



# Oconee Joint Regional Sewer Authority

623 Return Church Road  
Seneca, South Carolina 29678  
Phone (864) 972-3900  
www.ojrса.org

## OCONEE JOINT REGIONAL SEWER AUTHORITY

### Commission Meeting

March 2, 2026

The Oconee Joint Regional Sewer Authority Commission meeting was held at the Coneross Creek Wastewater Treatment Plant.

Commissioners that were present:

- Seat 8 (Westminster): Kevin Bronson, Board Chair
- Seat 2 (Seneca): Scott Moulder, Board Vice-Chair
- Seat 1 (Seneca): Josh Riches
- Seat 3 (Seneca): Scott McLane
- Seat 4 (Seneca At-Large): Marty McKee
- Seat 5 (Walhalla): Celia Myers (*arrived at 4:03 p.m.*)
- Seat 6 (Walhalla): Zane Thompson
- Seat 7 (Westminster): Scott Parris
- Seat 9 (Walhalla-Westminster At-Large): David Dial

Commissioners that were not present:

- None. All Commissioners were in attendance.

OJRSA appointments and staff present were:

- Lynn Stephens, Secretary/Treasurer to the Board and Office Manager
- Chris Eleazer, Executive Director

Others present were:

- Lawrence Flynn, OJRSA Attorney (*per phone call at 4:34 p.m.*)
- Robert Royer, AQD
- Kenneth Marshall, AQD

**A) Call to Order** – Mr. Bronson called the meeting to order at 4:00 p.m.

**B) Invocation and Pledge of Allegiance** – By Mr. Dial.

**C) Proclamation and Recognition of OJRSA Staff** – **The South Carolina General Assembly Designated the First Monday in March Each Year as Water Professionals Day to Annually Recognize the Essential Role of Water Industry Experts and Support Staff Across the State. This Observance Honors the Dedication and Service of the Professionals Who Safeguard South Carolina’s Wastewater, Drinking Water, and Stormwater Systems, and Who Work Tirelessly to Protect Public Health and Support Our Communities (125<sup>th</sup> Session, 2023-2024 Bill 3799: Water Professionals Day)** – A majority of the OJRSA staff entered the boardroom, and Mr. Kyle Lindsay (Operations Director) introduced all of them. Mr. Eleazer also acknowledged Ms. Allison McCullough (Regulatory Services Coordinator) and Ms. Amanda Kelley (Records Clerk) who were not present in the boardroom.

Mr. Bronson thanked the staff for all they do, and the board members clapped. Mr. Johnny McCall (Operations Supervisor) thanked the board for everything they do. The employees left the meeting.

**D) Public Session** – Mr. Royer stated he wanted to recognize the board members as well for this honorary day and stated that, as a citizen, he appreciates all they do.

**E) Approval of Minutes:**

• **Board of Commissioners Meeting of February 2, 2026**

Mr. Dial asked if Mr. Eleazer heard back from Mr. Jamie Gilbert of Oconee Economic Alliance about a meeting. Mr. Eleazer said he is not a part of that and could not answer. Mr. Bronson said it was left to him to reach out to Mr. Gilbert, but Mr. Gilbert was out of the office for a couple of weeks, so the meeting should be before the next board meeting.

*Mr. Dial made a motion, seconded by Mr. Moulder, to approve the February 2, 2026 Board Meeting minutes as presented. The motion carried.*

**F) Committee and Other Meeting Reports:**

- **Reconstitution Committee and Executive Committee Meeting of December 11, 2025 as Approved by Committee on February 12, 2026** – Mr. Bronson presented the report to the Commission. *\*See attached minutes. Acceptance of the February 12, 2026 Meeting to be Considered at the April 6, 2026 Board Meeting.*

*Mr. Moulder made a motion, seconded by Mr. Dial, to accept the December 11, 2025 Reconstitution Committee and Executive Committee Meeting minutes as presented. The motion carried.*

- **Operations & Planning Committee Meeting of February 19, 2026** – *This meeting was cancelled due to lack of agenda items.*
- **Finance & Administration Committee Meeting of February 24, 2026** – Mr. Parris presented the report to the Commission. *\*See attached minutes.*

*Mr. Parris made a motion, seconded by Mr. Riches, to approve the February 24, 2026 Finance & Administration Meeting minutes as presented. The motion carried.*

**G) Secretary/Treasurer's Report (Exhibit A)** – Ms. Stephens presented the Secretary/Treasurer's Report to the board. She added that the new accountant is doing a great job with the bank reconciliations and getting the reconciliation letters to the OJRSA promptly.

Mr. Dial asked what the interest rates currently are for the CDs. Ms. Stephens replied that they are around 3.75%.

Mr. Moulder asked if there was a big project impact fee paid which caused the Wholesale Impact Fund to rise from approximately \$6 million last month to approximately \$7 million this month. Mr. Eleazer replied there were actually a couple of projects which included Landmark Development and a subdivision.

