



## **Ad Hoc Reconstitution Committee and Executive Committee**

OJRSA Operations & Administration Building  
Lamar Bailes Board Room  
December 11, 2025 at 9:00 AM

*This advisory committee was established by the OJRSA Board of Commissioners at its August 4, 2025 meeting to consider the reorganization recommendations as identified in the [Ad Hoc Sewer Feasibility Implementation Committee Final Recommendations](#) report. This committee can neither create policy nor make decisions on behalf of the OJRSA or other wastewater service providers within the area. The recommendations are available at [www.ojrsa.org/info](http://www.ojrsa.org/info).*

*OJRSA commission and committee meetings may be attended in person at the address listed above. The OJRSA will also broadcast meetings live on its YouTube channel at [www.youtube.com/@OconeeJRSA](http://www.youtube.com/@OconeeJRSA) (if there is a technical issue preventing the livestreaming of the meeting, then a recording will be published on the channel as soon as possible). For those not able to attend in person, then the OJRSA Board or Committee Chair will accept public comments by mail (623 Return Church Rd, Seneca, SC 29678) or at [info@ojrsa.org](mailto:info@ojrsa.org). Comments must comply with the public session instructions as stated on the meeting agenda and will be received up until one hour prior to the scheduled meeting. If there is not a public session scheduled for a meeting, then comments shall not be accepted.*

### **Agenda**

- A. Call to Order** – Kevin Bronson, Committee Chair
- B. Approval of Minutes**
  - Ad Hoc Reconstitution Committee and Executive Committee Meeting of November 13, 2025
- C. Committee Discussion and Action Items**
  1. West Union update regarding the support resolution and rate/valuation study – Chris Eleazer, Committee Member/OJRSA Director (or Linda Oliver, West Union Mayor, if present)
  2. Oconee County update regarding the support resolution – Glenn Hart, Committee Member/Oconee County Council
  3. Update on amendment to Joint Authority Water and Sewer Systems Act (Exhibit A) – Lawrence Flynn, OJRSA Counsel
  4. Communications with elected officials – Katherine Amidon, Committee Facilitator
  5. Update on financial studies (Exhibit B) – Angie Mettlen, Committee Facilitator
- D. Committee Member Discussion** – Led by Kevin Bronson, Committee Chair  
Discussion can be related to matters addressed in this meeting or for future consideration by the Board or Committee. Voting is not permitted during this session.
- E. Adjourn**

### **Upcoming Meetings**

*All meetings to be held in the Lamar Bailes Board Room unless noted otherwise.*

- Finance & Administration Committee – December 16, 2025 at 9:00 AM
- Operations & Planning Committee – December 18, 2025 at 8:30 AM
- Board of Commissioners – January 5, 2026 at 5:00 PM *Note special meeting time. Meeting to be held at Walhalla Depot, 211 South College Street, Walhalla*
- Annual Members' Meeting – January 5, 2026 at 6:00 p.m. *Note special meeting time. Meeting to be held at Walhalla Depot, 211 South College Street, Walhalla*
- Reconstitution Committee and Executive Committee – January 8, 2026 at 9:00 AM

TO AMEND CERTAIN PROVISIONS OF TITLE 6, CHAPTER 25 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, TO AUTHORIZE CERTAIN CLARYIFYING AMENDMENTS REGARDING COMMISSIONERS, RECONSTITUTION, BOND APPROVAL AND DURATION.

Be it enacted by the General Assembly of the State of South Carolina:

**SECTION 1. Section 6-25-20 shall be amended to add the following defined terms:**

**§ 6-25-20. Definitions.**

*(14) "Legislative Delegation" means all members of the South Carolina Senate and South Carolina House representing any county where a joint system is located.*

*(15) "Governor" means the Governor of the State of South Carolina.*

**SECTION 2. Section 6-25-50 shall be amended and restated as follows:**

**§ 6-25-50.** ~~Agreement as to number of commissioners each member may appoint;~~ Application filed with Secretary of State; corporate certificate.

