1411 Gervais Street, P.O. Box 12109

Columbia, SC 29211 tel: 803.799.9574 fax: 803.933.1299 www.masc.sc

Advocacy, Service, Innovation,

June 17, 2020

Hon. Gary Clary Chair Executive Subcommittee House Legislative Oversight Committee

VIA EMAIL

Dear Rep. Clary:

Please accept this as the Municipal Association of SC's recommendations pursuant to your subcommittee's request below:

<u>Potential Recommendations to Secretary of State's Office (which may include participation by, or impact, your organization)</u>

Municipalities, Special Purpose Districts, etc.

1. Determine a method to perform regular reviews (e.g., with every census) to determine which municipalities, if any, are not performing municipal services that justify cancelling a municipality's certificate of incorporation.

As you know, SC Code of Laws Section 5-1-100 lays out the circumstances under which an incorporated municipality in the state may cease to exist. Loss of population, failure to provide services, failure to hold elections or a successful vote for dissolution by residents are among the reasons a city or town could lose its certificate of incorporation.

It is our understanding that the SC Secretary of State is interested in conducting reviews of the state's cities and towns to ensure they are compliant with the provisions of Section 5-1-100. The Municipal Association does not object to the Secretary's review of the state's municipalities with each decennial Census.

A review of each city's population and whether or not they are providing services and holding elections in compliance with Section 5-1-100 is a seemingly uncomplicated task. We envision such a review could be accomplished with a survey of towns' services and a review of data provided by municipalities to the Revenue and Fiscal Affairs Office, the SC Office of the State Treasurer and the SC State Election Commission.

However, if the Secretary were to find a municipality that does not comply with Section 5-1-100, we recommend that city or town be provided with formal notice of its non-compliance and then be given a period of up to three years to attempt to correct its deficiency.

We will note though, that there are a number statutory obstacles that prevent potentially non-compliant municipalities from becoming compliant. For example, a city without property tax millage or not enough millage would be unable to fund services to become compliant due to the limits on levying property taxes codified in SC Code of Laws Section 6-1-320. The state's restrictive annexation laws prevent a town from growing its population, thereby jeopardizing its existence. These are but a few examples where improvement is needed to ensure non-compliant cities are given a chance to comply and compliant cities remain that way.



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We would also note that while the circumstances for dissolution of a town are codified, there is no process anywhere in statute for how to execute the end a city's existence. Therefore, we would make several recommendations to consider if, in fact, a town were to potentially lose its certificate of incorporation.

Our primary concern involves the lack of a statutory process for the disposition of a dissolved town's assets. Absent a statutory process, the Secretary of State, or perhaps a circuit court, would have to decide how to dispose of a town's rolling stock, buildings and infrastructure like water and sewer systems. While SC Code of Laws Section 4-9-80 provides that a county assume ownership of assets of dissolved entities within its boundaries, a county may be unprepared or unwilling to accept those assets. This was the case in 1995 when the Town of City View in Greenville County dissolved. City View owned firetrucks, sanitation trucks and a water/sewer system. However, at that time Greenville County operated none of those types of services and was unwilling to accept the town's assets. Instead, three separate special purpose districts agreed to assume ownership and operation of the town assets, but only after a series of circuit court orders was secured to bless the process. A copy of those orders is attached.

To avoid potential delays or adversarial court actions, the Municipal Association recommends the General Assembly amend Section 5-1-100 with procedures for how to wind down a town's operations and dispose of its assets in the event it dissolves. The Association has several recommendations to make for such an amendment should you or another legislator express interest in one.

As always, we stand ready to assist the Oversight Committee and its staff in any way we can. On behalf of the Association's board of directors and its executive director, thank you for your hard work on this issue and that of the members of the subcommittee.

Sincerely.

Scott Slatton

Director of Advocacy and Communications

Sharepoint Document Library

File Name:	Dissolving a City
Title:	Dissolving a City
Department:	Adm/Powers
Topic:	City View & Reidville
Kind of Docui	ment: Memos & Opinions
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September 13, 1995

To. Peters H.

From W. Lange

Howard,

FYI, attached are two_documents for your file on City View and its unincorporation:

- 1) A copy of a court order involving City View Vs Greenville County (a friendly legal action).
- 2) A plan that the COG drafted to close out City View

The court action was to buy a little extra protection for the City View Council in the absence of any unincorporation precedent. All parties have been cooperative and friendly, and we hope that they will stay that way. Note that I have added comments emphasizing that City View in no way relinquishes any Constitutional authority or responsibilities under Home Rule. I'll alert you to any "encroachment" by the County, but it is not a problem at this time.

The City View situation has become complex because of the transfer of services to a CPW, SPD, and at least one new tax district. The Town really does not have any money problems and we have imposed tax millage for tax year 1995 which we believe can be at least obligated before it is collected by the County. Interesting stuff...

foe Newton

STATE OF SOUTH CAROLINA)	
COUNTY OF GREENVILLE)	IN THE COURT OF COMMON PLEAS 95-CP-23-2353
The Town of City View; AND Joan Andrews, Betty Jackson, Joy Little, Zimmie Mason, Floyd McCall, Sammy McGaha, and Charles Morgan, and Frank Waltz, Councilpersons of the Town of City View, Plaintiffs,)	*
v.)	ORDER
The County of Greenville,)	
Defendant.)))	

THIS MATTER came before this Court upon a Motion for injunctive relief which is more fully described below. At the inception of this hearing, it was announced to the Court that the parties were in agreement that a final Order on the merits could be issued after the evidentiary presentation at this hearing. This matter was initiated by the filing of a Summons and Complaint and a Motion for injunctive relief on August 23, 1995 with the Clerk of Court for Greenville County. Service of both the Motion and Summons and Complaint was affected as is evidenced by an Acceptance of Service by the Attorney for the County of Greenville with the authority to do so. The Complaint prayed for certain relief of this Court including the granting of an Order giving the Town Council the authority to take certain steps for the winding down and dissolution of the Town of City View as more fully described below.

At this hearing, the Town of City View was represented by H.W. Pat Paschal, Jr. of the Greenville County Bar, and the County of Greenville was represented by Judith Burk, County Attorney for the County of Greenville. Also present was Mr. Joe Newton of the Appalachian

Council of Governments. An affidavit of Joe Newton was presented to the Court as well as certain facts stipulated to between the parties.

This matter involves the dissolution of the Town of City View and the surrender of its municipal charter pursuant to referendum which was passed by two-thirds majority on June 13, 1995.

Based on the evidence presented at this hearing, I make the following findings of fact:

- 1. This Court has jurisdiction of this matter.
- 2. The parties have consented to this hearing as being the final hearing in this matter.
- 3. That on June 13, 1995, a referendum dissolving the Town of City View pursuant to S.C. Code Ann. Section 5-1-100 was passed by two-thirds majority of those voting. On July 6, 1995, that vote certified by the County of Greenville.
- 4. That pursuant to S.C. Code Ann. Section 4-9-80, upon the dissolution of a political subdivision, the liabilities and assets must be transferred to the county and, in this case, the County of Greenville. As a result, the County of Greenville is the proper party.
- 5. That the Town of City View has requested of the South Carolina Attorney General's Office, the South Carolina Secretary of State's Office, and the South Carolina County Association their opinions as to what is the legal existence of this Town upon the vote. The Town received inconsistent answers as to the exact legal status of the Town of City View until the surrender of its charter.
- 6. That the Town of City View, with the cooperation of the Appalachian Council of Governments, has developed certain plans for the dissolution and in winding down the affairs of the Town of City View. That in such plan, the Town of City View will surrender its city charter on December 31, 1995, and in the meantime, it will take certain steps including the

transfer of assets and entering into contracts all for the purposes of winding down the affairs of the Town of City View and to effect the dissolution in such a way to limit existing liabilities at the time the assets of the Town of City View are assumed by the County of Greenville.

7. Lastly, I find that, as a matter of fact, the winding down of the Town of City View is necessary for the protection of the office-holders, the citizens of City View as well as the citizens and tax payers of the County of Greenville. Further, it is in the best interests of all involved that the winding down be accomplished in a reasonable order and that those involved in the winding down and any actions taken for the purpose of this winding down should have protection from any alleged personal liability.

CONCLUSIONS OF LAW

The only matter of municipal dissolution is provided in S.C. Code Ann. Section 5-1-100, and that further, upon the dissolution of a political subdivision, its assets and liability are transferred to the county in which the political subdivision is located pursuant to S.C. Code Ann. Section 4-9-80. However, I make a specific conclusion of law that there is no state statute or case law dealing with how such a city is to accomplish dissolution. I further find, as a matter of law and fact, that the state statute and case law of South Carolina is silent on the question of how a city is to accomplish dissolution. That further, this is a novel question and has specifically resulted in inconsistent opinions from the Attorney General's Office, the Secretary of State's Office, and the County Association.

