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RHONDA D McELVEEN
CLERK OF COURT
BARNWELL COUNTY, S.C.

STATE OF SOUTH CAROLINA)
) ORDINANCE NO. 2018-2-353-0
COUNTY OF BARNWELL)

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO AN EXISTING FEE AGREEMENT BY AND AMONG BARNWELL COUNTY, SOUTH CAROLINA, EDISON SOLAR, LLC, AS SPONSOR, AND ONE OR MORE SPONSOR AFFILIATES

WHEREAS, Barnwell County, South Carolina (the "***County***"), acting by and through its County Council (the "***County Council***"), and as authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the "***Act***"), entered into an Amended and Restated Fee-in-Lieu of *Ad Valorem* Taxes Agreement having an effective date of February 14, 2017 (the "***Fee Agreement***") with Edison Solar, LLC, a South Carolina limited liability company (the "***Sponsor***"), being a qualifying industry under the Act, whereby the County covenanted with the Sponsor to accept certain payments in lieu of *ad valorem* taxes ("***FILOT***") and approved Jeanette Price as a Sponsor Affiliate under the Fee Agreement ("***Sponsor Affiliate")*** with provision for certain special source revenue credits, with respect to investments by the Sponsor and Sponsor Affiliate toward the installation of solar power generating facilities located at a leased site situated in Barnwell County, South Carolina, which lies in a Multi-County Industrial Park established by the County (the "***Project***");

WHEREAS, the Fee Agreement was approved by the County Council by Ordinance 2017-2-340-0 adopted February 14, 2017;

WHEREAS, the Sponsor Affiliate became a party to the Fee Agreement by Joinder Agreement;

WHEREAS, the Fee Agreement commits the Sponsor and the Sponsor Affiliate to a minimum of $7 million in qualifying expenditures to be invested in the Project on or before December 31, 2022;

WHEREAS, the Fee Agreement provides for certain special source revenue credits in an amount that results in an aggregate annual net FILOT payment due of $45,000 during the entire term of the Fee Agreement;

WHEREAS, the Sponsor has represented to the County that although the scope of the Project remains unchanged, the current projected cost of the Project has been reduced from $7 million to $6.5 million due to both (i) bundling by the Sponsor of the Project with similar other projects under simultaneous development elsewhere for the purpose of generating lower bids for supplying raw materials and new equipment for the bundled projects and (ii) a general reduction of pricing for those items in the market since the initial budget was developed of the Project;

WHEREAS, the Sponsor has also represented to the County that the current projected revenue of the Project has been reduced due to reductions in available power purchase agreement rates;

WHEREAS, the Sponsor and the Sponsor Affiliate have requested the County to agree to amend the Fee Agreement so that (i) the required combined minimum investment toward the Project is $6,500,000.00, and (ii) the aggregate annual net FILOT payment is $14,280;

WHEREAS, Section 12-44-40(K)(1) and (2) of the Act permits the County to amend the Fee Agreement as requested by the Sponsor and Sponsor Affiliate; and

WHEREAS, the County Council finds that granting the request of the Sponsor and Sponsor Affiliate to so amend the Fee Agreement is in the best interest of the County and its people since it will encourage investment by the Sponsor in the Project;

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

Section 1. The County Council, having made a finding that the Project has brought and will continue to bring benefits to the County as set forth in Section 5 of this Ordinance, expresses its intention that this Ordinance shall fulfill the requirement under the Act as an official action on the part of the County Council amending the Fee Agreement.

Section 2. The County approves the request to amend the Fee Agreement so that the required combined minimum investment toward the Project is $6,500,000.00, and so that the aggregate annual net FILOT payment is $14,280.

Section 3. The Chairman of the County Council is hereby authorized and directed to execute the Amendment to Fee Agreement attached hereto as **Exhibit A** in the name of and on behalf of the County; the Clerk of the County Council is hereby authorized and directed to attest to the same; and the County Administrator is hereby authorized and directed to deliver said executed Amendment to Fee Agreement to the Sponsor and Sponsor Affiliate.

Section 4. The County Council authorizes the County Administrator, other County staff, and the County Attorney, along with any designees and agents who any of these officials deems necessary and proper, in the name of and on behalf of the County (each an "***Authorized Individual***"), to take whatever further actions, and enter into whatever further agreements, as any Authorized Individual deems to be reasonably necessary and prudent to effect the intent of this Ordinance.

Section 5. The County hereby finds (i) the Project has benefited and will continue to benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally; (ii) the project gives rise to no pecuniary liability of the County or incorporated municipality or to no charge against its general credit or taxing power; (iii) the purposes to be accomplished by the Project are proper governmental and public purposes; and (iv) the benefits of the Project to the public are greater than the costs to the public.

