in this Agreement.

(c)*Workers' Compensation and Employer's Liability.* Workers' Compensation

insurance covering GRANTEE's statutory obligation under the laws of South Carolina and Employer's Liability insurance for all its employees engaged in work under this Agreement.

(d) *Automobile Liability.* Automobile Liability insurance having limits of liability of One Million Dollars ($1,000,000) combined single limit applicable to owned or non-owned vehicles used in the performance of any work under this Agreement.

(e) *Umbrella/Excess Liability Coverage.* The insurance coverages and amounts set forth in this Section may be met by an umbrella or excess liability policy providing limits in excess of the underlying primary liability coverages in an amount of Five Million Dollars ($5,000,000) for any one occurrence/claim.

(f) Prior to commencing construction pursuant to this Agreement or within ten (10) days after the granting of the franchise contemplated by this Agreement, whichever is sooner, GRANTEE shall provide the City with a certificate or certificates of insurance, showing the type, amount, effective dates, and date of expiration of the policies, and thereafter following the renewal of any such policy. Such certificate or certificates and evidence of insurance shall include the City, its officers, agents, and employees as additional insureds on the liability policies in items a., c., and d. above. GRANTEE or its insurer shall provide the City with thirty (30) days' prior written notice of cancellation of any such required insurance if any of the required coverages are not replaced.

Section 8. Surety.

(a) Within sixty (60) days after the Effective Date of this Agreement, and prior to the commencement of any construction by GRANTEE, GRANTEE shall furnish and file with the City a bond, in a form and by a surety authorized to do business in South Carolina, in the amount of Fifty Thousand Dollars ($50,000) securing its faithful performance of the terms and conditions of this Agreement. GRANTEE shall maintain such bond (utilizing an annual bond form) for the duration of this Agreement, unless otherwise agreed to in writing by the City. Failure to maintain the bond shall be deemed a material default by GRANTEE of this Agreement.

The bond shall guarantee GRANTEE's faithful performance of the terms and conditions of this Agreement, including, but not limited to: (1) the timely completion of construction; (2) compliance with applicable plans, permits, technical codes and standards; (3) proper location of the facilities as specified by the City; (4) restoration of

the public ways and other property affected by the construction as required by this Agreement; (5) the submission of "as-built" drawings after completion of the work as required by this Agreement; (6) timely payment and satisfaction of all claims, demands or liens for labor, material or services provided in connection with the work; and (7) the payment by GRANTEE of all lawful liens, taxes, damages, claims, costs or expenses which the City has been compelled to pay or has incurred by reason of any act or default of GRANTEE under this Agreement and all other payments due the City from GRANTEE pursuant to this Agreement.

(b) Whenever the City determines that GRANTEE has violated one (1) or more terms, conditions, or provisions of this Agreement for which relief is available against the bond, a written notice shall be given to GRANTEE. The written notice shall describe in reasonable detail the violation so as to afford GRANTEE an opportunity to remedy the violation. GRANTEE shall have thirty (30) days subsequent to receipt of the notice in which to correct the violation before the City may make demand upon the bond. Failure to maintain the bond shall be a martial default under this Agreement.

(c) Such bond shall be in addition to any performance, defect bond, or other surety required by the City in connection with the issuance of any construction or any successor ordinance.

Section 9. Indemnification. GRANTEE agrees to indemnify, defend and hold harmless the City, its officers, employees and agents from and against all claims, demands, losses, damages, liabilities, fines, and penalties, and all costs and expenses incurred in connection therewith, including, without limitation, reasonable attorney's fees and costs of defense (collectively, the losses), arising out of any breach by GRANTEE of the terms and conditions of this Agreement, except to the extent proximately caused by the negligence or willful misconduct of the City, its officers, employees and agents. In addition, GRANTEE shall protect, indemnify, and hold harmless the City, its officers, agents, and employees, from any and all demands for fees, claims, suits, actions, causes of action, or judgments based on the alleged infringement or violation of any patent, invention, article, arrangement, or other apparatus that may be used in the performance of any work or activity arising out of the use of any Telecommunication facilities or the provision of Telecommunication service, except to the extent proximately caused by the negligence or willful misconduct of the City, its officers, employees or agents.

The City is a governmental entity and political subdivision of the State of South Carolina and enjoys sovereign immunity, as well as the imposition of duties and protections afforded by the South Carolina Tort Claims Act. Although the City cannot, by law, hold

harmless and indemnify any contracting party, subject to the application of the aforementioned laws and to the limits of its insurance, the City agrees that GRANTEE shall not be liable from and against all claims, liabilities, penalties, fines, costs, damages, losses, causes of action, suits, demands, judgements and expenses (including, court costs and attorney's fees) of any nature, kind or description of any acts of negligence by the City, or its employees and agents, related to the City's breach of the terms and conditions of this Agreement.