(A) The governing bodies of the members of a joint system shall form an agreement specifying the number of commissioners ~~each member may appoint to a commission created to govern the joint system pursuant to Section 6-25-60.~~

(B) ~~Two or more commissioners~~ The proposed members of a joint system shall jointly file an application with the Secretary of State ~~an application signed by the commissioner or each proposed member setting forth:~~

(1) ~~the names of~~ number of proposed members of the joint system, the number of proposed commissioners, and their respective appointed commissioners the method of appointment pursuant to Section 6-25-60(B);

(2) ~~(a) the a~~ a certified copy of a resolution of each member determining it is in its best interest to participate in the proposed joint system; and

~~(b) the resolution appointing the member's commissioner;~~

(3) the desire that the joint system be organized as a public body corporate and politic under this chapter;

(4) the name which is proposed for the joint system; and

(5) the purpose for creation of the joint system.

The Secretary of State shall file the application if after examining it and determining that it complies with the requirements in this section and that the proposed name of the joint system is not identical with that of any other corporation of the State or any agency or instrumentality or so nearly similar as to lead to confusion and uncertainty.

After the application has been filed, the Secretary of State shall issue a corporate certificate that must be filed with the application, and the joint system then must be constituted a public body corporate and politic under the name proposed in the application. The corporate certificate shall set forth ~~the names of all voting member and~~ the name of the joint system. There also must be stated upon the corporate certificate the purpose for which it has been created, as set forth in the application. Notice of the issuance of such corporate certificate must be given to all members of the joint system by the Secretary of State.

In any suit, action, or proceeding involving the validity or enforcement of, or relating to, contract of a joint system, the joint system in the absence of establishing fraud shall be conclusively

considered to have been established in accordance with the provisions of this chapter upon proof of the issuance of the certificate by the Secretary of State. A copy of the certificate, duly certified by the Secretary of State, is admissible in evidence in any suit, action, or proceeding and is conclusive proof of the filing and contents.

**SECTION 3. Section 6-25-60 shall be amended and restated as follows:**

**§ 6-25-60.** Joint system to be managed and controlled by commission; appointment of commissioners; oath; records; seal; quorum; vacancies; expenses.

(A) The management and control of a joint system is vested in a commission that may consist of no fewer than five members and no more than eleven members. A commissioner has one vote and may have additional votes as a majority of the members of the joint system determines. Notwithstanding the provisions of this subsection requiring the commission managing a joint system to have no fewer than five members and no more than eleven members, a joint system in existence on this section's effective date and having fewer than five members or more than eleven members on this section's effective date may continue to maintain the number of members serving on the section's effective date and may add additional members as its commissioners determine.

(B) As contemplated by the initial application to the Secretary of State, commissioners serving on the commission may be appointed under one of the following procedures:

(1) Appointment by member. The governing body of each voting member of a joint system shall appoint one or more a commissioner, ~~pursuant to Section 6-25-50(A),~~ to serve as a commissioner of the joint system. ~~A commissioner has one vote and may have additional votes as a majority of the members of the joint system determines.~~ A commissioner serves at the pleasure of the governing body by which he was appointed. A commissioner, before entering upon his duties, shall take and subscribe to an oath before a person authorized by law to administer oaths to execute the duties of his office faithfully and impartially, and a record of each oath must be filed with the governing body of the appointing authority.