Section 6. All ordinances, resolutions and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

This Ordinance shall take effect and be in full force only after the County Council has approved it after three readings and a public hearing has been duly and timely held.

BARNWELL COUNTY, SOUTH CAROLINA

Charles Lowell Jowers Sr., Chairman
Barnwell County Council

ATTEST:

Kim Futrell, Clerk of County Council
Barnwell County, South Carolina

READINGS:

First Reading: November 14, 2017
Second Reading: January 23, 2018
Third Reading: February 13, 2018
Public Hearing: February 13, 2018

EXHIBIT A
AMENDMENT TO FEE AGREEMENT

See Attached.

AMENDMENT

TO

AMENDED AND RESTATED FEE-IN-LIEU OF *AD VALOREM* TAXES AGREEMENT

DATED AS OF FEBRUARY 14, 2017

BETWEEN

BARNWELL COUNTY

AND

EDISON SOLAR, LLC, AS SPONSOR

AND

JEANETTE PRICE, AS SPONSOR AFFILIATE

AMENDMENT TO FEE AGREEMENT

THIS AMENDMENT TO FEE AGREEMENT (this "***Amendment***") is made and entered into as of February 13, 2018, by and between BARNWELL COUNTY, SOUTH CAROLINA (the "***County***"), a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through its County Council (the "***County Council***") as governing body of the County, EDISON SOLAR, LLC, a limited liability company organized and existing under the laws of the State of South Carolina and qualified to conduct business in the State of South Carolina (the "***Sponsor***"), and JEANETTE PRICE, an individual (the "***Sponsor Affiliate***").

WITNESSETH:

WHEREAS, The County, acting by and through its County Council, and as authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the "***Act***"), entered into an Amended and Restated Fee-in-Lieu of *Ad Valorem* Taxes Agreement having an effective date of February 14, 2017 (the "***Fee Agreement***") with the Sponsor, a qualifying industry under the Act, whereby the County covenanted with the Sponsor to accept certain payments in lieu of *ad valorem* taxes ("***FILOT***"), with provision for certain special source revenue credits, with respect to investments by the Sponsor and Sponsor Affiliate toward the installation of solar power generating facilities located at a leased site situated in Barnwell County, South Carolina, which lies in a Multi-County Industrial Park established by the County (the "***Project***");

WHEREAS, the Fee Agreement was approved by the County Council by Ordinance 2017-2-340-0 adopted February 14, 2017;

WHEREAS, the Fee Agreement commits the Sponsor and the Sponsor Affiliate to a minimum of $7 million in qualifying expenditures to be invested in the Project on or before December 31, 2022;

WHEREAS, the Fee Agreement provides for certain special source revenue credits in an amount that results in an aggregate annual net FILOT payment due of $45,000 during the entire term of the Fee Agreement;

WHEREAS, the Sponsor has represented to the County that although the scope of the Project remains unchanged, the current projected cost of the Project has been reduced from $7 million to $6.5 million due to both (i) bundling by the Sponsor of the Project with similar other projects under simultaneous development elsewhere for the purpose of generating lower bids for supplying raw materials and new equipment for the bundled projects and (ii) a general reduction of pricing for those items in the market since the initial budget was developed of the Project;

WHEREAS, the Sponsor has also represented to the County that the current projected revenue of the Project has been reduced due to reductions in available power purchase agreement rates;

WHEREAS, the Sponsor and the Sponsor Affiliate have requested the County to agree to amend the Fee Agreement so that (i) the required combined minimum investment toward the Project is $6,500,000.00, and (ii) the aggregate annual net FILOT payment is $14,280;

WHEREAS, Section 12-44-40(K)(1) and (2) of the Act permits the County to amend the Fee Agreement as requested by the Sponsor and Sponsor Affiliate; and

WHEREAS, pursuant to an Ordinance adopted on February 13, 2018 (the "***Ordinance***"), the County Council authorized the County to enter into this Amendment;

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained and other value, the parties hereto agree as follows:

ONE: The third Recitals paragraph, Recital (c), is amended to substitute "$6,500,000.00" for "$7,000,000.00."

TWO: The definition of "***Net FILOT Payment***" in Section 1.1 of Article I is amended to read:

> "Net FILOT Payment" means a total annual payment of $14,280, for the entire Term of this Amended Fee Agreement, for those years for which a FILOT Payment is due.

Except as modified by this Amendment, the Sponsor, the Sponsor Affiliate and the County hereby acknowledge that the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the County, the Sponsor and the Sponsor Affiliate, pursuant to due authority, have duly executed this Amendment, all as of the date first above written.