Therefore, it is

ORDERED, ADJUDGED, AND DECREED as follows:

1. That an Order of injunction is hereby granted prohibiting the surrender of the charter by the Town of City View until December 31, 1995.

2. That until December 31, 1995, the Town Council of the Town of City View shall continue to be empowered and authorized to take those steps including the entry of contracts, transfer of assets, and including, among other things, the power to enter a contract, transfer assets, collect revenue, and dispose of liabilities, and take all other steps necessary for the winding down and dissolution of the Town of City View and surrender of the charter.

3. That the Town Council is directed to submit to the Court within ten (10) days of the signing of this Order a proposed schedule and plan for winding down. That further, this plan and schedule shall be served by U.S. mail upon the County Attorney for the County of Greenville, Secretary of State, and the South Carolina Attorney General's Office. That further, within ten (10) days of service of this plan, the South Carolina Attorney General's Office, Secretary of State, and the County of Greenville shall have leave of this Court to petition this Court for the appointment of a receiver for the purposes of affecting a reasonable Court-approved dissolution. That further, application of such a receiver must be made within ten (10) days of service of the plan.

4. That upon receipt of the scheduling plan as described above, this Court will issue an Order either approving or disapproving the plan.

IT IS SO ORDERED.

	Henry Floyd, Presiding Judge	
	Court of Common Pleas	
	Thirteenth Judicial Circuit	
South Carolina		

Greenville,

Dated:

Town of City View

General Plan for the Dissolution of the Town of City View

As initiated by the Town of City View, and as ordered by the Greenville County Court of Common Pleas, the Town of City View has drafted the following plan for the dissolution of its municipal government and for the disposition of its assets and obligations.

Purpose:

- 1) To transfer all existing public services currently provided by the Municipality of the Town of City View to the appropriate political subdivision, special purpose district, or other service provider prior to the dissolution of the municipality.
- 2) To properly and equitably dispose of certain property, equipment and assets of the municipality and to ensure that those assets will be used to the best advantage of its citizens.

The intent of this plan is to provide strict guidelines to facilitate the dissolution of the municipality, and to approximate a timeline for the completion of essential activities. However, until the Secretary of State of South Carolina accepts or withdraws the Municipal Charter of the Town of City View, as is planned, the elected municipal government of City View is bound and obligated to exercise its legitimate authority and responsibilities, and to act in the best interest of its citizens as required by the South Carolina Constitution and Code of Laws of South Carolina, specifically Title V.

Background:

Earlier this year, citizens of the Town of City View circulated a petition to initiate a referendum to dissolve the municipality of City View. On June 13, 1995, the Question "Should the Town of City View surrender its Municipal Charter and cease to be a town" was voted upon. A two thirds majority of the votes cast voted "Yes" to dissolve the municipal government.

Title 5-1-100 of the 1976 Code of Laws of South Carolina, provides that, at some unspecified date, the Town shall certify the results of the election to the South Carolina Secretary of State and shall surrender its Municipal Charter. Current plans call for the Town Council to pass an ordinance during the month of December requesting that the Secretary of State accept its Municipal Charter effective December 31, 1995. If necessary, and only if necessary, the Town Council is prepared to set a date thirty days later in order to address any essential unresolved problems or services.

Actions:

Fire Service

- 1. Sign a short term fire protection contract with Parker Sewer and Fire District for a reasonable fee. The contract will provide for fire protection for the Town of City View until the Town dissolves or until the Parker District is expanded to permanently include the former municipal service area. Note: A tentative contract has been negotiated with the Parker District to provide fire protection for the period from September 15 December 31, 1995, for a fee of \$21,000. (Sept.)
- 2. Turn in and inventory all *personal* (municipal property) equipment. Inventory all other equipment and reconcile with previous equipment records. (Sept.)
- 3. As soon as a fire protection agreement has been signed with the Parker District, (or shortly afterwards) dissolve the municipal fire department by ordinance (two readings, SC 5-7-260.) (Sept.)
- 4. Pass a resolution to sell all three fire vehicles and equipment (5-7-40). Reconcile equipment inventory with sale records. Note: The approximate total value of the vehicles and equipment is \$50,000 -\$65,000. Bids have already been requested and received (Sept.)

Water System

- 5. Request by Council Resolution that the Greenville Water System (Greenville Commission of Public Works) begin the process to provide water service to the City View service area. (Completed)
- 6. Inventory all water and sewer equipment, lines, and assets. Separate assets between the Water and Sewer systems. Coordinate with the Greenville Water System for the inspection of City View Water financial and operational records. Continue meetings with the staff of the Greenville Water System. (Ongoing)
- 7. Negotiate for the transfer of lines and water delivery equipment to the Greenville Water System. Review draft deed transfer documents being prepared by the Greenville Water System. (Nov.)
- 8. Pass an ordinance (two readings, SC 5-7-260 and 5-7-40) to transfer property (lines, equipment, and rights of way) to the Greenville Water System. Sign transfer documents. (Dec.)
- 9. The last billing of the City View Water/Sewer System is currently scheduled for January 1996. Conduct the last water and sewer billing either in December (early) or

arrange with the Greenville Water system for the proceeds of the billing to be paid to the Town of City View, its assignee (potentially, as part of an agreement with the Parker District), or to the Treasurer of the County of Greenville. (Dec.- Jan.)

Sewer System

- 10. Request, by Council Resolution, that Parker Sewer and Fire Subdistrict act to manage DHEC required testing of City View Sewer lines. Authorize reimbursement for any expenses incurred by Parker District for engineering. Provide Parker District any requested information and records. Note: The purpose of this mutually beneficial request is to provide City View with valuable expertise and experience during the testing phase, and to ensure that Parker District is provided some oversight on work and lines that it will eventually acquire. (Ongoing)
- 11. City View is included in an area scheduled for extensive and costly Court ordered testing and sewer line renovation. City View is participating in negotiations with Parker Sewer and Fire Subdistrict, Greenville County, Western Carolina Regional Sewer Authority, and SCDHEC to facilitate the repair and upgrade of those sewer lines.
 - City View will pay a share of the expenses on Phase I of the project. The exact amount of this payment will be negotiated by agreement of the parties above, tentatively based upon the projected cost of line renovation that City View would have otherwise initiated in 1995-1996. In any case, City View will not be expected to pay scheduled future costs as those costs will eventually be covered by the District's normal taxes and fees when City View has become a part of that tax district. Note: Based upon available figures, City View's estimated share of Phase I is roughly \$50,000 \$85,000 including testing and construction. Tests are ongoing, and those fees will be due within the next two months. (Ongoing)
- 12. City View Town Council will enact an ordinance setting municipal tax millage (SC 5-7-30, 5-7-260, 12-39-180) to be levied against property on County tax records as of January 1, 1995. Technically, taxes are collected against property on County tax records at the beginning of the year. Revenues are generally collected at the beginning of the next year. In practice, funds collected in January of 1996 would normally be used in 1996 for municipal operations. City View will not be in existence in 1996. All collected revenues will become an asset of Greenville County (SC 4-9-80) unless previously obligated.
- 13. In the next three months Parker Sewer and Fire Subdistrict is expected to be enlarged to encompass the current municipality of City View. Parker District cannot impose tax millage on City View until 1997 and unless otherwise provided for, will be required to provide services for an entire year without compensation. It is in City View's interest, as well as Parker District's interest that City View negotiate a fee, or

arrange for the obligation of 1995 City View taxes to Parker District to equal Parker's current 59.6 mills. *Note: See Council/Administration*

Sanitation System

14. Petitions are being circulated to request admission to the Greater Greenville Sanitation District. If City View can be included in the Greater Greenville District, City View will negotiate a fee or will arrange for the obligation of 1995 City View taxes to the district to operate in City View until the Greater Greenville District can impose its own tax millage in 1997. As the district also operates from a per household fee in addition to regular millage, City View will negotiate any additional fee, and may sell or transfer its sanitation truck as part of a settlement.

In order to facilitate the transfer of services, City View may also 1) contract with the district to provide an initial pickup to rid the Town of accumulated refuse and debris, and 2) transfer Town owned trash carts to City View's residents. Note: If efforts fail to gain admission the Greenville Sanitation District, citizens will be required to contract with private contractors for the pickup and hauling of garbage and yard waste. (Ongoing)

15. At a date to be determined, City View will notify its citizens and discontinue the municipal sanitation service. (Nov. -Dec.)

Streetlights

16. In accordance with SC Code 4-9-30 (b)(c), City View citizens may circulate a petition (signed by 75% of freeholders)to create a special streetlight district(tax district) or circulate a petition (signed by 15%) to call for a referendum to vote on the creation of a streetlight district. If efforts are successful to create this district, City View will transfer approximately \$12,000 or obligate approximately 6 mills of 1995 City View Taxes to operate the district until its own tax millage can be imposed in 1997. (Sept.-Oct.)