*Mr. Dial made a motion, seconded by Mr. McLane, to approve the Secretary/Treasurer's Report as presented. The motion carried.*

**H) Presentation and Discussion Items** – None.

**I) Action Items:**

1. **Approve for Executive Director to Execute Agreements with Raftelis Financial Consultants, Inc. and First Tryon Advisors, LLC to Perform System Valuation and Financial Evaluation Services Regarding the Reconstitution Process with the Member Cities, Oconee County, and Town of West Union (Exhibit B)** – The Director stated these are two (2) parts done in succession (with first part being done by Raftelis). This stemmed from the goal in the 2024 Feasibility Study to provide insight into key issues facing sewer service in the county and how to properly fund capital projects and operational maintenance moving forward. Mr. Eleazer said the study provided next steps.

Raftelis has six (6) steps which include:

- Collect data from the OJRSA and the member entities (the cities, Oconee County, and Town of West Union),
- Determine consolidated costs (for consolidated system or individual systems collectively) for revenue requirements for O&M and capital needs (including debt service, cash-financed projects, and proper reserve amount),

- Examine each entity's billing records to determine the demand for wastewater service,
- Calculate retail rates for the combined system,
- Develop a model for revenue requirements based on the projected needs, and
- Present the findings to the board and others as appropriate.

First Tryon's steps include:

- Evaluate and provide analysis of the consolidated system's overall financial condition,
- To develop, through a financial planning model, ways to assist and establish a system debt capacity for capital projects, and
- Participate in meetings and presentations as needed.

Mr. Eleazer said the committee recommended unanimously to proceed with the approval of this. Mr. Bronson asked Mr. Eleazer what the total cost was for each study. Mr. Eleazer replied that Raftelis will cost \$99,605, and First Tryon will not exceed \$25,000. Mr. Bronson said this item on the agenda will authorize the scope of work for those amounts. The next item on the agenda will discuss how to share the cost for this work between the Member Cities, Oconee County, the Town of West Union, and the OJRSA.

Mr. Moulder stated the committee recognized this is an important next step in the reconstitution process and discussed how these studies will provide all the necessary information to answer the questions that have been asked by all the entities. He added that the committee and the City of Seneca feel it is important to get the questions answered and make the appropriate decisions.

Mr. Dial said \$125,000 seems like a very reasonable cost for both studies. Mr. Moulder replied that the original estimate had the City of Seneca paying approximately \$135,000, so he is very pleased with this.

***Mr. Dial made a motion, seconded by Mr. Parris, to approve both agreements together as presented. The motion carried.***

**2. Consider Cost-Sharing Funding for Raftelis Financial Consultants, Inc. and First Tryon Advisors, LLC Services** – Mr. Eleazer stated Ms. Katherine Amidon from Bolton & Menk created a draft spreadsheet of cost-sharing information. The Director stated he modified it to show the 10% base amount plus the pro rata share for each entity based on their number of customers. In addition, based on this pro rata share, and from the conversation in committee, West Union will not contribute. He stated this could be changed if the board wants.

It was discussed how the entities would pay for their portions. Mr. Eleazer said that the OJRSA would receive the invoices from the consultants and pay them and then bill the entities monthly for reimbursement. Mr. Moulder stated that, even though the amount is lower than first anticipated, the City of Seneca would appreciate receiving a monthly invoice and paying it in installments.

Mr. Bronson asked if everyone was okay with the methodology of this cost-sharing plan. Mr. Moulder said the pro rata share is historically how it's always been done and it is appropriate with the new billing based on the number of customer accounts.

***Mr. Moulder made a motion, seconded by Mr. Dial, to approve the cost-sharing as presented with the 10% base amount plus the pro rata share based on the number of customers and without the Town of West Union contributing. The motion carried.***

**J) Executive Director's Discussion and Compliance Matters** – Mr. Eleazer reported on the following:

**1. Environmental and Regulatory Compliance Matters:**

Martin Creek Forcemain Break – There was a force main break on the Martin Creek force main the night of January 31, 2026 into February 1, 2026. With the number of holes discovered in the line, the OJRSA is becoming aware that there is concern about the condition of this ductile iron pipe (which is the same material and same diameter pipe as on Speeds Creek force main). The OJRSA is wanting to take a proactive approach to determine what the condition is on this force main and if it needs a partial rehabilitation, partial replacement, or a full replacement of the line. The OJRSA is

using the Indefinite Delivery Contract to look at some non-destructive assessments on the line. He added that there is a 3,000,000-gallon equalization tank that can be used to store the wastewater for a couple of days to camera sections of the line. There is a possibility of getting this done before the end of this fiscal year; if not possible, it will be done next fiscal year.

Pretreatment Program and Sewer Use Regulation – As part of having a delegated authority for a pretreatment program, the OJRSA must keep an updated Sewer Use Regulation (SUR) that meet or exceed the minimum requirements of the state. When the OJRSA received the updated NPDES permit in October/November 2025, OJRSA had to make sure the SUR met or exceeded any changes in the permit. The OJRSA had a 6-month period to get the update into the state. The SUR has been evaluated internally and will be going to an environmental and regulatory expert to review. Then it will go to OJRSA’s attorney, Mr. Michael Traynham, and then onto the board to review and approve. This will be a quick turnaround, as it must be completed and turned into the SC Department of Environmental Services (SCDES) by the end of April.

Mr. Bronson asked Mr. Eleazer to email the document to the board, even in a final draft form, if this is going to be a lengthy document to review to give them time to read. Mr. Eleazer replied he would but added he didn’t expect there to be too many changes.

