

A RESOLUTION AUTHORIZING THE CITY OF ANDERSON AND THE CITY OF CLEMSON, BY AND THROUGH THEIR RESPECTIVE CITY ADMINISTRATORS AND STAFFS, TO TAKE ALL REASONABLE ACTIONS TO AFFECT THE ADOPTION BY THE ANDERSON REGIONAL JOINT WATER SYSTEM (ARJWS) OF THE \$5,300,000 WATER TRANSMISSION SYSTEM UPGRADE PLAN VERSUS THE \$17,585,000 PLAN.

WHEREAS, the Anderson Regional Joint Water System (ARJWS) is a public entity that provides treated water to member agencies in Pickens County and Anderson County, and

WHEREAS, the ARJWS is composed of fifteen rural and municipal water districts (Members). The City of Anderson and the City of Clemson are Members of the ARJWS, and

WHEREAS, the ARJWS is run by an Executive Director and support staff, and

WHEREAS, prior to 2005, the ARJWS was capable of *treating and delivering* 32,000,000 gallons per day (32 MGD) of water to member agencies. In 2005, the ARJWS upgraded the water treatment plant so that the plant is capable of *treating* 45 MGD, and

WHEREAS, the ARJWS is now in the process of upgrading its water transmission system so the system can *deliver* 45MGD to the members of the ARJWS, and

WHEREAS, the Executive Director recommended that the ARJWS adopt a plan developed by CDM for delivering 45 MGD to member agencies at an estimated cost of \$17,585,000. Faced with these significant costs, the City of Anderson and the City of Clemson engaged Design South to develop an alternative plan for delivering 45 MGD. Design South did so. Design South estimates that its plan can be implemented at a cost of \$5,300,000, and

WHEREAS, the Executive Director raised concerns about whether the Design South Plan can deliver 45 MGD in compliance with agency and industry standards. The City of Anderson and the City of Clemson employed a nationally recognized independent third party engineering firm to evaluate the Design South Plan and the CDM Plan. The independent third party engineering firm concluded that the two plans are functionally equivalent and consistent with the master plan of the ARJWS, and

WHEREAS, the Executive Director then raised concerns about whether the Design South Plan can be implemented for \$5,300,000. To address this concern, the City of Anderson and the City of Clemson took the extraordinary step of guaranteeing the cost by agreeing, subject only to later City Council approvals, that Anderson and Clemson would pay any costs incurred in implementing the Design South Plan that exceed \$5,300,000, and

WHEREAS, in spite of the steps taken by The City of Anderson and the City of Clemson, the ARJWS Board refused to adopt the Design South Plan at the July 2008 Board Meeting. Rather, the Board adopted the CDM Plan but agreed to reconsider the Design South Plan at the ARJWS Board Meeting to be held in September, 2008, and

WHEREAS, the City Councils of Anderson and Clemson subsequently authorized the Cities' guarantee of the cost of implementing the Design South Plan at a special Joint Council Meeting held on August 19, 2008, and

WHEREAS, the Design South Plan proposed by the City of Anderson and the City of Clemson will save the ARJWS \$12,300,000 in capital savings and as much as \$18,000,000 when interest on long term debt is considered. This savings will be passed on to member agency customers in the form of lower water rates than will be charged if the CDM Plan is implemented, and

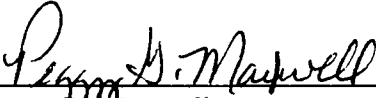
WHEREAS, the City of Anderson and the City of Clemson believe that ARJWS adoption of the CDM Plan is unnecessary and constitutes an extraordinary waste of public funds and an improper burden on customers who purchase water from member agencies.

NOW THEREFORE, IT IS HEREBY RESOLVED THAT THE CITY OF ANDERSON AND THE CITY OF CLEMSON, BY AND THROUGH THEIR RESPECTIVE CITY ADMINISTRATORS AND STAFFS:

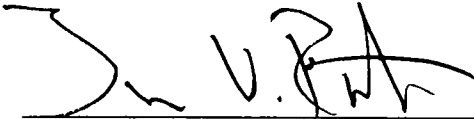
1. Take all reasonable actions to educate customers who purchase water from member agencies about the technical and commercial advantages resulting from ARJWS adoption of the \$5,300,000 Design South Plan.
2. Take all reasonable actions to encourage customers who purchase water from member agencies to contact members of the governing body of each member agency to educate them about the extraordinary waste of public funds and improper burden on customers that will result from ARJWS adoption of the \$17,585,000 CDM Plan.
3. Take all reasonable actions to encourage and persuade Members of the ARJWS Board to adopt the \$5,300,000 Design South Proposal at the ARJWS Board Meeting in September, 2008.
4. This Resolution shall take effect immediately upon its adoption by the Mayor and Council of the City of Anderson.

ADOPTED THIS 8th DAY OF September, 2008.

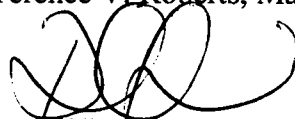
ATTESTED TO:



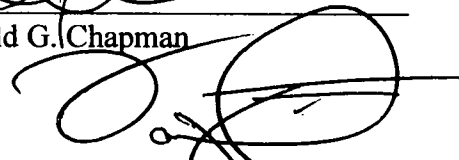
Peggy G. Maxwell
City Clerk/Treasurer



Terence V. Roberts, Mayor

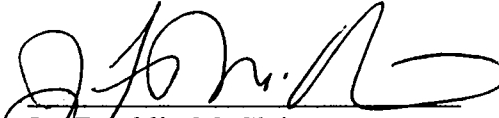


Donald G. Chapman

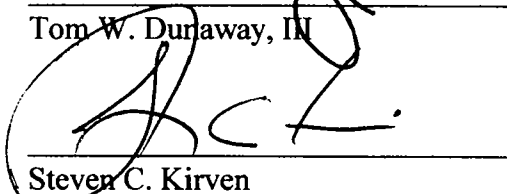


Tom W. Dunaway, III

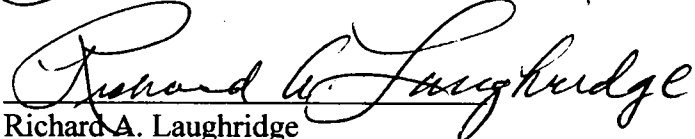
APPROVED AS TO FORM:



J. Franklin McClain
City Attorney



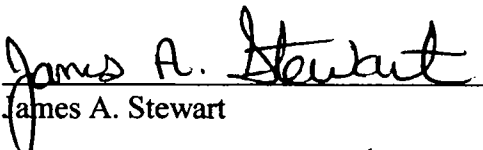
Steven C. Kirven



Richard A. Laughridge



A. B. Roberts

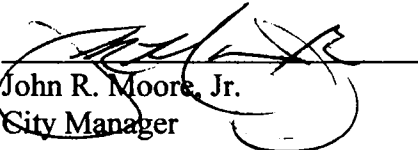


James A. Stewart



Beatrice R. Thompson

REVIEWED BY:



John R. Moore, Jr.
City Manager

Blake W. Williamson, Mayor Pro Tem

COUNCIL MEMBERS