Council/ Administration

- 17. City View will pay off an existing bank note (BBT, approx. \$55,000) on the sanitation truck and the public works building. (Oct.)
- 18. City View Town Council will enact an ordinance setting municipal tax millage (SC 5-7-30, 5-7-260, 12-39-180) to be levied against property on the County tax records as of January 1, 1995. Technically, taxes are collected against property on County tax records at the beginning of the year. Revenues are generally collected at the beginning

of the *next year*. In practice, funds collected in January of 1996 would normally be used in 1996 for municipal operations. City View will not be in existence in 1996. All collected revenues will become an asset of Greenville County (SC 4-9-80) unless previously obligated.

City View will pass an ordinance (two readings) to set a tax millage to cover expected services to City View citizens for 1996. The millage will include provision for Fire, Sewer, Sanitation, and Streetlights. Tax collections will be obligated to pay for those services until the transfer of services is completed and the millage of the respective Tax and Special Purpose districts is imposed in late 1996. City View will set an approximate rate of 81.5 mills (59.6 mills - Fire and Sewer + 15.9 mills - Sanitation + 6 mills - Streetlight) and shall notify the County Auditor before September 20, 1995. Note: Additional millage may be calculated and added before final reading of the ordinance, to cover specific obligations projected for 1996. Previous millage for the Town of City View was set at 96.1 mills. (Sept.)

- 19. City View will pass an ordinance (two readings, SC 5-7-260 and 5-7-40) authorizing Council to sale or transfer of property including equipment, buildings and land to cover obligations of the City. The Town Hall/ Fire Department building will not be sold. Note: In addition to fire equipment and fire trucks, the Town owns a sanitation truck valued at approximately \$30,000, a flatbed sanitation truck valued at \$5,000, a home valued at approximately \$20,000, the water/Sewer office building (est. \$50,000), a water/sewer utility truck, some small vacant lots, and a lot with a \$15,000 aluminum vehicle storage building. Only the home should be sold or auctioned as soon as possible. The Water/Sewer truck and buildings will most likely be needed until the last day of service in late December. The Sanitation truck could possibly be negotiated or sold as part of an arrangement to provide sanitation service for the Town and should not be sold unless or until sanitation service is negotiated. (Sept.)
- 20. Council will pass a resolution formally requesting that Greenville County Council enlarge the Parker Sewer and Fire Subdistrict to include the area of the Town of city View. (Sept.)
- 21. City View will contact all State and Federal departments and agencies notifying them of the imminent dissolution of the municipality (SC Retirement, IRS, etc). (Nov. Dec.)
- 22. Pass an ordinance (two readings) in accordance with SC Code 5-1-100 certifying the results of the June referendum and request that the Secretary of State withdraw the Municipal Charter. (Dec.)

ROY D. BATES ATTORNEY AT LAW 25 LAKECREST DRIVE COLUMBIA, SOUTH CAROLINA 29206-1334

TEL/FAX (803) 790-8333

January 2, 1996

Mr. Howard E. Duvall, Jr. Municipal Association of South Carolina 1529 Washington Street P. O. Box 12109 Columbia, Sc 29211

Re: City View Dissolution

Dear Howard:

It appears that City View will be able to dissolve in an orderly fashion pursuant to the enclosed plan which was approved by the order of Judge Floyd.

Yours very truly,

Roy D/Bates

rdb/encl.

STATE OF SOUTH CAROLINA	,	IN THE COURT OF COMMON PLEAS
COUNTY OF GREENVILLE)	IN THE COURT OF COMMON TEEAS
The Town of City View, and)	C. A. No. 95-CP-23-2353
Joan Andrews, Betty Jackson,)	
Joy Little, Zimmie Mason,)	
Floyd McCall, Sammy McGaha,)	
and Charles Morgan, and Frank)	
Waltz, Councilperson of the)	
Town of City View,)	RETURN TO PETITION FOR
)	APPOINTMENT OF RECEIVER
Plaintiffs,)	
)	
v.)	
)	•
The County of Greenville,)	
· · · · · · <u>· · · · · · · · · · · · · </u>)	
Defendant.)	

The Plaintiffs, making return to the Defendant's Petition for Appointment of a Receiver, would respectfully show:

- 1. Pursuant to Order of this Court issued on September 19, 1995, Plaintiffs served upon the Greenville County Attorney, the Secretary of State, and the Attorney General a proposed scheduling plan for effecting dissolution of the Town of City View.
 - 2. No objection to the proposed plan has been filed by any party.
- 3. The plan presented by the Plaintiffs is reasonable and provides for concluding the affairs of the Town in the best interests of the citizens affected thereby.
- 4. All provisions of the proposed plan can be implemented by Town Council, except the collection and disbursement of 1995 ad valorem taxes levied pursuant to a Town ordinance adopted on September 19, 1995.
 - 5. On October 30, 1995, as permitted by the Order of Honorable Larry R. Patterson

dated October 4, 1995, Greenville County petitioned for appointment of Gerald Seals, Greenville County Administrator, as receiver for the purposes of effecting a reasonable Court-approved dissolution.

- 6. Town property taxes are currently collected by the Treasurer of Greenville County pursuant to S. C. Code §5-7-300, and no other official is authorized by law to collect property taxes.
- 7. The most efficient method of dissolution of the town would be for the Court to approve the plan filed by Plaintiffs and to appoint the Treasurer of Greenville County as receiver for collection and disbursement of 1995 Town property taxes in accordance with the approved plan.
- 8. Plaintiffs object to the appointment of the Greenville County Administrator as receiver on the grounds that he has no statutory authority to collect or disburse taxes, and all other affairs of the Town can be concluded by Town Council with the continued assistance of the Appalachian Council of Governments prior to surrender of the corporate charter.
- 9. An Updated Report and Modification of the General Plan for the Dissolution of the Town of City View is being presented to the Court to assure compliance with the Court's Order and with the necessary procedures prior to surrender of the charter.
- 10. This Updated Report and Modification of the General Plan for the Dissolution of the Town of City View is a report on the status of steps already taken and the remaining steps for dissolution of the Town and is attached hereto as Exhibit A.

WHEREFORE, Plaintiffs pray: (1) that the Petition of Defendant be denied; (2) that the Court issue an amended order approving the plan filed by Plaintiffs for dissolution of the Town,

with appropriate reporting requirements; and (3) that the Treasurer of Greenville County be appointed as receiver for collection and disbursement of 1995 Town taxes for Town purposes pursuant to the Order.

H. W. Paschal, Jr.
Miller & Paschal
P. O. Box 10345
Greenville, SC 29603

Leo H. Hill

Hill, Wyatt, Bannister & Brown, L.L.P.

P. O. Box 2585

Greenville, SC 29602

(803) 242-5133

Roy D. Bates

25 Lakecrest Drive

Columbia, SC 29206

ATTORNEYS FOR PLAINTIFFS

City View Issues / Questions

- When does (did) City View cease being a municipal government? Did City View cease to exist on the day the referendum votes were certified (June 14), or is it still a fully functional municipal government until it surrenders its municipal charter on December 31?
- Did City View cease to exist as a fully functional municipal government in June and devolve
 into a defunct corporation with few if any powers and what powers did it retain? Did it only
 have the power to sell off assets and pay debt? Did it have the authority to provide municipal services (water, fire,
 sewer, and sanitation) until it could arrange for the transfer of services and request its annexation into Parker and
 GGSC district.

The Town has already negotiated and signed short term fire and sanitation contracts, is selling its property, has paid its debts, has dissolved its fire department and sanitation service, set a tax millage for 1995, and has sent a resolution to the Greenville County Council requesting annexation into the Parker and GSSC districts. The Town is finalizing arrangements with the Greenville Commission of Public Works to take over water service effective January 1, 1996. The Town has also agreed to pay \$84,000 to Parker district to pay the cost of the first year of court ordered construction in City View for sewer upgrades.

- As a fully functional municipal government (an assumption), does City View have the right to levy a municipal tax for the tax year 1995 and obligate the use of some of those collections for services in 1996 when it is no longer in existence?
- If City View agrees to pay Parker and GGSC districts sums (obligated taxes) to offset the impact of its annexation into those districts, is this a form of "double taxation"? The City View Town Council agreed to obligate 1995 tax money to those two districts to provide services in 1996. The Council was informed that: (1) it was not required to do so, (2) City View would be taxed by those districts in 1996 at the uniform rate of those districts. After some discussion, the Council agreed to set a tax millage of \$1.5 mills (passed by ordinance) and to obligate some of that millage to the districts to be paid by the County Treasurer when the collections are received in 1996.
- If City View has levied taxes for specific purposes in 1995 when it was a municipal government, can the County government redirect the use of those funds in 1996 after the Town has unincorporated?
- Can the Court appoint a receiver to act on behalf of a functioning municipal government?