2. **Peracetic Acid Disinfection System Update** – The OJRSA received approval from SCDES to switch from chlorine gas to a peracetic acid disinfection system. The OJRSA will continue to use chlorine until it can dwindle its onsite level down below 1,000 pounds. The OJRSA will have to continue to have chlorine on the premises as a backup through a few cycles. After that period, the OJRSA will seek approval from SCDES to get rid of chlorine completely.

OJRSA personnel are happy as chlorine drills, fit testing, the Process Safety Management Plan, and the Risk Management Plan will no longer be required. In addition, there will be a cost savings from not having to have consultants come in and assist the OJRSA on all the document updates. Ms. McCullough will be checking on how to close these documents out.

3. **Miscellaneous (If Any):**

Data Centers – The Director attended a meeting on Thursday where they brought up the concern about data centers on wastewater systems. Although there are no discussions about data centers coming to this area, Mr. Eleazer he said he found the conversation interesting. These centers use water for cooling, which isn’t bad on its own; however, it is the anti-corrosion materials and antifreeze or other chemicals added to the water that makes the issue.

Sewer Line Extension Toward I-85 Exit 4 with Pump Station (for Oconee County) – The OJRSA recently heard from the engineer associated with this project. The design was approved by the OJRSA a while ago. It is anticipated that a construction permit will be issued for the project in the not-so-distant future by the SCDES. Currently it is Oconee County’s line to own, but the OJRSA is listed as the operator and maintenance agency of record.

The Director stated that an operating agreement needs to be created between the OJRSA and Oconee County for this purpose. The OJRSA currently has an agreement with Oconee County for the Golden Corner Commerce Park, but that agreement is strictly to serve that pump station and force main. A draft agreement for this Exit 4 project was started about a year ago but was put on the backburner without knowing about how the reconstitution process would proceed. It may be time to bring it back to the front burner.

Mr. Eleazer asked if Mr. Flynn should work on this agreement and should it go through committee or be presented to the full board. Mr. Bronson said he felt it should go through committee. Ms. Myers agreed and said it would be vetted better in committee. Mr. Moulder agreed.

Mr. Bronson asked if an addendum to the current agreement for Golden Corner Commerce Park wouldn’t suffice. Mr. Eleazer replied that Mr. Flynn would be the one to answer that. He added that the original agreement was made solely by OJRSA attorney, Mr. Larry Brandt. Mr. Flynn stated that most attorneys (including himself) prefer to draw the agreements up themselves.

Mr. Eleazer stated he would forward the draft agreement to Mr. Flynn and will have this on a committee agenda to discuss in the very near future. Mr. Bronson asked if there are time constraints on this. Mr. Eleazer replied that the OJRSA has as long as is needed. The flow has already been approved for the project, but they still need to bid out the job and build it and obtain a SCDOT encroachment permit.

OJRSA Presentation – Mr. Eleazer reported that OJRSA’s Commercial Pretreatment Inspector, Mr. Dalton Justice, spoke at the US Fog Alliance Conference in Charleston last week. People from across the country attended this conference. Mr. Eleazer said he has seen pictures of Mr. Justice doing the presentation from people who reported he did a great job. The Director added that there is a lot of interest in what the OJRSA is doing with multi-family homes with the OJRSA becoming a model for grease and rags.


Thanks – Mr. Eleazer took one last minute to thank the board for all they do.

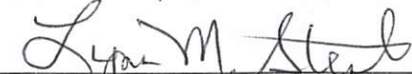
**K) Commissioners’ Discussion** – Mr. Dial asked how long it will take the OJRSA to dwindle the chlorine down to 1,000 pounds and if the OJRSA will still be required to do annual safety chlorine drills. Mr. Eleazer stated Mr. Lindsay projects to be down to 1,000 pounds on site by Wednesday of next week. He also stated that the OJRSA will not be required to do the chlorine safety training once the level is down.

**L) Adjourn** – Mr. Bronson adjourned the meeting at 4:49 p.m.

**Upcoming Meetings:**

1. **Reconstitution Committee and Executive Committee** – Thursday, February 12, 2026 at 9:00 a.m.
2. **Operations & Planning Committee** – Thursday, January 15, 2026 at 8:30 a.m.
3. **Finance & Administration Committee** – Tuesday, January 27, 2026 at 9:00 a.m.
4. **Board of Commissioners** – Monday, February 2, 2026 at 4:00 p.m.

Approved By:   
Kevin Bronson, OJRSA Commission Chair

Approved By:   
Lynn M. Stephens, OJRSA Secretary/Treasurer

Approved By:   
Christopher R. Eleazer, OJRSA Executive Director

Notification of the meeting was distributed on February 6, 2026 to *Upstate Today*, *Anderson Independent-Mail*, *Westminster News*, *Keowee Courier*, WGOG Radio, WSNW Radio, City of Seneca Council, City of Walhalla Council, City of Westminster Council, Oconee County Council, SCDES, [www.ojrsa.org](http://www.ojrsa.org), and posted at the OJRSA Administration Building.