~~Notwithstanding the provisions of this subsection requiring the commission managing a joint system to have no fewer than five members and no more than eleven members, a joint system in existence on this section's effective date and having fewer than five members or more than eleven members on this section's effective date may continue to maintain the number of members serving on the section's effective date and may add additional members as its commissioners determine.~~ Further, and notwithstanding the appointment requirements above, in the event there are an even number of members of a joint system (i.e. 4, 6, 8, 10), the project contract, bylaws or other similar agreement for the joint system may authorize one additional member of the commission; such additional commissioner shall be recommended by the legislative delegation from each county where the joint system is located, and upon receipt of such recommendation, such additional commissioner shall appointed by the Governor. Any gubernatorial appointment shall be for a term of four years and shall serve until a duly appointed successor is appointed and qualified. Any commissioner appointed by the Governor hereunder must reside within a household receiving utility services from the joint system or a member of the joint system. Any vacancy of such member must be filled for the remainder of the unexpired term in the same manner as the original appointment. If a new member of a joint system is added under the provisions hereof such that there becomes an odd number of members of a joint system, any gubernatorial appointed commissioner shall be deemed to automatically vacate his position as a commissioner as of the date of the admission of such new member of a joint system and their respective appointment of a new commissioner.

(2) Appointment by Governor. The commissioners may be appointed by the Governor in accordance with the following procedures:

(a) The Governor, based upon the recommendation of the legislative delegation from each county that the joint system operates, shall appoint each commissioner. Each appointed commissioner must reside within a household receiving utility services from the joint system or a member of the joint system. In making such appointments, there shall be at least one commissioner appointed by the Governor from the service area of each member of the joint system.

(b) Excepting the initial appointments as necessary to create a staggered commission which may be two or four years, respectively, each commissioner must be appointed and serve for a term of four years and until his successor is appointed and qualified, provided that the terms of the commissioners must be staggered such that approximately one-half of the total members appointed by the Governor must be appointed or reappointed every two years. A vacancy must be filled for the remainder of the unexpired term in the manner of the original appointment. Respecting the initial commission appointed herein, the minority portion of the staggered membership, representing those authorities with the lowest number of customers of the joint system, shall serve for an initial two-year term.

~~(B)~~ (C) The commissioners of the joint system shall annually, or biennially, if provided in the bylaws of the joint system, elect, with each commissioner having one vote, one of the commissioners as chairman, another as vice chairman, and other persons who may, but need not be commissioners, as treasurer, secretary and, if desired, assistant secretary. The office of treasurer may be held by the secretary or assistant secretary. The commission may also appoint such additional officers as it deems necessary. The secretary or assistant secretary of the joint system shall keep a record of the proceedings of the joint system, and the secretary must be the custodian of all books, records, documents, and papers filed with the joint system, the minute book or journal of the joint system, and its official seal.

~~(C)~~ (D) A majority of the commissioners of the joint system shall constitute a quorum. A vacancy on the commission of the joint system shall not impair the right of a quorum to exercise all rights and perform all the duties of a joint system. Any action taken by the joint system under the provisions of this chapter may be authorized by resolution at any regular or special meeting held pursuant to notice in accordance with bylaws of the joint system, and each resolution shall take effect immediately and need not be published or posted. Except as is otherwise provided in this chapter or in the bylaws of the joint system, a majority of the votes which the commissioners present are entitled to cast, with a quorum present, shall be necessary and sufficient to take any action or to pass any resolution. No commissioner of a joint system shall receive any compensation solely for the performance of duties as a commissioner, but each commissioner may be paid per diem, mileage, and subsistence expenses, as provided by law for state boards, committees, and commissions, incurred while engaged in the performance of such duties.

(E) All commissioners shall hold the qualifications of an elector.

(F) Commissioners appointed under subsection (B)(2) above may not be an officer or employee of a member of a joint system, and no commissioner shall be permitted to serve on an ex officio basis. Separately, for commissioners appointed under subsection (B)(1) above, the members of the joint system may include a restriction in the project contract, bylaws or other agreement for the joint system that no commissioner may be an officer or employee of a member of a joint system, and no commissioner shall be permitted to serve on an ex officio basis.

(G) Any commissioner appointed hereunder shall be deemed to forfeit his respective position if such person (1) lacks, at any time during his term of office, any qualifications for the office prescribed by general law and the Constitution, or (2) is convicted of any crime, other than civil infractions or misdemeanors for which no imprisonment is imposed.