Section 10. Hazardous Substances. In its performance of this Agreement, GRANTEE shall not transport, dispose of, or release any hazardous substance, material, or waste, except as necessary in performance of its work under this Agreement, and in any event GRANTEE shall comply with all federal, state, and local laws, rules, regulations, and ordinances controlling air, water, noise, solid wastes, and other pollution, and relating to the storage, transport, release, or disposal of hazardous material, substances, or waste. Regardless of the City's acquiescence, GRANTEE shall indemnify and hold the City, its officers, agents, employees, and volunteers harmless from all costs, claims, damages, causes of action, liabilities, fines, or penalties, including reasonable attorney's fees, resulting from GRANTEE's violation of this section and agrees to reimburse City for all actual, reasonable costs and expenses incurred by the City in eliminating or remedying such violations. GRANTEE also agrees to reimburse the City and hold the City, its officers, agents, employees, and volunteers harmless from any and all actual, reasonable costs, expenses, attorney's fees and all penalties or civil judgments obtained against any of them as a result of GRANTEE's use or release of any hazardous substance or waste onto the ground, or into the water or air from, near or upon the City's premises. For purposes of this Section, the following definitions shall apply:

"Hazardous Substances" means asbestos and any and all pollutants, dangerous substances, toxic substances, hazardous wastes, hazardous materials and hazardous substances as referenced or defined in, or pursuant to, any federal, state, local or other applicable environmental law, statute, ordinance, rule, order, regulation or standard in effect on the date hereof including, without limitation, the Resource Conservation and Recovery Act (42 U.S.C 6901, *et seq.),* as amended, the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 136, *et seq.),* as amended, the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9601, *et seq.),* as amended, and the Toxic Substances Control Act (15 U.S.C. 2601, *et seq.),* as amended.

As used in this Section, "release" includes the placing, releasing, depositing, spilling, leaking, pumping, emitting, emptying, discharging, injecting, escaping, leaching, disposing, or dumping of any substance.

Section 11. Fees

(a) In consideration of the grant of authority to utilize the streets and public places of the City for the provision of Telecommunications Service, and in accordance with Applicable Law and ordinances, GRANTEE shall pay such franchise fees, business license taxes, and administrative fees as are presently permitted by Article 20 of Chapter 9 of Title 58 of the 1976 Code of Laws of South Carolina, as enacted in 1999, and as may be enacted and imposed by the City. GRANTEE shall also pay all such ad valorem taxes, service fees, sales taxes, or other taxes and fees as may now or hereafter be lawfully imposed on other businesses within the City. Provided, however, that in the event that Article 20 of Chapter 9 of Title 58 of the 1976 Code of Laws of South Carolina, as enacted in 1999, or other laws governing franchise fees, business license taxes and/or other fees with respect to Telecommunications Service shall be substantially modified by subsequent legislation or court decision, the provisions herein contained shall be brought into conformity with the changes in the Applicable Law by appropriate amendment to this ordinance. If the limitations on the amount of franchise fees, administrative fees, and business license taxes on Telecommunications Service providers presently contained in said statute shall be removed or modified, the City will be free, by amendment to this ordinance, to impose such fair, reasonable, competitively neutral, and non-discriminatory fees and taxes as may then be permitted by that statute or by such Applicable Law as may then govern; GRANTEE will be free to challenge any fee structure not in compliance with Applicable Law.

(b) For the use of the Right of Way, as defined by S.C. Code Section 58-9-2230, to provide Telecommunications Service, GRANTEE shall pay to the City a franchise fee in the amount of $1,000.00 per annum which fee is in lieu of any permit fee, encroachment fee, degradation fee, or other fee assessed on a Telecommunications Service provider for use of the Right of Way to the extent required by S.C. Code Section 58-9-2230. The initial franchise fee shall be paid to City on or before the Effective Date, and thereafter on January 2 of each calendar year this Agreement remains in effect.

(c) Interest will be charged on any late payment at the maximum rate permitted under state law, or if there is no such rate, the interest will be 1.5% per month a payment is late.

Section 12. General provisions.

(a) *Authority.* GRANTEE warrants and represents that it has obtained all necessary and appropriate authority and approval from all applicable federal and state agencies or authorities to provide all telecommunications facilities and services it intends to provide within the City, and upon request by the City will provide evidence of such

authority.