**\*ATTACHMENTS STARTING NEXT PAGE**



**Board of Commissioners Meeting**  
OJRSA Operations & Administration Building  
Lamar Bailes Board Room  
March 2, 2026 at 4:00 PM

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, Board Chair
- B. Invocation and Pledge of Allegiance** – Led by Commissioner David Dial
- C. Proclamation and Recognition of OJRSA Staff**  
The South Carolina General Assembly designated the first Monday in March each year as **Water Professionals Day** to annually recognize the essential role of water industry experts and support staff across the state. This observance honors the dedication and service of the professionals who safeguard South Carolina’s wastewater, drinking water, and stormwater systems, and who work tirelessly to protect public health and support our communities. (125<sup>th</sup> Session, 2023-2024 Bill 3799: Water Professionals Day)
- D. Public Session** – Receive comments relating to topics that may or may not be on this agenda. Session is limited to a maximum of 30 minutes with no more than 5 minutes per speaker.
- E. Approval of Minutes**
- Board of Commissioners Meeting of February 2, 2026
- F. Committee and Other Meeting Reports**
- Reconstitution Committee and Executive Committee Meeting of December 11, 2025 as approved by committee on February 12, 2026 – Kevin Bronson, Committee Chair *Acceptance of the February 12, 2026 meeting minutes to be considered at the board meeting following committee approval*
  - Operations & Planning Committee Meeting of February 19, 2026 *Canceled due to lack of agenda items*
  - Finance & Administration Committee Meeting of February 24, 2026 – Scott Parris, Committee Meeting Leader
- G. Secretary/Treasurer’s Report** (Exhibit A) – Lynn Stephens, Secretary/Treasurer
- H. Presentation and Discussion Items** [May include vote and/or action on matters brought up for discussion]
- None
- I. Action Items**
1. Approve for Executive Director to execute agreements with Raftelis Financial Consultants, Inc. and First Tryon Advisors, LLC to perform system valuation and financial evaluation services regarding the reconstitution process with the Member Cities, Oconee County, and Town of West Union (Exhibit B) – Chris Eleazer, Director and Kevin Bronson, Board Chair and Ad Hoc/Executive Committee Chair
  2. Consider cost-sharing funding for Raftelis Financial Consultants, Inc. and First Tryon Advisors, LLC services – Kevin Bronson, Board Chair and Ad Hoc/Executive Committee Chair and Chris Eleazer, Director
- J. Executive Director’s Discussion and Compliance Matters** – Chris Eleazer, Director
1. Environmental and regulatory compliance matters
  2. Peracetic acid disinfection system update
  3. Miscellaneous (if any)
- K. Commissioners’ Discussion** – Led by Kevin Bronson, Board 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.

**L. Adjourn**

**Upcoming Meetings**

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

- Reconstitution Committee and Executive Committee – March 12, 2026 at 9:00 AM
- Operations & Planning Committee – March 19, 2026 at 8:30 AM
- Finance & Administration Committee – March 24, 2026 at 9:00 AM
- Board of Commissioners – April 6, 2026 at 4:00 PM





## Secretary/Treasurer's Report for Board of Commissioners

Prepared for the March 2, 2026 OJRSA Board of Commissioners Meeting

Cash and investment information stated herein come from bank and other financial records as of: February 27, 2026

### UNRESTRICTED FUNDS CASH AND INVESTMENTS SUMMARY

Account/Fund Name	Cash (\$)	Investments (\$)	Total (\$)
Wholesale Operations & Maintenance (O&M)	296,788	3,185,000	3,481,788
Retail Operations & Maintenance (RO&M)	94,674	0	94,674
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>391,462</b>	<b>3,185,000</b>	<b>3,576,462</b>

### RESTRICTED FUNDS CASH AND INVESTMENTS SUMMARY

Account/Fund Name	Cash (\$)	Investments (\$)	Total (\$)
Projects and Contingency (PCF)	877,999	980,000	1,857,999
Wholesale Impact Fund (WIF)	280,579	7,105,000	7,385,579
Retail Impact Fund (RIF)	3,400	0	3,400
<b>TOTAL RESTRICTED FUNDS</b>	<b>1,161,978</b>	<b>8,085,000</b>	<b>9,246,978</b>

#### Combined Total for All Funds

Cash 1,553,440      Investments 11,270,000      Combined 12,823,440

**Account Notes:**

### DAYS CASH ON HAND

Financial & Accounting Policy Section 2.10(H) states the minimum balances established for OJRSA Wholesale O&M and Retail O&M funds are 120 Days Operating Cash on Hand.

$$\text{Formula for Cash on Hand} = \frac{\text{Cash} + \text{Cash Equivalents}}{(\text{Annual Operating Expense} - \text{Depreciation}) \div 365 \text{ Days}}$$

	Cash on Hand (Days)	Annual Operating Expense minus Depreciation (\$)	Budget Amended During Fiscal Year?	
O&M Fund	188.0	6,759,426	X	NO YES
RO&M Fund	326.6	105,802	NO	X YES

### INDEPENDENT RECONCILIATION OF ACCOUNTS

All transactions for all funds have been satisfactorily reconciled by an independent accounting firm for the month of January 2026 (mark with an "X" on appropriate line): X YES    NO See attached document(s) from accountant.

**Reconciliation Notes:**

Reconciliations now being performed by new CPA firm: GreeneFinneyCauley, LLP.