 As an additional safeguard during its "wind down" period, City View sought an injunction against Greenville

 County in order to provide the City View Town Council with an additional source of authority to act on behalf of

 City View. The Town holds that this was prudent, but redundant. The Court ordered the Town to produce a plun

 for its dissolution and the plan was to be approved by Greenville County. The Court proposed that if the County did

 not approve the plan, that Court would appoint a "receiver" to manage City View's affairs for an unspredified period

 At this time, it appears that the County may ask for the appointment of the receiver.

LAW OFFICES

HILL, WYATT, BANNISTER & BROWN, L.L.P.

ATTORNEYS AT LAW

100 WILLIAMS STREET AT PETTIGRU

P.O. BOX 2585

GREENVILLE, SOUTH CAROLINA 29602

TELECOPIER (803) 242-5133
TELECOPIER (803) 235-0199

COUNSEL SCHAEFER B. KENDRICK (1916 - 1994) MARY G. DANIEL WYATT

LEO H. HILL JOHN F. WYATT O. W. BANNISTER, JR. STEPHEN H. BROWN † D. GARRISON HILL*

†CERTIFIED SPECIALIST EMPLOYMENT AND LABOR LAW *ALSO ADMITTED IN D.C.

December 28, 1995

Mr. Howard Duvall Municipal Association of South Carolina P. O. Box 12109 Columbia, South Carolina 29211

Re: The Town of City View, et al. v. The County of Greenville C. A. No. 95-CP-23-2353

Dear Howard:

Enclosed please find a copy of Judge Floyd's Amended Order dated December 19, 1995, together with a copy of a letter dated December 20, 1995 from the Justice Department.

Sincerely yours,

HILL, WYATT, BANNISTER & BROWN, L.L.P.

Leo H. Hill

LHH/je



County of Greenville

"... At Your Service"

Judith S. Burk
County Attorney
Greenville County Square
301 University Ridge, Suite 100
Greenville, SC 29601-3660
(864) 467-7110 Fax (864) 467-7201

December 27, 1995

DEC 28 1995

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Mr. Leo Hill, Esquire Post Office Box 2585 Greenville, South Carolina 29602

Mr. H. W. Pat Paschal, Jr., Esquire 644 East Washington Street Greenville, South Carolina 29601

Re: The

The Town of City View

Gentlemen:

Attached please find the Justice Department's preclearance of the dissolution of the Town of City View.

Please contact me if you have any questions. With best regards for a Happy New Year, I am

Sincerely yours,

Judith S. Burk

JSB/bs

Attachment

cc: Joe Newton, Appalachian Council of Governments





Civil Rights Division

DLP: ZJB: NG: jdp DJ 166-012-3 95-3749 Voting Section P.O. Box 66128 Washington, D.C. 20035-6128

December 20, 1995

Judith S. Burk, Esq.
County Attorney
301 University Ridge, Suite 100
Greenville, South Carolina 29601-3660

Dear Ms. Burk:

This refers to the dissolution of the Town of City View in Greenville County, South Carolina, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act, 42 U.S.C. 1973c. We received your submission on November 10, 1995; supplemental information was received on December 11, 1995.

The Attorney General does not interpose any objection to the specified change. However, we note that Section 5 expressly provides that the failure of the Attorney General to object does not bar subsequent litigation to enjoin the enforcement of the change. In addition, as authorized by Section 5, we reserve the right to reexamine this submission if additional information that would otherwise require an objection comes to our attention during the remainder of the sixty-day review period. See the Procedures for the Administration of Section 5 (28 C.F.R. 51.41 and 51.43).

Sincerely,

Deval L. Patrick
Assistant Attorney General
Civil Rights Division

By:

Elizabeth Johnson

The Munde

Acting Chief, Voting Section

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GREENVILLE COUNTY ATTOMIC OFFICE

COUNTY OF GREENVILLE) IN THE COURT OF COMMON P	PLEAS		
		DEC 20		
The Town of City View, and) C. A. No. 95-CP-23-2353	13		
Joan Andrews, Betty Jackson,)			
Joy Little, Zimmie Mason,)			
Floyd McCall, Sammy McGaha,)			
and Charles Morgan, and Frank)			
Waltz, Councilperson of the)	· · · · · · · · · · · · · · · · · · ·		
Town of City View,)			
T4 1 100)			
Plaintiffs,)			
)			
v.) AMENDED ORDER			
The County of Greenville,))			
Defendant.))			

This comes before me on motion of the County to have a receiver appointed and upon motion of the Town to reconsider and modify the previous Order of the Court dated September 19, 1995. That prior Order is revised and amended by this Order.

Dissolution of a municipality is a rare event in South Carolina. No precedence has been found and there is no statutory guidance. When the Home Rule Act was passed it contained S. C. Code, Ann. § 5-1-100 which provided for a dissolution but little else. The same Home Rule act contained § 4-9-80 which it was earlier thought gave some additional direction for dissolution. However, it appears § 4-9-80 is not applicable to this situation since it was adopted at the same time as a part of the Home Rule Act, and it contemplates some future additional act of the legislature will set forth a method of dissolution. No such general law has been enacted. It also appears that the section itself may not be applicable to dissolution of a municipality.

Nevertheless, the Court has jurisdiction and may provide for an orderly dissolution and



conclusion of Town business and transfer of assets.

A submission was made to the Department of Justice prior to the election of the question to be presented to the electors as is required by the Voting Rights Act of 1965, as amended. No objection was made by the Justice Department. After the election, as requested, a second submission was made concerning the vote of dissolution itself which is still pending. The Town fully expects no objection will be made. It appears also, the Department of Justice reviews inquiries as to whether changes "have the potential for discrimination". If changes are determined to be "ministerial", the Department will have no objection. Here with the vote being affirmative to dissolve only ministerial duties remain to wind down the Town's affairs. There appears to be nothing in the general plan that is discriminatory toward voting rights. Nevertheless, until the Department of Justice gives a letter indicating no objection, there will be a question about the validity of any action taken by the Town. This Order and the approvals and confirmation herein or hereafter are subject to that final clearance under the Voting Rights Act. NAACP, et al. v. Hampton County Election Commission, et al., 470 US 166, 84 L.Ed. 2d 124, 105 S. Ct. Rep. 1128.

The City View City Council on September 19, 1995 enacted an ordinance reducing the tax levy of the prior year from 96 to 81.5 mills and setting that millage for the current year. Taxes are levied and paid in the same year and are not prospective. Current budgets must operate on current year's revenues. Here, taxes levied and raised in 1995 are for 1995 municipal purposes.

I find and conclude funds to be spent here will be expended for such purposes and that The fact monies were or will be paid over in this levy was duly and legally imposed.



consideration of the contracts mentioned in the general plan and that those funds may be used by another political subdivision in another year does not prevent the use of these funds for current municipal purposes.

The Court must be concerned about the citizens of City View and how to wind down the City's business. There are immediate problems of public health, safety and welfare at risk here which must be resolved. The County government cannot under the law provide water and sewer service, and does not provide fire protection, garbage service or streetlights. There were no other jurisdictions having City View within their territory to provide these services. The residents of City View are also tax-paying residents of the County, and as such, are fully entitled to all county government services, police protection, etc. without the payment of additional taxes.

I find and conclude that the County has no additional rights, liabilities or responsibilities because of the dissolution and is not required to provide any services to Town residents other than the services it must provide all county residents.

The Plan submitted by City View is a fair and reasonable method to wind matters down.

The Plan needs to be updated and modified, but it provides a good system to close out the Town. The Court has reviewed the updated modified Plan and a copy is attached to this Order.

I find the action taken pursuant to the prior order of this Court and those proposed are found to be reasonable, proper and lawful.

The Plan of course must have sufficient money available to assure it may be accomplished.



I find and conclude the Town Council has a continuing fiduciary duty to take action to wind down the Town's affairs and has <u>de facto</u> powers to take reasonable steps to complete City View's affairs, subject to the approval of this Court, including the power to levy and tax for the current 1995 year. I understand that the County Auditor has in fact mailed out notices including the levy of 81.5 mills, and that the taxes are now due and payable. It is anticipated the levy will raise approximately One Hundred Fifty-Five Thousand (\$155,000.00) Dollars.

I find and conclude any necessary part of these funds, as approved by this Court, may be used for purposes of making an orderly transition of municipality responsibility to other entities, taking into account these entities will suffer a new and immediate financial burden. Portions of these funds may be used to provide reasonable consideration and incentive for these entities to contract with the Town and enable them to immediately gear up their operations so that there will be no disruption of services.

I find and conclude that the power and authority of the Town Council is continued. The present Council acting as fiduciaries of public trust are to act, subject to the approval of this Court, to effect sales or transfers, including transfer of water and sewer lines or facilities and act to otherwise liquidate Town assets. The General Plan sets out details of proposed contracts and transfers involving Parker District Sewer and Fire District, Greater Greenville Sanitation Commission, the City of Greenville Commission of Public Works and the County of Greenville.