(b) *Other remedies.* Nothing in this Agreement shall be construed as waiving or limiting any rights or remedies that the City or GRANTEE may have, at law or in equity, for enforcement of this Agreement.

(c) *Severability.* If any section, subsection, sentence, clause, phrase, or other portion of this Agreement, or its application to any person, is, for any reason, declared invalid, in whole or in part by any court or agency of competent jurisdiction, said decision shall not affect the validity of the remaining portions hereof.

(d) *Nonenforcement.* Neither party shall be excused from complying with any of the provisions of this Agreement by any failure of the other party, upon any one or more occasions, to insist upon strict performance of this Agreement or to seek the other party's compliance with any one or more of such terms or conditions of this Agreement.

(e) *Conflicts of law*. If there is a conflict between the provisions of this Agreement and any law, whether federal, state, or City, including all future laws and ordinances, the law and conflicting Agreement provision will, to the extent reasonably possible, be construed so as to be consistent with each other and if such construction is not reasonably possible, the conflicting provision of this Agreement shall be deemed superseded by such law and have no effect, notwithstanding the contract clause of the United States Constitution.

(f) *Controlling law and venue*. By virtue of entering into this Agreement, GRANTEE agrees and submits itself to a court of competent jurisdiction in the City, South Carolina or in the United States District Court for the District of South Carolina, and further agrees that this Agreement is controlled by the laws of South Carolina or any applicable federal laws and that all claims, disputes and other matters shall be decided only by such court according to the laws of South Carolina or any applicable federal laws or by any regulatory body with jurisdiction, including the Federal Communications Commission.

(g) *Captions.* The section captions and headings in this Agreement are for convenience and reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(h) *Nondiscrimination.* During the performance of this Agreement, GRANTEE agrees that it will not discriminate against any employee or applicant for employment on the basis of race, religion, color, sex, handicap, or national origin. GRANTEE agrees to post in

conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. GRANTEE, in all solicitations or advertisements for employees placed by or on behalf of GRANTEE, will state that GRANTEE is an equal opportunity employer. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting the requirements herein.

(i) *Notices*. (a) Notices given pursuant to this Agreement shall be in writing and addressed as follows:

To the City: City Administrator
5 E. Butler Road
Mauldin, SC 29662

With a Copy to: Daniel R. Hughes, City Attorney
P.O. Box 249
Mauldin, SC 29662

To GRANTEE:
Frontier Communications
ATTN: Centralized Joint Use Team
8001 W Jefferson Blvd
Ft Wayne, IN 46804 725 E Markham Ave. Durham, NC 27701

With a Copy to:
Frontier Communications 1500 MacCorkle Ave., S.E.
Room 500
Charleston WV 25396
Attn: Legal Department

Either party may change the address at which it will receive notices by providing at least thirty (30) days' prior written notice of the change to the other party.

(j) *Assignment*. GRANTEE may assign or transfer this Agreement or any interest therein with the City's written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, this Agreement may be assigned by GRANTEE without City's written consent to an Affiliate or any entity that purchases substantially all of the assets or ownership interests of the GRANTEE; any entity that results from a merger, consolidation, or restructuring of the GRANTEE; or, any entity that assumes control of the GRANTEE. Upon such assignment by GRANTEE, the successor entity assuming

the Agreement shall execute a written document that the successor entity shall fully perform the obligations of GRANTEE under this Agreement and shall be entitled to all of []'s rights herein ("Assignment and Assumption Agreement"). GRANTEE shall provide City with a copy of the executed Assignment and Assumption Agreement.

IN WITNESS WHEREOF, the parties have duly executed this Agreement.

FRONTIER

By: _____

Name: David Woods

_____

Title: Senior Vice President_

State of _____
City/County of _____,

The foregoing instrument was acknowledged before me this _____ day of _____, 2024, by David Woods, on behalf of Frontier.

_____
Notary Public

My commission expires: _____
My registration number: _____

CITY OF MAULDIN
a South Carolina municipal corporation

By:_____
Mayor

(SEAL)

ATTEST: _____
_____, City Clerk

STATE OF SOUTH CAROLINA
CITY OF_____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of _____, 2024, by _____, Mayor of the City of Mauldin, on its behalf. He is personally known to me.

_____
Notary Public

My commission expires: _____
My registration number: _____

Approved as to Content:

_____
City Administrator

Approved as to Legal Sufficiency:

_____
City Attorney's Office

CITY COUNCIL
AGENDA ITEM SUMMARY

MEETING DATE: September 16, 2024
AGENDA ITEM: 8b

TO: City Council
FROM: Seth Duncan, City Administrator
SUBJECT: FY2024 Surplus Projection Plan

REQUEST

To provide a preliminary estimate to Council of the FY2024 Surplus Projection and staff recommended expenditure plan.