*See next page for more information*

### INVESTMENTS UPDATE

Maturing Investment	%age Rate	Fund Code	Maturity Date	Amount (\$)	To Be Reinvested?	
Wells Fargo	4.25	WIF	3/5/2026	245,000.00	X	YES NO
Morgan Stanley	4.25	WIF	3/5/2026	245,000.00	X	YES NO
Parkway Bank & Trust	4.3	O&M	3/12/2026	245,000.00	X	YES NO
B1 Bank	3.75	O&M	3/30/2026	245,000.00	X	YES NO
Goldman Sachs	4	WIF	4/1/2026	245,000.00	X	YES NO
First Trust Savings	4	WIF	4/2/2026	245,000.00	X	YES NO
Axos Bank	3.8	WIF	4/2/2026	245,000.00	X	YES NO
						YES NO
						YES NO
						YES NO
						YES NO
						YES NO
						YES NO

**Investment Notes:**

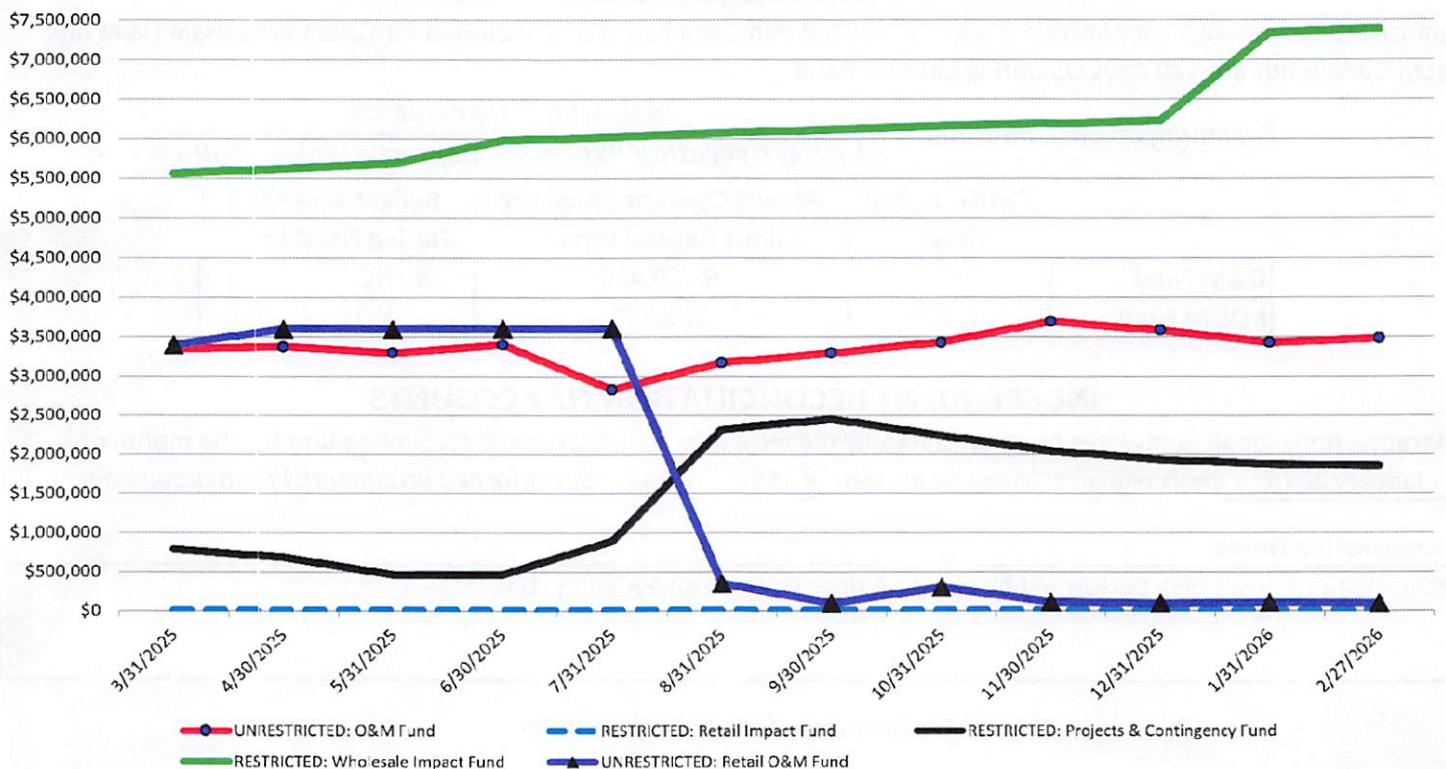
By my signature, to the best of my knowledge, I certify this report is accurate.



**Lynn Stephens**

OJRSA Secretary/Treasurer

#### Combined Cash & Investments Over Last 12 Months





February 2, 2026

Mr. Chris Eleazar  
Executive Director  
Oconee Joint Regional Sewer Authority  
623 Return Church Road  
Seneca, SC 29678

**Subject: Proposal for Oconee Joint Regional Sewer Authority Rate Study**

Dear Mr. Eleazar:

Raftelis Financial Consultants, Inc. (Raftelis) is pleased to submit this proposal to provide financial consulting services to the Oconee Joint Regional Sewer Authority (OJRSA). We appreciate the opportunity to submit this proposal, which details our understanding and approach to meeting OJRSA's objectives.