**SECTION 4. Section 6-25-70 shall be amended and restated as follows:**

**SECTION 6-25-70.** Change in membership of joint system.

(A) After the creation of a joint system, any other authority may become a member of the joint system upon:

(1) adoption of a resolution or ordinance by the governing body complying with the requirements of Section 6-25-40 including publication of notice;

(2) submission of an application to the joint system; and

(3) approval of the application by resolution of the governing body of each member of the joint system except in the case of a joint system organized for the purpose of creating a financing pool, in which case the application must be approved by resolution of the commission.

(B) A member may withdraw from a joint system by resolution or ordinance of its governing body. A contractual right acquired or contractual obligation incurred by a member while it was a member remains in full force and effect after the member's withdrawal.

(C) Notice of a change in membership must be filed in the Office of the Secretary of State. No change is final until this filing occurs. The filing is not required if a joint system is organized only for the purpose of creating a financing pool.

(D) If a new member of the joint system is added hereunder, the approval documentation required under subsection (A)(3) above shall determine whether any new commissioners shall be added to the commission as necessary to support such new member of the joint system. If a new commissioner is added, either by the member of the joint system or the Governor, as applicable, each such commissioner shall be appointed immediately.

**SECTION 5. Section 6-25-80 shall be amended and restated as follows:**

**§ 6-25-80.** Dissolution of system.

Whenever the commission of a joint system and the governing body of each of its members shall by resolution or ordinance determine that the purposes for which the joint system was formed have been substantially fulfilled and that all bonds issued and all other obligations incurred by the joint system have been fully paid or satisfied, the commission and members may declare the joint system to be dissolved. On the effective date of the resolution or ordinance, the title to all funds and other income and property owned by the joint system at the time of dissolution must be disbursed to the voting members of the joint system according to its bylaws.

In the discretion of the members of a joint system for the proper and efficient operation of any joint system, an existing joint system may be reconstituted by following the procedures for the creation of a new joint system, mutatis mutandis.

**SECTION 6. Section 6-25-110 shall be amended and restated as follows:**

**§ 6-25-110.** Authorization to incur debt and issue bonds.

A joint system may incur debt for any of its purposes and may issue bonds pledging to the payment as to both principal and interest the revenues, or any portion, derived or to be derived from all or any of its projects and any additions and betterments or extensions or contributions or advances from its members or other sources of funds available to it. A joint system may not undertake a project required to be financed, in whole or in part, with the proceeds of bonds without the approval of the governing bodies of each member which is obligated or to be obligated under any contract for the payment of amounts to be pledged as security therefore and a favorable vote of two-thirds of all commissioners. Notwithstanding the foregoing, when a commission is



appointed under Section 6-25-60(B)(2), no separate approval of the governing bodies of each member shall be required for the issuance of any bonds, and such bonds shall be authorized and approved by a simple majority of the commissioners. Any project may be preauthorized, preapproved or otherwise permitted under the terms of the project contract for the joint system, and such authority, approval or permission shall constitute all necessary approval of the respective governing bodies of each member herein. A joint system formed only for the purpose of creating a financing pool may issue notes in anticipation of the issuance of bonds by its members to the government.

## **SECTION 7. Section 6-25-128 shall be amended and restated as follows:**

### **§ 6-25-128.** Contracts between authority and joint system; duration.

An authority may contract to buy from the joint system water required for its present or future requirements, including the capacity and output, or a portion or share of one or more specified projects. An authority also may contract for the collection or treatment of wastewater, including present or future capacity, or a portion or share of another project. The creation of a joint system is an alternative method whereby an authority may obtain the benefits and assume the responsibilities of ownership in a project, so a contract may provide that the authority forming the contract is obligated to make a payment required by the contract whether or not a project is completed, operable, or operating notwithstanding the suspension, interruption, interference, reduction, or curtailment of the output of a project or the water contracted for, and that the payments under the contract are not subject to reduction, whether by offset or otherwise, and are not conditioned upon the performance or nonperformance of the joint system or any other member of the joint system under the contract or any other instrument. A contract with respect to the sale or purchase of capacity or output, or a portion or share of them, of a project entered into between a joint system and its member authorities also may provide that if an authority or authorities default in the payment of its or their obligations with respect to the purchase of the capacity or output, or a portion or share of them, in that event the remaining member authorities which are purchasing capacity and output under the contract are required to accept and pay for and are entitled proportionately to and may use or otherwise dispose of the capacity or output which was to be purchased by the defaulting authority.

