STATE OF SOUTH CAROLINA)INTE)RICOUNTY OF BEAUFORT)

INTERGOVERNMENTAL AGREEMENT REGARDING SEWER AT STONEY CREEK WATERSHED

THIS INTERGOVERNMENTAL AGREEMENT is entered into with an effective date of _______, 2023 by and among Beaufort County, the Town of Bluffton, and Beaufort Jasper Water Sewer Authority (collectively referred to as "the Parties").

WHEREAS, the member Parties of Beaufort County ("County"), the Town of Bluffton ("Town"), and Beaufort Jasper Water Sewer Authority ("BJWSA") each recognize that failing septic systems can negatively impact public health, environmental health, quality of life, and economic growth; and

WHEREAS, the Parties have documented that chronic leaks from the Stoney Creek watershed area's septic tanks have emitted fecal coli into the upstream portions of the May River, having negative environmental impacts on commercial fishing, shrimping and oystering, negative impacts on eco-tourism companies, and negative impacts on recreation and recreation-based businesses; and

WHEREAS, for many years, the Parties have employed various initiatives individually to achieve the goal of cleaner water and reduction in septic use including the Bluffton Town Council's adoption of the May River Watershed Action Plan in 2011 to serve as a guide in support of protecting the May River watershed and the May River Watershed Plan Advisory Committee in 2012 to provide specific recommendations for implementation; and

WHEREAS, the May River Watershed Action Plan identifies both the elimination of and proper maintenance of septic systems within the May River watershed as key strategies to protect water quality; and

WHEREAS, the member Parties identified an opportunity to collaborate together on these shared objectives with funding through the South Carolina Infrastructure Investment Program ("SCIIP") grant, a one-time initiative to improve water, wastewater and stormwater systems throughout the state using federal funds allocated by the 2021 American Rescue Plan Act ("ARPA"); and

WHEREAS, the SCIIP grant application identified this project as the Stoney Creek-Palmetto Bluff Road Sewer Service Area or, alternatively, Stoney Creek Watershed ("the Project"); and

WHEREAS, the scope of the Project is defined in the SCIIP grant application, and includes installation of a vacuum sewer system for an estimated 150 individual connections with capacity to accommodate an additional 50 connections as shown on the map in **Exhibit 1**; and

WHEREAS, the estimated cost of the work as submitted in the SCIIP application was \$7,900,000, comprised of \$5,925,000 (75%) of SCIIP grant funding and \$1,975,000 (25%) local match detailed in **Exhibit 2**; and

WHEREAS, the Parties agreed to proceed with the Project regardless of whether the SCIIP funding was awarded as a grant; and

WHEREAS, the purpose of this intergovernmental agreement (hereinafter "Agreement") is to define the operating procedures that shall govern this collaborative effort regardless of whether the grant is awarded;

NOW, THEREFORE, for and in consideration of these premises and the mutual covenants set forth below, the Parties hereto hereby agree as follows:

Section 1 Roles and Responsibilities.

- a. BJWSA shall serve as the project manager. As the project manager, BJWSA shall manage the milestone schedule, the major elements of which include final engineered design, permitting, fully executing rights-of-way (temporary or permanent as needed), construction, and conducting testing and acceptance of the work. BJWSA shall use sound project management techniques to keep the project on time and within budget.
- BJWSA shall conduct procurement in accordance with the Uniform Guidance (2 CFR Part 200) if the SCIIP grant is awarded or shall follow the requirements of the South Carolina Consolidated Procurement Code if the SCIIP grant is not awarded.
- c. If the SCIIP grant is awarded, BJWSA shall serve as the grant administrator, providing timely reports and retaining records as required by the grant terms and conditions.
- d. The primary function of the County and the Town is to provide timely financial support. The non-grant expenditures shall be borne equally by the three Parties. Any cost overruns in excess of the budget estimate attached hereto as **Exhibit 2** shall be borne equally by the Parties in accordance with Section 1.e.
- e. At the time it becomes aware of any potential schedule or cost overruns, or to any other material change required to the terms of this Agreement, BJWSA shall bring the issue to the other parties for a written amendment to the Agreement. In the event the Parties cannot come to mutual agreement on the proposed changes, the parties shall engage in mediation in accordance with Section 2.d. All proposed or actual changes to the scope or that increase the budget are contingent upon approval of funding by all jurisdictions.
- f. Beaufort County shall actively enforce the BJWSA Sewer Use Regulation which requires the owner of any house, building, or property available for human occupancy, employment, recreation or other purpose that is located within 300 feet of any street, alley, or right-of-way in which there is public conventional sewer to connect.

Section 2 Financial Reconciliation.