**Project Understanding**

OJRSA was established through a series of legal acts, resolutions and agreements that began with the creation of the Oconee County Sewer Commission in 1971. Since that time, several agreements have been made to clarify roles and responsibilities with regard to the provisions of sewer in Oconee County, ultimately ending with the creation of OJRSA in 2007. Entities involved in OJRSA include Oconee County, OJRSA, the City of Seneca, the City of Walhalla, the City of Westminster, and the Town of West Union.

In 2024, OJRSA secured funding from the South Carolina Rural Infrastructure Authority to fund a regional sewer feasibility study for Oconee County, SC. The goal of the study was to provide insight into key issues facing sewer service in the County and to outline recommendations to ensure that sewer operations in Oconee County remain viable for the future. The Study, which was performed by Ardurra (formerly W.K. Dickson & Co, Inc), Bolton & Menk, Inc. and Willdan Financial Services, was completed in August 2024 (2024 Regional Feasibility Planning Study) and provided several recommendations and next steps, which include the completion of a detailed financial and cost-of-service study that considers the 20-year capital improvement needs .

OJRSA has requested that Raftelis, in collaboration with Ardurra, Bolton & Menk, Pope Flynn, LLC (legal counsel), and First Tryon Advisors (financial advisor), together the "Project Team", prepare a scope of services to perform the detailed financial and cost-of-service analysis as identified in the 2024 Regional Feasibility Planning Study. The following project approach details the tasks that we believe are necessary to complete the study for OJRSA.

**Scope of Services**

We have developed the following Scope of Services based on our understanding of OJRSA's needs. The scope of services can be adjusted, as needed, to better suit the needs of OJRSA or address other rate and finance-related issues if they arise. Our proposed scope of services includes the items listed below.

### Task 1: Project Initiation, Management, and Data Collection

The project management task begins with the submittal of this engagement letter and continues throughout the duration of the Study. It is designed to ensure the Study progresses in an efficient and deliberate manner. This task will include administrative components related to project management and quality assurance and control processes.

As part of this task and since Raftelis will be a new addition to the team that performed the 2024 Regional Feasibility Planning Study, a kick-off meeting will be held to ensure we have a thorough understanding of all available information for this study and the relationships among stakeholders.

Raftelis will prepare and submit to OJRSA and member entities a detailed data request list so readily available data can be forwarded to Raftelis. The data required will include, but not be limited to, operating and capital budgets, customer billing information, financial reports, population or growth forecasts, ordinances, and contractual agreements. Note that this information will be needed from each entity (Oconee County, OJRSA, the City of Seneca, the City of Walhalla, the City of Westminster, and the Town of West Union).

### Task 2: Project Revenue Requirements

The first step in the study process will be developing forecasts of revenue requirements. The revenue requirements will include all operating and maintenance (O&M) costs, capital costs (including annual debt service payments and cash-financed capital), and reserve requirements.

Using information and documents provided as part of the 2024 Regional Feasibility Planning Study and information provided in response to the data request, Raftelis will prepare a revenue requirement forecast for OJRSA. The revenue requirements will consider costs for a consolidated system to include OJRSA, Oconee County, City of Seneca, City of Walhalla, City of Westminster, and the Town of West Union.

Raftelis understands that the data provided as part of the 2024 Regional Feasibility Planning Study will be used to determine a projection of operating expenses for a consolidated system and entity. Raftelis will rely on these estimates, as well as those from Ardurra and Bolton & Menk, to establish the combined system operating costs. To the extent necessary, Raftelis will collaborate with the Project Team to ensure that reasonable estimates for additional operating costs and/or cost efficiencies from economies of scale are considered. A forecast of system operating expenses will be prepared that accounts for cost increases driven by system growth and general inflation.

The projection of revenue requirements will reflect the individual system's current and future capital needs, as established in the previous studies. Additionally, it is our understanding that each individual entity/utility has been asked to provide capital plans as a directive of the results of the 2024 Regional Feasibility Planning Study. Capital project costs will be compiled and, with assistance from Ardurra and Bolton & Menk, a five-to-ten-year capital project list will be established. Funding sources for future capital projects will include a combination of rates/cash, grants, and future debt (as discussed further in the following paragraph).

Revenue requirements must consider current and future debt service costs. Payment schedules for existing OJRSA debt will be paired with future debt service cost related to: 1) planned debt-funded capital projects for the combined system and 2) if applicable, the retirement of debt associated with the assets for the local collection systems (Oconee County, the City of Seneca, the City of Walhalla, the City of Westminster, and/or the Town of West Union). Raftelis will rely on First Tryon Advisors to advise on the size, timing, terms, and structure of all future debt issuances.

The forecast of revenue requirements will consider certain financial and debt policies, including debt service coverage and days cash on hand. Policies and metrics will be identified, tracked, and incorporated into the forecast of revenue requirements. Raftelis will meet with OJRSA staff to review all components of the forecast of revenue requirements. We will solicit staff input to ensure the forecast is consistent with the expressed financial objectives.

#### Task 3: Establish and Forecast Billable Units of Service

Raftelis will examine each entity's billing records to determine customer demand for wastewater service. To do so, Raftelis will use detailed water/sewer usage information from each of the sewer entities. Based on the information obtained, Raftelis will develop a forecast of billable units of service over a five-to-ten-year forecast period using growth assumptions for each entity or utility's service area. We will discuss key assumptions with OJRSA staff and the Project Team to ensure consistency with previous studies and local knowledge.