With regard to all transfers to other political subdivisions, it should be remembered that these public properties were in place serving a public use for the Town's constituency. In essence, although there will be a transfer to some other entity, the same facilities would still be in place for public use and to a large extent would still be serving in one fashion or the other



the same constituency. One of the primary purposes of this Court is to assure public safety and good public health and for that reason this Court has no problem approving the contracts providing for these transfers.

I find and conclude the Treasurer of Greenville County is a proper official to hold the funds derived from this current tax levy until further Order of this Court. I find and conclude there is no need for a Receiver to be appointed. The County Tax Collector can collect the taxes, and the Treasurer can hold the funds derived from taxes. Little else needs to be done under the General Plan for the dissolution of the Town of City View as can be seen by the "Updated Report."

I find in order to assure an orderly conclusion of affairs that Town Council should designate the Mayor Pro Tempore, Mr. Sammy McGaha to represent the Town and to facilitate the implementation of this Plan. In addition, the Mayor Pro Tempore should be authorized by the Town to:

- 1. To authorize payments and sign checks to pay any outstanding expenses incurred in 1995, subject to the approval of the Court;
- 2. To hire part time clerical help, if necessary, to assist in the completion of the fiscal audit or audit procedures;
- 3. To arrange with the Greenville County Tax Collector for taxes, when received, to be paid over to the County Treasurer. The County Treasurer shall pay over and disburse the funds as may be approved by the Court, to specified financial accounts established in the name of City View; and
- 4. To report to the Court the progress being made in the final dissolution of the Town and the disposition of its assets and to seek the Court's approval of the various steps of dissolution and disposition.



The Court also requests the Appalachian Council of Governments to permit Mr. Joe Newton to remain accessible to this Court to assist and facilitate this transaction.

NOW, THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED as follows:

- 1. That the Updated Report and Modification of the General Plan for the Dissolution of the Town of City View dated 12/5/95 is approved and the actions taken pursuant to the prior Order of this Court and under the General Plan are approved and confirmed. This "Updated Report and Modification of the General Plan for Dissolution" is incorporated into and is a part of this Order.
- 2. That Mr. Sammy McGaha be designated by the Town to represent the Town to facilitate implementation of this plan.
- 3. That the Greenville County Tax Collector shall pay over taxes received for the current year, 1995, to the County Treasurer. The County Treasurer shall pay over and disburse these funds, when approved by this Court, to specified accounts established in the name of City View.
- 4. That the Town proceed with the execution of general plan as modified and revised and periodically report back to this Court by letter.
- 5. That the Town, with the assistance of Joe Newton, Manager, Governmental Services of the Appalachian Council of Governments, report periodically to this Court as to the progress.
- 6. Let a copy of this Order be served upon the County Tax Collector and the County Treasurer.
- 7. This Court retains jurisdiction for such purposes as are necessary.

IT IS SO ORDERED.

UDGE, THIRTEENTH JUDICIAL CIRCUIT

Greenville, South Carolina

Date Docember 19, 1995

A Certified Copy

Fletcher Manninger of Court C.P. & G.S.

Thicio Clerk County Court County Court County Scop 1995

TOWN OF CITY VIEW UPDATED REPORT AND MODIFICATION OF THE

General Plan for the Dissolution of the Town of City View

December 5, 1995

As initiated by the Town of City View, and as ordered by the Greenville County Court of Common Pleas, the Town of City View has drafted the following plan for the dissolution of its municipal government and for the disposition of its assets and obligations. The original Plan is attached to the Order to the Honorable Henry F. Floyd dated September 19, 1995. This is an updated Report of that Plan.

Purpose:

- 1) To transfer all existing public services currently provided by the Municipality of the Town of City View to the appropriate political subdivision, special purpose district, or other service provider prior to the dissolution of the municipality.
- 2) To properly and equitably dispose of certain property, equipment and assets of the municipality and to ensure that those assets will be used to the best advantage of its citizens.

The intent of this plan is to provide strict guidelines to facilitate the dissolution of the municipality, and to approximate a timeframe for the completion of essential activities. However, until the Secretary of State of South Carolina accepts or withdraws the Municipal Charter of the Town of City View, as is planned, the elected municipal government of City View is bound and obligated to exercise its legitimate authority and responsibilities, and to act in the best interest of its citizens as required by the South Carolina Constitution and Code of Laws of South Carolina, specifically Title V.

Background:

Earlier this year, citizens of the Town of City View circulated a petition to initiate a referendum to dissolve the municipality of City View. On June 13, 1995, the Question "Should the Town of City View surrender its Municipal Charter and cease to be a town" was voted upon. A two thirds majority of the votes cast voted "Yes" to dissolve the municipal government.

Title 5-1-100 of the 1976 Code of Laws of South Carolina, provides that, at some unspecified date, the Town shall certify the results of the election to the South Carolina Secretary of State and shall surrender its Municipal Charter. Current plans call for the Town Council to pass an ordinance during the month of December

requesting that the Secretary of State accept its Municipal Charter effective March 1, 1996. At this point it is not clear what if anything remains to be done for compliance with the Federal Voting Rights Act of 1965. The Town believes all such submissions have been made and that approval will be forthcoming. However, it must be noted that until a final letter is received from the U. S. Department of Justice, the validity of any action is open to objection by the U. S. Department of Justice.

Actions:

Fire Service

- 1. The Town signed a short term fire protection contract with Parker Sewer and Fire District. The contract provided for fire protection for the Town of City View until the Town dissolves or until the Parker District is able to provide permanent services. The contract negotiated with the Parker District provides fire protection for the period from September 15 December 31, 1995, for a fee of \$21,000. The money was paid. The Resolution by Town Council was enacted on September 12, 1995.
- 2. All personal fire equipment (municipal property) was returned and reconciled against inventory records.
- 3. Shortly after the fire protection agreement was signed with the Parker District, the municipal fire department was dissolved by ordinance.
- 4. All three fire vehicles and major equipment have been sold and reconciled to equipment inventory Note: The total value received from the vehicles and equipment is \$52,000
- 5. Greenville County Council by its own initiative expanded the boundary of the Parker District to include the Town limits by County Ordinance No. 2783 on Kra. 7, 1995.

Water System

- 6. The Town Council by Resolution (Town Resolution dated August 29, 1995) requested that the Greenville Water System (Greenville Commission of Public Works) assume the responsibility for providing water service to the City View service area.
- 7. An inventory is currently being conducted by the Town and the Greenville Water System to identify the assets of the Water System. Meetings are continuing with the Greenville Water System to work out details of the transfer.
- 8. The Town has negotiated for the transfer of lines and water delivery equipment to the Greenville Water System. Drafts of deed transfer documents are being



prepared by the Greenville Water System to complete the transfer of the water system. Final deed documents and agreements are expected to be completed in December 1995. Attached to this Plan are terms and conditions for the acquisition. (See "Exhibit A").

- 9. The Town Council has passed an ordinance to transfer property (lines, equipment, and rights of way) to the Greenville Water System and has authorized the transfer once the documents are completed and approved.
- 10. Town water customers are presently being billed for September, October and November and payable to the Town at the Town Offices. Thereafter, all billing will be done by Greenville Commission of Public Works (GCPW) and GCPW will receive and keep all such water revenues.

Sewer System

- 11. By Town Council Resolution the Town requested that Parker Sewer and Fire Subdistrict act to manage DHEC required testing of City View Sewer lines. The Town is paying for any expenses incurred by Parker District for engineering and will provide Parker District any requested information and records. Note: The purpose of this mutually beneficial request is to provide City View with valuable expertise and experience during the testing phase, and to ensure that Parker District is provided some knowledge about the work and lines that it will eventually acquire. The County Council has passed an ordinance to annex City View into the Parker District effective January 1, 1996. The Town Council has passed an ordinance to convey and transfer all sewer lines, distribution facilities, and any rights of way to the Parker District. The transfer documents and deeds are expected to be completed and signed in December, 1995.
- 12. City View is a party-defendant in <u>The Department of Health and Environmental Control v. Western Carolina Regional Sewer Authority, et al.</u>, C. A. No. 88-CP-23-374, and is currently under a court order to make extensive repairs of its collection lines to remove excess infiltration and inflow. This is a current Court Order and an existing obligation of the Town. This project is called the Subdistrict Sewer Rehabilitation Project ("Project). City View is participating in negotiations with Parker Sewer and Fire Subdistrict, Western Carolina Regional Sewer Authority, to continue to facilitate the repair and upgrade of those sewer lines.

City View must pay a share of the expenses on Phase I of the project based upon the projected cost of line renovation and rehabilitation that City View would have otherwise undertaken in 1995-1996. In any case, City View will not be expected to pay all scheduled future costs as some of these may eventually be covered by the Parker District's normal taxes and fees. Note: Based upon available figures, City View's share of Phase I is \$84,000.00 including testing and construction.