- a. In its role as project manager, BJWSA shall have privity of contract with all third-party vendors performing work on the Project. As noted above, the Parties agree to share all such expenditures equally.
- b. At BJWSA's discretion but not more often than once a quarter, the Parties shall reconcile such expenditures incurred and paid by BJWSA by comparing actual costs to the budgeted costs for that milestone. These shall not include internal employee hours. All third-party expenditures must be directly related to the Project.
- c. Within thirty (30) calendar days of a reconciliation meeting, the County and the Town shall process their share of a reimbursement payment to BJWSA. If any Party objects to a cost incurred, they must communicate to the other Parties in writing within fifteen (15) calendar days.
- d. Any disputes arising out of the reconciliation meeting with regard to the expenditures that cannot be resolved shall be submitted to mediation with a South Carolina Certified Mediator chosen by the Parties. In the event that the Parties cannot agree to such person, the Parties will submit the request to the Chief Administrative Judge for the Circuit Court of Beaufort County to so designate a mediator to conduct the mediation.

Section 3 Schedule.

- a. If the SCIIP grant is awarded, the terms of the grant require that all funds be committed by 12/31/2024 and expended by 12/31/2026. The Parties agree that it is their intent to adhere to that schedule even if the SCIIP grant is not awarded.
- b. The SCIIP grant application projected the major milestone completion dates required to achieve the funds committed date and funds expended date. That schedule is: final design by 3/31/2024; permits acquired by 6/30/2024; right of way acquisition by 6/30/2024; construction solicitation/advertise for bids by 9/1/2024; construction start by 7/1/2025. As project manager, BJWSA will make every reasonable effort to adhere to the schedule, however the Parties acknowledge that there may be unforeseen circumstances, material availability issues, or other issues outside of BJWSA's control which may prohibit adherence to the schedule.

Section 4 General Provisions.

- a. The term of this Agreement shall be through 12/31/2026 or whenever the Project is finished, whichever is later. Termination of the Agreement in whole may only occur by an agreement by the Parties.
- b. Except as otherwise provided herein, this Agreement may not be amended, changed, modified or altered without prior written consent of the Parties.
- c. In the event that any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.
- d. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- e. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.
- f. The captions or headings herein are for convenience only and in no way define, limit, or describe the scope or intent of any provision or sections of this Agreement.
- g. All notices required under this Agreement shall be in writing via US registered mail or via email with confirmation of delivery receipt.

[Remainder of Page Intentionally Omitted. Signature Page(s) and Exhibit(s) to Follow.]

IN WITNESS WHEREOF, the Parties have set their hands and seals to this Intergovernmental Agreement.

WITNESS:	BEAUFORT JASPER WATER SEWER AUTHORITY				
	By:				
	Joseph Mantua, General Manager				
WITNESS:	BEAUFORT COUNTY				
	By: Eric Greenway, Beaufort County Administrator				
WITNESS:	TOWN OF BLUFFTON				
	By: Stephen Steese, Town Manager				

EXHIBIT 1

MAP OF PROJECT AREA

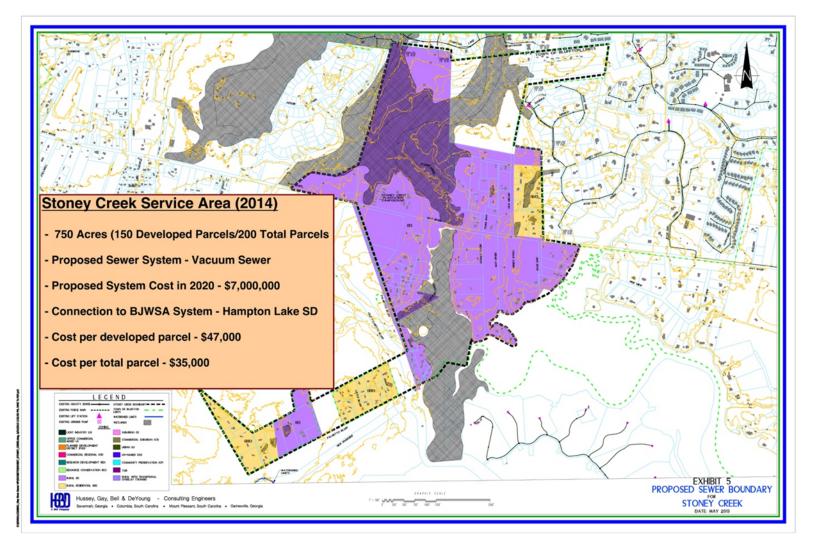


EXHIBIT 1

PROJECT BUDGET

VACUUM SYSTEM BUDGET COST ESTIMATE MAY RIVER WATERSHED SEWER MASTER PLAN – PHASE I STONEY CREEK SEWER SERVICE AREA 10/4/2013 (Updated 8/2022)