HISTORY/BACKGROUND

Annually, the City's Finance Director prepares a preliminary report of anticipated final revenues and expenditures for the prior fiscal year. This report, in addition to highlighting capital expenditures of the prior year, also includes a recommended allocation of surplus revenues. The City's Finance Director, Holly Abercrombie, transmitted a memo recently to Council summarizing the fiscal year end and an allocation plan for surplus revenues for review and consideration. Similar to last year, staff is requesting Council approve the proposed allocation plan.

STAFF RECOMMENDATION

The Finance Director is projecting a surplus between $3.4 million and $3.6 million for FY 2024. Staff is proposing the following allocation plan for surplus FY2024 funds.

$ 500,000	General Fund fund balance.
$1,000,000	Capital Projects Fund for future projects or equipment and to fund capital lease principal and interest payments.
$1,500,000	Capital Projects Transportation Fund for streetscaping, sidewalks, trails, and other transportation related improvements.

RECOMMENDATION

Staff recommends Council approve FY2024 Surplus Projection Plan as drafted by staff.

ATTACHMENT(S)

- Year End Fiscal Summary

Council Memorandum

To: City Council
From: Finance Director, Holly Abercrombie
Date: July 31, 2024
Subject: Year End Financial Summary

Fiscal & Budgetary Activities

A. FY2024 End of the Year Budget Summary

The City's Fiscal Year (FY) 2024 budget totaled $49,003,829, which includes the additional $4,484,601 of FY2023 encumbrances and the additional $6,419,465 Council budgeted via a budget amendment for FY2024 during its June 17, 2024 meeting. After a preliminary fiscal analysis performed by the finance staff, the City is projected to closeout FY2024 with an estimated General Fund surplus ranging from $3.4M to $3.6M. As of the date of this memorandum, FY2024 revenues are still being received and all the FY2024 expenditures have not yet been recorded. The amount of General Fund surplus will be further refined during the audit for FY2024, which upon completion will provide the final amount. Contributing to the surplus are the following factors:

- Property Taxes coming in stronger than projected – $1,213,843
- Business Licenses(City and MASC) and Franchise Fees coming in $714,622 over projections
- Permits coming in $534,258 over projections

Staff recommends the following uses for the projected addition to fund balance:

- $500,000 added to General Fund fund balance
- $1,000,000 transferred to Capital Projects fund for future projects or equipment and to fund capital lease principal and interest payments
- $1,500,000 transferred to Capital Projects Transportation for streetscaping, sidewalks, trails, and other transportation related improvements.

B. Transportation Fund

The transportation fund which Council approved allocating 2 mils each budget year, continues to serve the City well. This program is dedicated to enhancing the City's infrastructure and to include but not limited to: developing and maintaining an

inventory of City roads, sidewalks, and Right-of-way; paving and repairing City roads; and exploring, improving, and constructing sidewalks, trails, and multi-use paths along City owned streets. During FY2024, the 2 mils approved by Council via the budget amounted to $280,974. Additional paving revenue realized this fiscal year was $108,927 from other sources. These funds are primarily used as a match for Greenville Legislative Delegation Transportation Committee's (GLDTC) road paving program. The City expended $235,653 towards repaving initiatives this past year.

Capital-Transportation fund projected ending fund balance:

The ending fund balance is projected to be approximately $800,000. Included in this balance is $40,000 for future needs for the pedestrian bridge and the rest is allotted for road paving, sidewalks, etc.

C. Capital Improvement Program

City Council approved a total of $4,791,351 to the Capital Improvement Program, which includes the addition of FY23 encumbrances the budget amendment amounts for FY2024. All of the FY2024 capital expenditures have not been recorded at this time due to a number of the capital projects crossing fiscal years (encumbered) and are ongoing. Noteworthy capital projects that were completed during FY2022 are presented below.



The City purchased two new Administration Vehicles – one Honda Accord and one Honda CRV. These vehicles are used as part of a motor pool program at City Hall. The new vehciles replaced outdated vehicles that had reached end of life.

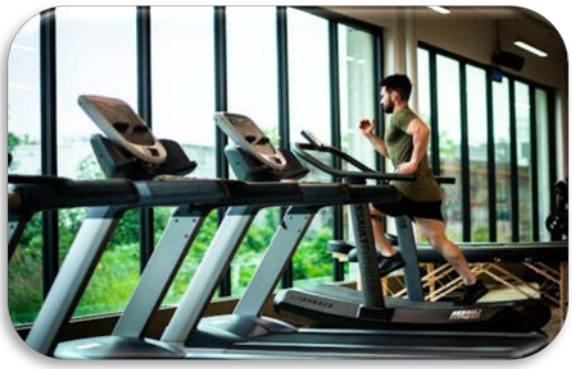


The City concluded the original 3-year plan of the police fleet replacement plan. We purchased 18 of the 56 total this year. The total of all the cars and upfit equaled $883,615. The Police Department also replaced various radios for approximately $231,182.