Tests are ongoing, and those fees will be due within the next two months.

Approximately \$10,000.00 of this has already been paid in engineering fees as mentioned in paragraph 10 above. The Town is also negotiating with Parker District on the total consideration.

- 13. City View Town Council enacted an ordinance setting municipal tax millage to be levied against property on County tax records as of January 1, 1995. Taxes levied as of January 1 are now due and payable, and are being collected by the County Treasurer. These funds are to be held pending approval by this court before disbursement, and must be used for municipal purposes including the winding down of Town responsibilities and the impact of the assumption of these responsibilities by others. This court recognized in a true sense there is a "forced annexation" of this Town area into Parker District's and Greater Greenville Sanitation Commission's jurisdiction. Some 1,600 people live in this area. Neither the District nor the Commission could have anticipated the fiscal impact of their new responsibilities of providing rather immediate services to these citizens. Both would have their cash reserves reduced as they provide new routes, and new personnel to meet these needs. Tax revenues for 1996 will not be generated at the end of that year. The court is mindful that the Town has had to liquidate its assets to pay outstanding debts. Neither Parker District nor the Greater Greenville Sanitation Commission are receiving any of service equipment.
- 14. It is in the interest of the Town residents that neither Parker District nor the Greater Greenville Sanitary Commission is unduly harmed or burdened with these forced circumstances. It is in the interest of the Town residents that contracts be negotiated with both Parker District and Greater Greenville Sanitation Commission to take into account the impact of the transfer of these responsibilities. These negotiated contracts must receive final approval of the Court.

Sanitation System

- 15. The Greater Greenville Sanitation District and City View have negotiated a contract for the Greater Greenville Sanitation Commission to provide sanitation services operate in City View until the Greater Greenville District can receive the benefit of its own tax millage. This contract is subject to approval of the Court but was negotiated pursuant to this Court's prior Order. City View has sold its sanitation truck as part of the liquidation.
- 16. The County Council has already taken appropriate steps as requested to enlarge the Greater Greenville Sanitary Commission to include the Town limits. (County Ordinance No. 2783 dated 1995).

Streetlights



17. No nearby political subdivision provides steetlights or is enabled to take over the

City View streetlights. City View citizens are circulating a petition calling for a referendum to vote on the establishment of a streetlight district pursuant to S. C. Code Ann. § 4-9-30. City View has arranged an advance payment to Duke Power to continue streetlight service for a period of four months or until a district can be formed. Another \$7,000 shall be paid over to the new district once it has been formed for immediate start-up expenses to avoid any lapse in service

County/Transfer of Town Hall Building

18. The County has indicated interest in acquiring title to the Town Hall building to be used for county purposes; for example, as a police substation or some other county public purpose. It is proposed that this building be deeded over to the county for such use and purposes as the Court may deem proper, in consideration of the fact that the county itself will suffer an adverse financial impact, like other political jurisdictions, is being called on to immediately provide services which the Town formerly provided, especially police protection.

Council/ Administration

- 19. City View has paid off an existing bank note (BBT, approx. \$55,000) on the sanitation truck and the public works building.
- 20. City View Town Council enacted an ordinance setting municipal tax millage to be levied against property on the County tax records as of January 1, 1995. These taxes are being collected now. These funds will be used to cover municipal purposes and obligations existing or incurred in this dissolution process, including payments made under contracts entered into by the Town pursuant to this court's order.
- 21. It is proposed that an accounting firm(s) will perform an audit of the General Fund and an audit of the Enterprise Audit (water and sewer services). The proposed General Fund audit would be of a liquidation-type audit rather than a full audit including certain upon agreed-upon accounting procedures. The Enterprise Fund would likely be a full and final audit. It is proposed that the firm of Cherry, Bekaert and Holland be engaged to do the liquidation audit and to oversee the Enterprise Fund audit.
- 22. City View is contacting all State and Federal departments and agencies notifying them of the imminent dissolution of the municipality

- 23. The Town Council is in the process of enacting an ordinance to authorize Councilmember Sammy McGaha to sign documents and to make payments on behalf of the Town Council in accordance with the Dissolution Plan.
- 24. At various stages, as necessary, the Town will seek approval of actions to be taken or conformation of action taken pursuant to the prior Order of the Court and the General Plan of Dissolution. The following is a listing of tasks not yet completed:
 - 1. Deeding of water lines to the Greenville Commission of Public Works (GCPW).
 - 2. Deeding of sewer lines to Parker Sewer and Fire Subdistrict.
 - 3. December water/sewer billing by City View. Billing and Collection by City View.
 - 4. Payment of sewer construction (cash) settlement to Parker District (\$84,000 less payments already made) for City View phase I construction.
 - 5. Payment of negotiated cash settlement to the Greater Greenville Sanitation (as per agreement) for establishment of sanitation services in City View: (1) Payment of November and December contract short term sanitation charges (\$4,500 per month for November and December); (2) \$24,000 to be paid in December; and (3) Approximately \$30,000 after the collection of the 1995 taxes.
 - 6. Negotiation and payment of a fee to enable Parker District to establish services for City View. The fee will provide for the initial equipment and personnel costs to lessen the impact of City View's forced annexation into the Parker District. Payments will be made from collected 1995 taxes.
 - 7. Sale of water/sewer equipment, building and 2 lots (Enterprise Fund). Sale of former sanitation building and lot (General Fund).
 - 8. Circulation of petition calling for a referendum on a proposed streetlight district.
 - 9. Initiation of financial audits of the General Fund and the enterprise Fund (water/sewer).
 - 10. Notification of State agencies of the town's impending dissolution.

- 11. Provision for the final payment of bills (utility, audit fees, etc.) for both town Hall and the Water/Sewer Department.
- 12. Dismissal of Town's three remaining employees: Town Clerk, two water/sewer employees.
- 13. Letter to the Secretary of State surrendering the Municipal Charter upon settlement of the Town's affairs (estimated to be March 31, 1995).
- 14. Transfer of funds in town bank accounts to the Office of the County Treasurer to be placed in specified accounts established in the name of City View for Town purposes.

Exhibit A

Terms and Conditions

For the Acquisition of

City View Water Distribution System

October 9, 1995

As a consideration for assuming ownership and operation of the water distribution system in City View, the Commissioners of Public Works of the City of Greenville, South Carolina propose the following:

- (a) To assume responsibility for providing the statutory water requirements of the Town. This responsibility will begin immediately upon the conveyance by the Town to the Commission of the Town's existing water distribution system facilities including pipes, valves, mains, fire hydrants and the usual appurtenances of a water system including lands and easements and rights of way.
- (b) Where needed and as soon as circumstances will reasonably permit, the water system will be improved to maintain sufficient pressure and volume to permit continued qualification of the Town for a Class Seven (7) rating for Fire Insurance rates under the current standards of the South Carolina Inspection and Rating Bureau.
- (c) The Commission shall have no duty or obligation to install water lines in undeveloped areas or prospective subdivisions in the Town, but that, if such lines are installed therein by private developers in accordance with the specifications, policies, rules and regulations of the Commission, such lines will be accepted in accordance with the then prevailing Commission policy concerning such.
- (d) To charge to all customers within the Town the prevailing rates of the Commission made to its customers under similar conditions in other areas outside the City of Greenville except that an appropriate surcharge may be applied by the Commission to customers within the Town to cover the cost of improvements to the existing water distribution system to make it equivalent to other areas similarly situated.
- (e) To consider offering employment in accordance with the prevailing policies and practices of the commission to the tow (2) existing employees of the Town presently engaged in the operation of the water system and not needed by the Town in capacities as nearly similar as will be available at the time of the conveyance to the Commission of all properties and interests covered by the transfer of title to the water distribution system.
- (f) The Commission will assume no undisclosed claims or obligations of the Town for the construction, operation or maintenance of the water distribution system and the Commission will assume no obligations of the Town related to the construction, operation or maintenance of the sewer system.
- (g) To accept title from the Town of all usable water system inventory that the Town has on hand at the time of acquisition.

It is understood that the water system to be transferred to the commission by the Town will thereafter be owned by the Commissioners of Public Works of the City of Greenville, S.C., and will be controlled, maintained and served by the Commission as part of its water system. The Commission shall have full rights to adjust its rates and to change its rules and regulations as they apply to the Town or any other facilities operated by the Commission as it may deem proper from time to time within its sole discretion, so long as any such changes do not discriminate against users in the Town as compared to other users similarly situated.