A contract concerning the sale or purchase of capacity and output from a project may extend for a period not exceeding fifty years from the date of the contract and may be renewable and extended upon terms as the parties may agree for not exceeding an additional fifty years; and the execution and effectiveness is not subject to any authorizations or approvals by the State or any agency, commission, or instrumentality or political subdivision of them. Additionally, the contract may further provide that bonds or other indebtedness of the joint system may exceed the term of an initial or existing contract between or among the joint system and the respective members of the joint system, and in such event the contract, or at least the payment obligations of each member, shall be automatically extended to a period commensurate with the term of the bonds or other indebtedness.

Payments by an authority under a contract for the purchase of capacity and output from a joint system may be made from the revenues derived from the ownership and operation of the water system of the authority or from such other sources of funds as may be available, including any amounts received as payments in lieu of taxes. An authority may not pledge its full faith, credit, and taxing power to secure its obligations to the joint system or the bonds of the joint system. An authority is obligated to fix, charge, and collect rents, rates, fees, and charges for water or sewer services, facilities, and commodities sold, furnished, or supplied through its water or sewer system sufficient to provide revenues adequate to meet its obligations under any contract and to pay any

and all other amounts payable from or constituting a charge and lien upon the revenues, including amounts sufficient to pay the principal of and interest on general obligation bonds, if any, heretofore or hereafter issued by the authority for purposes related to its water or sewer system.

An authority that is a member of a joint system may furnish the joint system with money derived from the ownership and operation of its water or sewer system or facilities and provide the joint system with personnel, equipment, and property, both real and personal, and from any other sources legally available to it for such purposes. An authority also may provide services to a joint system.

A member of a joint system may contract for, advance, or contribute funds derived from the ownership and operation of its water or sewer system or facilities or from another legal source to a joint system as agreed upon by the joint system and the member, and the joint system shall repay the advances or contributions from the proceeds of bonds, operating revenue, or other funds of the joint system, together with interest as agreed upon by the member and the joint system.

**SECTION 8. This act takes effect upon approval by the Governor.**



## AD HOC RECONSTITUTION COMMITTEE

December 2025

# Financial Feasibility Study: Expected Outcomes for Entities

## Overall Outcomes

Based on a scope similar to the MetroConnects/Sewer Districts Financial Feasibility Study provided to the Committee as an example, the following overall outcomes can be expected for each entity if participating in a similar study. It would be expected that only the initial phase of the study would be completed at this time. The actual deliverables will be based on the negotiated scope after discussions with the selected consultant.

Below are the expected outcomes that each entity could expect from a similar study:

**Strategic Financial Roadmap:** Clear understanding of debt capacity, affordability, and long-term capital planning.

**Decision Support:** Data-driven insights to guide prioritization of projects and potential mergers/consolidations.

**Enhanced Governance:** Transparent communication tools for boards, committees, and stakeholders.

## Example Phase I: Financial Analysis & Consolidation/Merger Evaluation

### Planning Work Deliverables

- Financial Condition & Debt Portfolio Analysis
- Detailed report on current financial health, credit profile, and debt obligations.
- Identification of strengths, risks, and opportunities in existing financing.
- Capital Planning Model
- A comprehensive, customized financial model projecting debt capacity and affordability.
- Scenario testing for different project timelines, funding structures, and revenue sources.





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- Sensitivity analyses to show how changes in assumptions (revenues, costs, growth) affect affordability.