City Council also approved additional sidearm trucks for the sanitation program in the FY2024 budget. These apparatuses were purchased for $806,760. The vehicles consisting of three side loaders are currently in service.



The City's Recreation Department replaced most of the fitness equipment at the Sports Center for approximately $154,079. The equipment has been installed and is operational.



Other items were purchased throughout the year as well and these items are briefly highlighted below;

Public Safety

Mauldin Fire Department purchased extrication equipment for approximately $100,479. All new turn out gear was purchased as well for $179,511 to outfit all firefighters. Technology at HQ building was installed and upgraded. A new cascade system was ordered for $86,767. Two new Rescue vehicles have been bought for approximately $90,000. These new vehicles will increase the department's ability to respond to medical calls with more versatile equipment.

Public Works

Public works purchased a bagging riding mower in Parks to keep the fleet up to date and they also purchased a new Landscape truck.

The Street department purchased a new asphalt roller.

Business Development Services

Updated and upfitted the facilities in City Hall to better utilize the space available. Included with these improvements are a new conference room, an additional office space, and new furniture. The project came in at budget.

City Center Projects

Maverick yards project $1,795,247 and Mauldin street scape project had $339,919 spent this year. The project continues to move forward with the installation of road improvements, a railroad crossing, and other infrastructure improvements.

Projects/Items crossing fiscal years:

City Center projects are ongoing and $3,378,347 of fund balance is restricted for this use. Staff anticipates the majority of the streetscaping project, utility relocation, and remaining road improvements to be completed in the next fiscal year.

Capital Projects fund projected ending fund balance:

Staff is projecting the ending fund balance (without transfer) to be around $875,709. This amount is used to pay cash for Capital items, it covers the principal and interest payments on capital leases.

D. ARPA Fund

With the passage of the Federal American Recovery Plan Act, the City was allotted a total of $12,649,717.18 to be distributed in two tranches. The City has received all of the funds.

Below is a quick summary of how the funds have been spent to date in FY2024:

$2,420,492 consisted of expenditures for the 3rd and final year of the replacement of the police fleet, Business Development departments update and upfit, and the purchase of several side arm trash trucks. Also covered was the Oak Park Stormwater project.

Sewer rehabilitation expenses were $676,438 and we are continuing the work into FY2025.

KCI Stormwater projects continued and $217,210 was spent.

Updates to the Judicial department including office upgrades and a new metal detector outside of the court room $18,700.

HVAC for the new Fire HQ was completed in FY2024.

Amounts were set aside for Stormwater and Sewer projects as well which are nearing an end. These amounts will carry on to FY2025 as the projects are not yet completed.

ARPA fund projected ending fund balance:

The ending fund balance is projected to be $2,250,392. FY2025 will spend this on the ongoing items in the plan: ongoing Sewer and Stormwater projects. Staff will evaluate where things stand and relay a plan for the remaining funds. The City has until December 2026 to fully expend all ARPA funds.

E. Hospitality & Accommodations Fund

The revenues continue to grow and come in strong. Hospitality tax revenue was $1,877,320 and Accommodations were $236,192. All of these were well above the budgeted amount and indicate a strong growth in tourism and tourism related activities in the City.

Staff projects an addition to fund balance of approximately $630,000. This figure, however, may increase as some June payments are still being collected.

The notable expenditures throughout the year include:

- Theater program
- Summer Concert Series
- Blues & Jazz Festival
- Sooie BBQ Festival
- Various other smaller events and festivals
- Marketing for the Cultural center

Capital items expended:

- The trail tie in was completed at the pedestrian bridge.
- Security was updated and installed at the Cultural Center.
- Final payment on the auditorium work inside the Cultural Center was paid.
- The lighting and electrical was updated on the grounds of the Cultural Center.
- The steps leading up to the front doors were updated.

H&A fund projected ending fund balance:

The ending fund balance is projected to be around $2,906,939.

In closing, the City of Mauldin had another great year with overall revenues exceeding expenses. This is due in large part to strong economic growth in our community, excellent

fiscal management by departments, and no unforeseen catastrophic events. Staff appreciates the vision of Council and their trust in staff's ability to successfully administer the affairs of this City and organization.