This proposal is made with the understanding that the Town through its Clerk/Treasurer will furnish the following certificate:

I certify in my official capacity as Clerk/Treasurer of the Town of City

View:

- (a) That there exists no outstanding bonded indebtedness attributable to the Town's existing water distribution system or its operation.
- (b) That all contracts for water services have been disclosed to the Commission and will be assigned to the Commission at the same time that other property and interests covered herein are conveyed to the Commission.
- (c) That all debts, expenses, and charges incurred in connection with the installation, construction, purchase, and/or operation of the water system of the Town have been paid and discharged in full. No new agreements with developers or subdividers of real estate concerning water or water lines will be entered into except upon the approval and written consent of the Commission and then in accordance with the prevailing policies, rules, regulations, and practices of the Commission.
- (d) That from the date of the conveyance by the Town to the Commission, the Commission shall have the sole, exclusive and only right to sell, distribute and/or supply water within the bounds of said Town, and so long as the Commission complies with this agreement said Town, its successors and assigns, so long as the Town remains in existence, shall forever refrain from engaging in or permitting within the limits of its lawful authority, any other person, corporation or agency, governmental or otherwise, to engage in the sale, distribution and/or supply of water within said Town.
- (e) So long as the Town remains in existence, it will do all things reasonable and necessary to have the right of the Town to operate or in any way engage in or deal with the sales, distribution or supply of water removed from the powers and authority of the Town.

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THE TOWN OF CITY VIEW CLERK/TREASURER

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F GOVERNMENTS

50 Grand Avenue - P. O. Drawer 6668 Greenville, SC, 29606 (864) 242-9733 FAX - (864) 242-6957

E-mail - info@acog.greenville.sc.us

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C6 SPARTANBURG HERALD-JOURNAL / FRIDAY, DECEMBER 13,

elections set for March

By ANDY PETERS

REIDVILLE - This tiny west-ern Spartanburg County commu-nity will elect its first mayor and

nity will elect its first mayor and town council on March 4.
Walter "Gene" Snow was the first and only person Thursday night to announce intentions to run for office. Snow was on the committee that helped organized the town's incorporation effort.

About 50 people attended a town meeting Thursday at the Reidville

Fire Station.
Reidville is resurrecting its town charter in order to defend against the expanding city limits of Greer and Duncan.

"Reidville wants to be Reidville. "Retaville wants to be Reidville. It doesn't want to be a suburb of another town," said John Campbell, an organizer of the incorporation effort. "We don't want a six-lane highway going through the center of town. We want to keep it like it is."

like it is."

There are five offices up for grabs: mayor, who will serve a fouryear term, and four council mem-bers. The two council candidates receiving the most votes will serve for four years and the other two council members will serve twoyear terms,

The race will be nonpartisan. Be cause of Reidville's small size, all candidates will be elected at large. Candidates can file for election

from Dec. 20 through Jan. 2. The deadline for registering to vote in Reidville is Jan. 31. A voter application can be obtained at the Reidville Fire Station or at the county voter registration offices, 142 S. Dean St., Spartanburg.

The new mayor and council will select a town hall, hire a town clerk, determine a tax rate and approve a budget.

Gov. David Beasley issued an executive order in October that allowed Reidville to resurrect its town charter.

The town charter was created about 100 years ago. But at some point in the last century, no one knows how or when, the city government disappeared.

Reidville was founded as a school town in the 1850s, intended to support the Reidville Male Academy and Reidville Female College.

Reidville residents heard more good news Thursday night. The Reidville Fire District learned this week that its ISO rating has been dropped to Class 4 from Class 7. Homeowner insurance premiums can drop because of a fire department's improved rating.

10/16/96

Reidville preparing groundwork to be town

By ANDY PETERS

Once it becomes a town again, Reidville does not plan to raise enough tax money to hire its own police officer.

"If we could have a town with no tax miliage, we'd do that," said John Campbell, a leader of the reincorporation effort in this tiny western Spartanburg County community.

Reidville will contract with the Spartanburg County Sheriit's Department for police protection, Campbell said. Fire protection will be provided by the Reidville Area Fire District, and water will be handled by the SJWD Water District.
The town likely will have a tax rate of 10 mills, Campbell said. Al-

though not enough for a police department, it should suffice for a town hall, a town clerk and a nominal payment to council members.

There are no plans for a city swimming pool, library or munici-

REIDVILLE continued on B3

GTV: 1 P

REIDVILLE

Continued from R1

pai bus system, Campbell joked.

After gaining approval from the state Legislature earlier this summer to resurrect the town's charter, Reidville organizers are waiting for Gov. David Beasley to call an election for the town council, according to attorney Roger Couch, who has belied in the reorganization effort.

Bessley's election call is ex-pected any day now, Campbell said. Reidville would like to hold council elections before the end of the year.

Located in between Greer, Duncan and Woodruff, the town was first established in 1887 to support the Reidville male and female educational academies, Campbell said

A predominantly rural community with no industry. Reidville was hit hard by the Great Depression. Unable to afford police officers or a city council, the town simply reased to exist in the 1930s.

In what turned out to be a stroke of good luck, however, Reidville's town charter was never abolished.

With a charter still on the books, the reincorporation effort sidestepped an obscure state law that says no town may be established within five miles of another town.

Reidville is located within five miles of Greer's ever-expanding

city limits.

The reincorporation process has been more arduous than Campbell first thought it would be. But preserving the integrity of the Reidville community will be worth

"This is a historic area and we like it. We don't want to become a neighborhood of a larger town," Campbell said. "We know expanston and progress is coming through our area, and we'd like a little say in how it occurs."

The growth has placed demands on Reidville Elementary School, which is still in the middle of a \$3.5 million expansion. The renovation, which will include a new kindergarten wing and library, should be completed by August 1997. Principal Dwight Hettinger said

he has not heard anyone who is perage to Reidville reincorporating.

"I think the people here need it." You have a very close community with close, strong family ties. They need to have their own town, Hettinger said.

Reidville's population will total about 200. The city limits will be defined by a half-mile radius centered at the intersection of Main and Poplar streets.

Campbell said he won't run for mayor or town council because he will live outside Reidville's city

10/15/96

SPARTAN

Duncan revives zoning study

14:04

By ANDY PETERS

DUNCAN - At the request of several council members, Duncan Mayor Greg Bridges said Monday night he will revive a 5-year-old

study on zoning the town.

Duncan might try to implement zoning despite the upcoming referendum vote to consolidate the town with neighboring Lyman and Wellford, Bridges said.

Lyman has zoning and Wellford

Bridges will consult with the town attorney, John Mann Sr., about the validity of the previous zoning study. Because it was con-ducted more than five years ago, it may no longer be valid. Bridges will report his findings to the council at its November meeting.

The city might need to convene a zoning board to consider any lasues related to zoning, Bridges said.

Also Monday night:

The council agreed to annex the Waffle House located on Highway 290, on the north side of I-85.

The council agreed to transfer all financial holdings to The Palmetto Bank when its current notes

To: Joe Newton Iron: S. Geddie





JAN 28 1997

IKP:CKD:NT:tlb:jdp DJ 166-012-3 96-3065

Voting Section P.O. Box 66128 Washington, D.C. 20035-6128

January 21, 1997

Roger L. Couch, Esq. Lister, Couch & Courtney P.O. Box 2229 Spartanburg, South Carolina 29304-2229

Dear Mr. Couch:

This refers to Executive Order 96-30 which requires the state election commission to designate a county election commission to hold a special municipal election to reactivate the town and the procedures adopted by Spartanburg County for the conduct of the March 4, 1997, special municipal election, including the candidate filing schedule, the designation of a polling place, the voting method, the temporary method of electing the town's mayor and councilmembers at large by plurality vote in a non-partisan election to four-year, staggered terms, and the implementation schedule for the Town of Reidville in Spartanburg County, South Carolina, submitted to the Attorney General pursuant to Section 5 of the Voting Rights Act, 42 U.S.C. 1973c. We received your submission on November 20, 1996; supplemental information was received on January 15 and 16, 1997.

The Attorney General does not interpose any objection to the specified changes. However, we note that Section 5 expressly provides that the failure of the Attorney General to object does not bar subsequent litigation to enjoin the enforcement of the changes. See the Procedures for the Administration of Section 5 (28 C.F.R. 51.41).

- 2 -

We note that in a January 17, 1997, conversation with Colleen Kane-Dabu of our staff, you indicated that the Town of Reidville is required to adopt an ordinance selecting the method by which its town officials will be elected in all future municipal elections. When the ordinance is finally enacted, any portion of that ordinance and/or any other changes in practice or procedure that affect voting (e.g., the number of officials, the method of election, the staggering of terms of office, the selection of a general election date, the designation of polling places, etc.) will be subject to Section 5 review. See 28 C.F.R. 51.13.

Sincerely,

Isabelle Katz Pinzler Acting Assistant Attorney General Civil Rights Division

BY: Son y. Amen Sitts

Elizabeth Johnson Chief, Voting Section



The State of South Carolina OFFICE OF THE ATTORNEY GENERAL

CHARLES MOLONY CONDON ACTORNEY GENERAL

February 12, 1996

The Honorable C. Tyrone Courtney Senator, District No. 13 Post Office Box 142 Columbia, South Carolina 29202

RE: Informal Opinion

Dear Senator Courtney:

By your letter of October 3, 1995, to Attorney General Condon, you sought an opinion as to the status of the Town of Reidville. You have been approached by several members of the community of Reidville, in western Spartanburg County, who are interested in reviving the Town of Reidville as an incorporated or chartered town and holding elections to fill all the vacant town offices.