#### Task 4: Calculate Rates

The next step in the study process is to calculate retail rates for a combined system using the analyses from Tasks 2 and 3. Rates will be calculated using wastewater cost-of-service concepts for each year in the forecast period and adjusted, where possible, to provide for a smooth forecast of rates. Customer impact analyses will be performed to understand the impact of proposed rate changes to different types of customers from each entity. This will help OJRSA assess the full impacts on customers under individual and consolidated systems.

A combined/consolidated entity will also need to consider other rate/cost mechanisms to reflect the new structure of local sewer service. For example, it may be appropriate to consider a billing charge (cost per-bill charge) that OJRSA is responsible for paying to local water providers for billing on OJRSA's behalf. We will discuss these items with OJRSA and the Project Team at the kickoff meeting to ensure a comprehensive list of rates/charges for evaluation is established. Fee methodologies will be established that are straightforward and consistent with industry standards.

#### Task 5: Model Development

At the heart of any successful rate study is the model used to develop revenue requirements and perform operational and capital financial planning, review customer information, and calculate rates and revenues. The model incorporates the results of each of the other tasks in the engagement, and is sophisticated enough to perform the complex calculations involved in a comprehensive rate analysis with the ability to analyze various rate scenarios.

The model created for this engagement will be developed using Microsoft Excel and will be based on a model framework that incorporates industry-standard rate-setting methodologies in a user-

MR. CHRIS ELEAZAR  
OCONEE JOINT REGIONAL SEWER AUTHORITY

4

friendly manner. The rate model will be built using our innovative modeling approach and will include a customized and interactive dashboard.

#### Task 6: Recommendations & Presentation

Raftelis will be able to assist OJRSA as necessary in presenting the results of the study and supporting study recommendations. We will work with OJRSA to determine the most appropriate level of stakeholder interaction. For the purpose of this scope of services, we have included three in-person presentations.

#### **Project Fees**

We propose to complete the scope of work detailed in this engagement letter for fees and expenses not-to-exceed \$99,605. Estimated fees assume approximately 323 professional hours. Attachment A provides a work plan, detailing our anticipated level of effort. The project fees are based on our standard hourly billing rates for professional and administrative personnel assigned to the project, plus direct expenses. Expenses would relate to travel costs, computers, postage, supplies, etc.

It is our practice to bill monthly for fees and expenses as they are incurred during a project. The attached work plan provides an estimate of the time required to complete each task, and we reserve the right to shift hours among tasks and personnel as circumstances may change during the project. Total fees and expenses will be limited to the not-to-exceed amount unless specific approval for an adjustment in scope is approved by OJRSA. If actual fees incurred are less than the estimated fees in the work plan, then these savings will be retained by OJRSA.

#### **Project Schedule**

It is Raftelis' understanding that OJRSA would like to have the combined system rate study completed as soon as possible. Raftelis anticipates that the study can be completed by the end of September 2026, however, much of the analysis is dependent on information to be provided by outside parties. Raftelis will work with OJRSA to try and meet desired timeframe recognizing that there may be issues that arise.

We look forward to working with you and your team at OJRSA. Should you have any questions, please do not hesitate to contact me at (704)373-1199. If the provisions of this engagement letter are acceptable, please sign and return one copy of the letter for our files. We are delighted to have this opportunity to be of continued assistance to OJRSA.

Very truly yours,

**RAFTELIS FINANCIAL CONSULTANTS, INC.**



Melissa Levin  
Executive Vice President

MR. CHRIS ELEAZAR  
OCONEE JOINT REGIONAL SEWER AUTHORITY

5

We accept the terms of this engagement letter:

_____	_____
Signature	Name of authorized agent
_____	_____
Date	Title

MR. CHRIS ELEAZAR  
OCONEE JOINT REGIONAL SEWER AUTHORITY

6

## Attachment – Proposed Workplan

Tasks	Meetings		Hours				Total Fees & Expenses
	Virtual	In Person	Melissa Levin	Will Kerr	Barrett Funderburk	Total Hours	
1. Project Initiation, Management, and Data Collection	0	1	8	12	12	32	\$10,650
2. Project Revenue Requirements	2	0	8	16	40	64	\$18,680
3. Establish and Forecast Billable Units of Service	1	0	4	12	32	48	\$13,620
4. Calculate Rates	1	0	10	20	24	54	\$17,110
5. Model Development	0	0	1	8	24	33	\$8,995
6. Recommendations and Presentations	2	3	24	32	36	92	\$30,550
<b>Total Meetings / Hours</b>	<b>6</b>	<b>4</b>	<b>55</b>	<b>100</b>	<b>168</b>	<b>323</b>	<b>–</b>
<b>Hourly Billing Rates</b>	<b>–</b>	<b>–</b>	<b>\$425</b>	<b>\$340</b>	<b>\$230</b>	<b>–</b>	<b>–</b>
<b>Total Professional Fees</b>	<b>–</b>	<b>–</b>	<b>\$23,375</b>	<b>\$34,000</b>	<b>\$38,640</b>	<b>–</b>	<b>\$96,015</b>
						<b>Total Expenses</b>	<b>\$3,590</b>
						<b>Total Fees &amp; Expenses</b>	<b>\$99,605</b>



6101 Carnegie Boulevard, Suite 210  
Charlotte, NC 28209

## WORK ORDER NUMBER 2

**WORK ORDER** to the Agreement dated December 7, 2021, by and between the Oconee Joint Regional Sewer Authority (the “**Client**”) and First Tryon Advisors, LLC (the “**Advisor**”).