BARNWELL COUNTY, SOUTH CAROLINA

Charles Lowell Jowers Sr., Chairman
Barnwell County Council

ATTEST:

Kim Futrell, Clerk of County Council
Barnwell County, South Carolina

[Signatures continued on following pages]

EDISON SOLAR, LLC

By: DP-C2 Episode 1, LLC, a Delaware limited liability company

_____

By: Richard Dovere, Manager

[Signature(s) continued on next page]

JEANETTE PRICE

Project Fruit Basket - Banana - Edison

Estimate and Comparison of South Carolina Property Tax Options

Investment Phase One		
Real Estate		
Land Cost		$0
Site Improvement		$0
New Construction		$0
	Subtotal	$0
Machinery & Equipment		$6,664,000
Total		$6,664,000

Rates	
Millage rate	0.3880
5 year abatement	0.1460
Utility Depreciation	5.00%
MWac	4.76
Proposed Payment per Mwac	$3,000
Estimated Millage Growth	1.00%
Current Tax Collected*	$407

*Current tax collected as of 2016

			Assessed value before depreciation
Assessment ratio - *Ad valorem*	10.50%	0.105	$699,720
Assessment ratio - FILOT	6.00%	0.06	$399,840

Year	Standard Property Tax on M&E	Standard Tax Abatement on M&E	Net Tax Payment on M&E	Standard FILOT	Current Tax Collected*	Proposed Annual Payment	Floating SSRC	1% Multi County	Net to County
1	$257,917	$97,051	$160,866	$147,381	$407	$14,280	90.31%	$143	$14,137
2	$246,786	$92,863	$153,923	$139,624	$411	$14,280	89.77%	$143	$14,137
3	$235,406	$88,581	$146,825	$131,867	$416	$14,280	89.17%	$143	$14,137
4	$223,774	$84,204	$139,571	$124,110	$420	$14,280	88.49%	$143	$14,137
5	$211,886	$79,730	$132,156	$116,353	$424	$14,280	87.73%	$143	$14,137
6	$199,738	$0	$199,738	$108,597	$428	$14,280	86.85%	$143	$14,137
7	$187,326	$0	$187,326	$100,840	$432	$14,280	85.84%	$143	$14,137
8	$174,645	$0	$174,645	$93,083	$437	$14,280	84.66%	$143	$14,137
9	$161,692	$0	$161,692	$85,326	$441	$14,280	83.26%	$143	$14,137
10	$148,463	$0	$148,463	$77,569	$446	$14,280	81.59%	$143	$14,137
11	$134,953	$0	$134,953	$69,812	$450	$14,280	79.55%	$143	$14,137
12	$121,158	$0	$121,158	$62,055	$455	$14,280	76.99%	$143	$14,137
13	$107,073	$0	$107,073	$54,298	$459	$14,280	73.70%	$143	$14,137
14	$92,695	$0	$92,695	$46,541	$464	$14,280	69.32%	$143	$14,137
15	$78,018	$0	$78,018	$38,784	$468	$14,280	63.18%	$143	$14,137
16	$63,039	$0	$63,039	$31,028	$473	$14,280	53.98%	$143	$14,137
17	$47,752	$0	$47,752	$23,271	$478	$14,280	38.64%	$143	$14,137
18	$32,153	$0	$32,153	$15,514	$482	$14,280	7.95%	$143	$14,137
19	$32,474	$0	$32,474	$15,514	$487	$14,280	7.95%	$143	$14,137
20	$32,799	$0	$32,799	$15,514	$492	$14,280	7.95%	$143	$14,137
21	$33,127	$0	$33,127	$15,514	$497	$14,280	7.95%	$143	$14,137
22	$33,458	$0	$33,458	$15,514	$502	$14,280	7.95%	$143	$14,137
23	$33,793	$0	$33,793	$15,514	$507	$14,280	7.95%	$143	$14,137
24	$34,131	$0	$34,131	$15,514	$512	$14,280	7.95%	$143	$14,137
25	$34,472	$0	$34,472	$15,514	$517	$14,280	7.95%	$143	$14,137
26	$34,817	$0	$34,817	$15,514	$522	$14,280	7.95%	$143	$14,137
27	$35,165	$0	$35,165	$15,514	$528	$14,280	7.95%	$143	$14,137
28	$35,517	$0	$35,517	$15,514	$533	$14,280	7.95%	$143	$14,137
29	$35,872	$0	$35,872	$15,514	$538	$14,280	7.95%	$143	$14,137
30	$36,231	$0	$36,231	$15,514	$544	$14,280	7.95%	$143	$14,137
TOTAL	$3,136,330	$442,429	$2,693,901	$1,652,219		$428,400		$4,284	$424,116