

PIONEER RURAL WATER DISTRICT

MINUTES OF THE SPECIAL CALLED BOARD MEETING

April 23, 2018 @ 12:00pm..... 5500 West-Oak Highway, Westminster, SC

Board members

Present: Barry Stevenson, Mark Holbrooks, Ronnie Williams, Eddie Grant and Jerry Barlow.

Others: Terry Pruitt, Paula Oliver, Heather Bryant, and Justin Campbell with Seneca Journal.

Quorum: Yes

Proceedings

Meeting Called to Order by Chairman, Barry Stevenson at 12:00 pm.

Seneca Light and Water Wholesale Water Contract Discussion: Terry Pruitt provided the Board with a copy of the Seneca Light and Water Wholesale Water Contract that received from the City of Seneca for discussion.

Terry Pruitt explained the changes that were made to the contract since the Board had discussed on August 17, 2018. Mr. Pruitt told the Board in section 1 of the Contract, "Seneca agrees that it will deliver potable drinking water to Pioneer, which Pioneer hereby agrees to use and pay for at the time and place and in accordance with the terms and conditions hereinafter set forth, and this Contract shall continue in force for the term of five years from the date of execution, and thereafter it shall continue in force from year to year, provided that the parties hereto, or either of them, can terminate the same at the end of the original term of five years, or at the end of any year thereafter by giving at least ninety day prior written notice of such termination."

In section 4 of the Contract, Pioneer requested a 1% cap on any annual rate increases. Seneca responded with any increase in the base fee and /or usage rate schedule described in section 5 will not be greater than the percentage increase on the water rates for the remaining water customers of Seneca.

In Section 5 Pioneer had requested Seneca Light and Water drop the base rate to \$2,300 that included 1.3 million gallons. Seneca responded with keeping the base rate at \$4,600 that would include 2.6 million gallons. Followed by a tier rate:

Tier 1: 2,600,001 to 10,000,000 gallons per month at \$1.75 per 1,000 gallons

Tier 2: More than 10,000,000 gallons per month at \$1.50 per 1,000 gallons

In section 9 of the Contract, Terry Pruitt suggested to the Board the addition of , " To the extent permitted by South Carolina Law Pioneer shall hold and save Seneca harmless from any and all loss or damage sustained from the interruption, suspension, or withdrawal of the furnishing of water during the time or times herein specified."

Eddie Grant made a motion to accept the changes to the Seneca Light and Water Wholesale Water Contract and send it back to Seneca. Mark Holbrooks seconds the motion. All in favor, motion carried.

PIONEER RURAL WATER DISTRICT

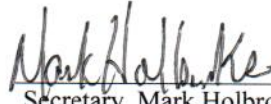
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Adjourn: Eddie Grant made a motion to adjourn. Ronnie Williams seconds the motion. All in favor, motion carried.



Chairman, Barry Stevenson



Secretary, Mark Holbrooks