### **SERVICES**

The Advisor will provide the following Services under this Work Order:

- Evaluate and provide a detailed analysis of the Client's existing financial condition, credit profile and debt portfolio.
- Build a comprehensive financial planning model (the “Model”) to assist in evaluating and establishing the Client’s debt capacity for various projects, as well as evaluating the potential reconstitution of the Client and consolidation / merger of existing entities under the Client’s management, taking the following variables into consideration:
  - Project Specific Items:
    - Timing and amounts
    - Available revenue sources
    - Available funding structures
    - Financing term
    - Amortization/debt service
    - Prioritization of capital project needs
  - Reconstitution and Consolidation / Merger Specific Items:
    - Timing of proposed consolidation(s) / merger(s)
    - Existing and proposed cash flows of entities coming under the Client's management
    - Financial condition, credit profile and debt portfolio of entities coming under the Client's management
    - Revenue/cost/growth projections
    - Impact on financial ratios, coverages, etc.
- Work hand-in-hand with the Client's staff to refine the Model to help forecast future financial performance based on pro forma projections provided by the Client, evaluate the Client's debt capacity and affordability and assess the sensitivity of the Client's various planning assumptions.
- At the Client's request, participate in Board meetings, workshops and committee meetings to facilitate the development of the Model.

### **TERM**

The Term with respect to the Services to be performed under this Work Order shall end 30 days after the completion of the Services described above, unless terminated earlier in accordance with the Agreement.

### **COMPENSATION**

In establishing fees, the Advisor takes into account multiple factors, including the efficiency with which the work was done, the result achieved, the complexity of the matter and any special experience or expertise applied to it, any extraordinary scheduling or preemptive attention devoted to the project, and the degree of professional responsibility or liability undertaken by the firm.

For the services to be performed in connection with the above-mentioned Scope of Services, the Advisor proposes an hourly rate of \$400/hour with invoices to be processed on a monthly basis. The Advisor will consult with the Client if at any time the Advisor believes that circumstances require an adjustment to its fees. In addition, the

Oconee Joint Regional Sewer Authority  
Work Order Number 2  
January 5, 2026  
Page 2 of 2

Advisor will alert the Client when its cumulative fees reach \$25,000 at which point the Client can consent to additional work under this Work Order up to an additional \$25,000 or such other mutually agreeable amount.

In addition to the compensation outlined above, the Client will reimburse the Advisor for out-of-pocket expenses incurred in connection with the Services. Customary out-of-pocket expenses include, without limitation, costs of travel, meals, lodging, printing/copying, etc. The Advisor will bill the Client for such expenses at cost, with no mark-up. The Advisor will not bill the Client for indirect costs such as telephone, fax, and conference call services; instead, the Client will pay the Advisor an administrative expense fee equal to 4% of any invoiced fee for Services as reimbursement for costs not reasonably allocable on a client-by-client basis.

**The Advisor is firmly committed to demonstrating value to the Client throughout the financing process. If at any time the Client believes that the Services provided are not consistent with the fees charged by the Advisor, the Client may adjust the fee for such Services to any amount the Client deems appropriate.**


AGREED AND ACCEPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2026:

**OCONEE JOINT REGIONAL SEWER AUTHORITY**

By: \_\_\_\_\_  
Name:  
Title:

**FIRST TRYON ADVISORS, LLC**

By:   
Name: David Cheatwood  
Title: Managing Director

By:   
Name: J. Walter Goldsmith  
Title: CEO

Oconee Joint Regional Sewer Authority - Reconstitution

Draft Technical and Financial Analysis Cost Sharing Formula

Using Equal Percentage of Contract Amount and Then Pro Rata Share for Remaining

Contract Amt. **\$125,000** *Total cost of system valuation and financial evaluation services*

% of Contract (each system) **10.0%** *Each system pays equal percentage of Contract Amt*

	BASE AMOUNT	PRO RATA SHARE	TOTAL
Seneca	\$12,500	\$41,927	<b>\$54,427</b>
Walhalla	\$12,500	\$12,411	<b>\$24,911</b>
Westminster	\$12,500	\$7,678	<b>\$20,178</b>
Oconee	\$12,500	\$472	<b>\$12,972</b>
OJRSA	\$12,500	\$12	<b>\$12,512</b>
West Union	<b>\$0</b>	\$0	<b>\$0</b>
Difference OJRSA to cover	-----	-----	<b>\$0</b>
	\$62,500	\$62,500	\$125,000

	2025	
Utility	Customer #	Flow Vol
Seneca	67.08%	73.03%
Walhalla	19.86%	16.45%
Westminster	12.29%	9.38%
West Union	0.75%	0.81%
I-85 / Oconee	0.02%	0.32%
	100.00%	100.00%