### **Consolidation/Merger Evaluation Deliverables**

- Comparative analysis of existing and proposed cash flows for entities under consideration.
- Impact assessment on financial ratios, coverage levels, and long-term sustainability.
- Pro forma projections to evaluate merger/consolidation feasibility.
- Stakeholder Engagement
- Participation in board meetings, workshops, and committees to refine assumptions.
- Presentation materials to communicate findings clearly to governing boards and staff.

## Example Phase II: Financial Transaction Support

This phase will come at a later date if consolidation moves forward and will not be a part of the initial scope. However, this is provided as information for the Committee to understand the expected outcomes of this work should it be necessary.

### **Transaction Execution Deliverables**

- Plan of Finance Document
- Tailored financing strategy aligned with short- and long-term objectives.
- Recommended structures (fixed vs. variable rate, term lengths, call provisions).
- Credit Package
- Comprehensive lender/bond counsel package including financials, projections, and supporting schedules.
- Quantitative Schedules
- Sources and uses of funds.
- Debt service schedules.
- Escrow cash flow projections.

### **Financing Calendar Deliverables**

- Detailed timeline of milestones (board approvals, hearings, closing dates).



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- Market Advisory Report
- Current bond market conditions and interest rate outlook.
- Timing recommendations for issuance.
- Closing Documentation
- Coordinated checklist of closing requirements.
- Drafts of legal documents prepared with counsel.
- Final executed agreements.
- Board/Stakeholder Presentation
- Clear explanation of financing terms, risks, and expected outcomes.
- Visuals to support decision-making.

### **Post-Closing Support Materials**

- Closing summary report.
- Q&A documentation for staff and stakeholders.



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# Collection Systems Rate Study: Expected Outcomes for Entities

## Overall Outcomes

Based on a scope similar to the MetroConnects/Sewer Districts Collection Systems Rate Study provided to the Committee as an example, the following overall outcomes can be expected for each entity if participating in a similar study. It would be expected that this rate study would follow the Financial Feasibility Study and utilize its results combined with capital improvements information from each entity and developed through the OJRSA Regional Feasibility Planning Study. In addition, if any entity has undertaken a recent rate study, that information will also be used in this effort. The actual deliverables will be based on the negotiated scope after discussions with the selected consultant.

Below are the expected outcomes that each entity could expect from a similar study:

**Clear Understanding of Financial Needs:** Insight into revenue requirements for both individual subdistricts and a consolidated system.

**Equitable and Sustainable Rate Structure:** Rates aligned with industry best practices and financial objectives.

**Customer Impact Transparency:** Analysis of how proposed changes affect affordability and fairness.

**Decision Support Tool:** A robust model to guide future rate adjustments and capital planning.

**Strategic Recommendations:** Guidance on policy considerations, economies of scale, and long-term financial sustainability.

## Example Rate Study Key Deliverables

### Detailed Data Request and Collection Task

- A comprehensive list of required data (budgets, billing data, financial reports, growth forecasts, ordinances, contracts).
- Organized and validated datasets for analysis.



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### **Revenue Requirement Forecast Task**

- Multi-year projections of operating and maintenance costs, capital costs (including debt service), and reserve requirements.
- Separate forecasts for each subdistrict and an aggregated forecast for the entire system.

### **Billable Units of Service Forecast Task**

- Analysis of customer demand using water usage and GIS data.
- Five-year forecast of billable units based on growth assumptions.

### **Rate Calculations Task**

- Proposed rate structures for each subdistrict and consolidated system.
- Annual rate projections for the forecast period.
- Customer impact analysis to show how changes affect different customer classes.

### **Financial Model Task**

- A customized, Excel-based interactive rate model.
- Ability to test scenarios, perform sensitivity analyses, and update assumptions easily.
- Dashboard for visualizing financial and operational metrics.

### **Recommendations & Presentation Task**

- Summary report with findings, recommended rate structures, and financial strategies.
- One formal presentation to stakeholders (with potential for additional sessions if needed).