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	Item Description	Quantity	Units	Unit Pric		Total Cost	
1	4-inch Vacuum Main, SDR 21 PVC with Profile Lifts	16,810	LF	31.20		524,472.00	
2	6-inch Vacuum Main, SDR 21 PVC with Profile Lifts	14,720	LF	39.00		573,690.00	
3	4-inch Resilient-Wedge Gate/Isolation Service Valve	13	EA	1,800.00		23,400.00	
4	6-inch Resilient-Wedge Gate/Isolation Service Valve	9	EA	3,400.00		30,600.00	
5	3-inch Service Lateral, SDR 21 PVC	3,000	LF	21.00		63,000.00	
6	Misc. Vacuum Fittings	31,820	LBS	2.00		63,640.00	
7	Jack & Bore 12-inch steel casing (0.5" wall thickness) for 6-inch PVC vacuum main	300	LF	250.00		75,000.00	
8	Insert 6-inch PVC vacuum main in casing	300	LF	40.00		12,000.00	
9	6' deep - 2 Piece Hybrid Valve Pit Package (H20 traffic rated)1	150	EA	5,000.00		750,000.00	
10	Vacuum Sewer Tools	1	EA	5,850.00		5,850.00	
11	Spare Parts	1	EA	10,000.00		10,000.00	
12	Trailer Mounted Vacuum Pump	1	EA	40,000.00		40,000.00	
13	Standard Vacuum Station ²	1	EA	975,000.00		975,000.00	
14	Silt Fence	37,824	LF	5.00		189,120.00	
15	Grassing (Temporary and Permanent)	12,767	SY	2.00		25,533.00	
16	Remove unsuitable material, dispose offsite, replace with crushed stone or site fill	400	CY	70.00		28,000.00	
47	material 3	150					
17	Remove driveway surface, replace with 2" graded aggregate3	150	EA	160.00		24,000.00	
18	Remove and replace 3' of asphaltic road surface over trenches, 3" compacted thickness ₄	3,825	SY	81.00		309,825.00	
19	Decommissioning of existing septic tanks	150	EA	1,000.00		150,000.00	
20	Connection of Vacuum System to homeowner's existing system	150	EA	2,500.00		375,000.00	
21	8-inch PVC force main, AWWA C900, SDR-187	5,883	LF	56.00		329,448.00	
22	8-inch RJ PVC force main, AWWA C900, SDR-18	690	LF	60.00		41,400.00	
23	8-inch DI Force Main	207	LF	120.00		24,840.00	
24	Misc. Force Main Fittings	2,484	LBS	5.00		12,420.00	
25	Force Main Air Release Valve and Manhole	5	EA	5,000.00		25,000.00	
26	Core into Termination Manhole for Force Main	1	EA	3,000.00		3,000.00	
27	Jack & Bore 18-inch steel casing (0.5" wall thickness) for 8-inch PVC force main	120	LF	330.00		39,600.00	
28	Insert 8-inch PVC force main in casing	120	LF	50.00		6,000.00	
29	Vacuum Manufacturer Field Services	2	Week	6,500.00		13,000.00	
30	Traffic Control	1	JOB	Lump Sum		20,000.00	
31	Grading, spreading/disposal excess excavated material, remove and replace	1	JOB	Lump S	Sum	285,800.00	
	monuments, tree protection, mobilization, clean-up, insurance, bonds and other						
	miscellaneous items not specifically listed but necessary for a complete job (6% of						
	all)						
SUB-TOTAL:						5,048,639.00	
Easement Preparation, Appraisals, Legal Fees and Value of the Easements						\$800,000.00	
Engineering Fees (15%)						\$757,295.75	
Construction Contingencies (25%)						\$1,263,159.75	
Estimated Probable Cost						7,868,094.50	
CALL (I, II, III, IV)						\$7,900,000.00	
No. of existing customers:						150	
No. of customers, with build out:						200	
Cost per customer (all):						\$39,500	

For this estimate, the design assumptions include:

- 1. Assumes 0 of the homes can physically share Valve Pit Package. Quantity based on existing lots only.
- 2. Standard Vacuum Station includes AirVac Standard Skid Model 2D-15, equipment installation, wiring/piping/etc., vacuum station building, emergency generator, odor control bio-mass filter bed, collection tank, duplex sewage pumps, vacuum pumps, control panel.
- 3. Remove and replace unsuitable material: quantity assumed, remove and replace driveways: quantity assumed.

VACUUM SYSTEM BUDGET COST ESTIMATE MAY RIVER WATERSHED SEWER MASTER PLAN – PHASE I STONEY CREEK SEWER SERVICE AREA 10/4/2013 (Updated 8/2022)

4. Assumes force main within portions of roadway.

- 5. Cost includes removing contents and fill tank with sand and abandon drain-fields in place. Cost does not include any environmental permitting fees by EPA, DHEC or any other agencies for decommissioning of septic tanks, drain fields, etc.
- 6.Cost assumes locating each homeowner's drain line, cap line to septic tank and run sewer lateral to valve pit. Lateral lengths will vary. Yard and driveway restoration will vary.
- 7. Assumes new force main discharges to LS CP98

GENERAL NOTES:

I: Pricing does not include rehabilitation or capacity upgrades to the existing sewer infrastructure.

II: It is recognized that neither the Engineer nor the Owner has control over the cost of labor, materials or equipment, over the Contractor's methods of determining bid prices.

III: Costs are based on estimated costs. Inflation factors have been applied in an attempt to account for current market conditions.

IV: Engineering Fees are for civil design services only. Fees do not include wetland mitigation credits, or other engineering discipline design required not listed herein. Easement preparation, appraisals, legal fees and value of the easements are based on input from BJWSA & Town of Bluffton (prior experience with projects requiring easement, appraisals, legal).