Because it is not in the province of this Office to make factual determinations, this Office accepts as true, for purposes of this opinion, the facts which you have presented with your request letter. Following a summary of the relevant facts, the applicable law will be discussed.

Facts

The Town of Reidville was incorporated by an act of the General Assembly dated December 19, 1887. The act was to take effect immediately upon its passage and was to "continue in force for thirty years from the date of its passage, and until the final adjournment of the General Assembly next thereafter." Section 3 of the act. The Town of Reidville was to be governed by statutory provisions applicable to towns of less than one thousand inhabitants.

The Honorable C. Tyrone Courtney Page 2 February 12, 1996

An election was held on February 12, 1918, to determine whether the Town of Reidville would surrender the present charter and be issued a new charter according to Article I, Chapter XLVIII, Volume 1, Code of 1912. The vote was unanimous; the old charter was surrendered; and a new charter was issued on February 15, 1918. According to the law in existence at that time, the charter or certificate of incorporation would continue in existence for thirty years. See §2913, Civil Code of 1912. Thus, the charter would have expired on February 15, 1948.

Section 2913 and its successor statutes were amended by Act No. 576 of 1946, so that the thirty-year limitation on the existence of municipal charters was removed. (Since no time limitation was thereafter specified, I would be of the opinion that such charter or incorporation would be perpetual, unless steps should be taken to surrender, cancel, forfeit, or otherwise give up the charter.)

You have advised that the current population approaches two hundred inhabitants; that while no exact figures or records can be found, the people of the area are confident that the population has not dropped below one hundred inhabitants this century; and that apparently steps have never been taken to have the charter revoked, forfeited, surrendered, or cancelled.

Applicable Law

As to surrender or forfeiture of the charter of a municipal corporation, 56 Am.Jur.2d Municipal Corporations, etc. §91 provides in part:

When the legislature has decreed that a certain community shall constitute a municipal corporation, such corporation continues in existence until the legislature otherwise orders. It consequently follows that dissolution will not result from a nonuser of corporate powers, mere failure to function, or from a failure to organize and elect officers. Even where it is provided by statute that upon its default in certain particulars the charter of a municipal corporation shall be forfeited, such forfeiture cannot be enforced or taken advantage of in any legal proceeding, collaterally or incidentally; it must be declared in a direct way. The state alone can enforce such forfeiture, since it alone has the right to waive or enforce it, and even the forfeiture should be enforced by legislative enactment rather than by quo warranto or other judicial proceeding. ... [Emphasis added.]

¹See also the discussion as to §5-1-10 and predecessor statutes, infra.

The Honorable C. Tyrone Courtney Page 3 February 12, 1996

Judicial decisions have emphasized that relative to surrender or forfeiture of municipal charters, public policy "is against the forfeiture of the charter of a municipal corporation if it can be sustained within the law and a presumption will be indulged in its behalf...."

Chadwick v. Town of Hammondville, 120 So.2d 899, 902 (Ala. 1960). Further, "[p]ublic policy opposes forfeiture of the charter of municipal corporations, if the same can be sustained within the law and presumptions that obtain in that behalf [.]" State ex rel. Kinney v. Town of Steppville, 232 Ala. 407, 168 So. 433, 435 (1936). Finally, "once a town has been incorporated and has not been dissolved in the manner prescribed by law, any subsequent attempt to reincorporate the town is void." Baber v. City of Rosser, 770 S.W.2d 629, 630 (Tex. Ct. App.-Dallas 1989).

A proviso in Act No. 576 of 1946, referenced above, stated:

PROVIDED that, whenever it shall appear that a town of less than 1000 inhabitants has decreased in population since its incorporation to less than 100 inhabitants, then the charter of such town shall thereby become forfeited; and secondly, that whenever a majority of the registered electors of any town of less than 1000 inhabitants shall file with the intendant or wardens of such town a petition asking for an election on the question of surrendering the charter of such town, such intendant or wardens shall order an election to determine the question, at which all qualified voters of such town be permitted to vote, and if two-thirds of those voting shall vote in favor of the surrendering of such charter, that the intendant or wardens shall certify the result to the Secretary of State, who shall immediately thereupon cancel the charter theretofore issued to such town.

This proviso was codified as §47-107 in the 1952 Code of Laws. In 1971 this Code section was amended so that a charter might be automatically revoked if the number of inhabitants of a municipality should drop below fifty.

In Act No. 929, 1968 Acts and Joint Resolutions, was the following in section 1 relative to the procedure for incorporation of municipalities:

Whenever the Secretary of State shall determine that a previously incorporated municipality is neither performing municipal services nor collecting taxes or other revenues and holding regular elections as prescribed

The Honorable C. Tyrone Courtney Page 4 February 12, 1996

for active municipalities in Sections 65-740² and 65-1256³, he shall cancel the charter of such municipality.

Forfeiture, surrender or cancellation of a charter or certificate of municipal incorporation is presently addressed by §5-1-100, as follows:

Whenever it shall appear that a municipality has decreased in population since its incorporation to less than fifty inhabitants, the certificate of such municipality shall be automatically forfeited and void. Whenever a majority of the registered electors of any municipality shall file with the municipal council of such municipality a petition requesting the municipal certificate be surrendered, the council shall order an election to determine the question, at which election all qualified electors of the municipality shall be permitted to vote, and if two-thirds of those voting shall vote in favor of surrendering the certificate, the council shall certify the result to the Secretary of State, who shall thereupon cancel the certificate theretofore issued to such municipality.

If the Secretary of State shall determine that any previously incorporated municipality is neither performing municipal services nor collecting taxes or other revenues and has not held an election during the past four years, he shall cancel the certificate of such municipality.

Two previously issued opinions of this Office (copies enclosed) are helpful in interpreting these statutes. The first is Op. Att'y Gen. No. 2437, issued March 18, 1968. In relevant part former Attorney General Daniel McLeod stated:

For the purposes of calculating the proper distribution of this tax to the municipalities of the State, a list of the municipalities, certified to be active by the Municipal Association of South Carolina, shall be used, and the word "active," as used for the purpose of distributing this tax, shall mean a municipality which has a regularly elected mayor or intendant, a town council and a police officer or officers and which is collecting property or other taxes for municipal purposes.

²Section 65-740 was §12-21-1120 of the 1976 Code and read in part until an amendment in 1991:

³Section 65-1256 of the 1962 Code was codified as §12-33-40 in the 1976 Code and reads virtually identically to old §12-21-1120 as cited in footnote 2.

The Honorable C. Tyrone Courtney Page 5 February 12, 1996

I do not believe that the mere certification by the Municipal Association that a town is not active is sufficient for the Secretary of State to act in [cancellation] of charters pursuant to the provisions of Section 47-1.1 [now §5-1-1], as amended during the current session of the Legislature.

The Secretary of State is required to determine whether a town is performing municipal services, etc., and the reference to Section 65-740 and 65-1256 appears to be for definitive purposes only. Under the latter sections, the distribution of taxes involved is clearly to be based upon a list of municipalities certified to be active by the municipal association. In the new act (Section 47-1.1), the determination is to be made by the Secretary of State.

Normally, if a town is not on the list of active members as compiled by the municipal association, this would be a clear indication that its charter can be cancelled, but the determination of the fact of inactivity should then be ascertained by the Secretary of State himself. Additionally, a constitutional issue could be raised if the determination of inactivity is delegated to the agency of the municipal association. ...

Then, by Op. Att'y Gen. No. 4096, issued August 25, 1975, construing the 1971 amendment to §49-107, supra, the situation of a town whose population had fallen below 100 was examined; specifically, whether the town could be deemed to have forfeited its charter by reason of its population having been below one hundred persons prior to 1971 was addressed. In pertinent part, that opinion stated:

The operative words of Section 47-107 are "thereby" and "become." According to Webster's Third New International Dictionary, "thereby" means "by that, by that means in consequence of that" and "become" means "to come to exist or occur" or "to emerge as an entity." Taken together, the two words clearly imply that forfeiture of the charter automatically occurs, regardless of whether or not someone formally notifies the Secretary of State of the decrease in population and requests the forfeiture.

It is doubtful that this statute (now §5-1-100), and hence this previously issued opinion, would be applicable to the situation with respect to the Town of Reidville, as you have advised us that the population does not appear to have fallen below the requisite number, depending upon which version of the statute may have been in effect, so as to have the charter automatically forfeited.

Another statute which should be considered is current §5-1-10, which provides in pertinent part:

The Honorable C. Tyrone Courtney Page 6 February 12, 1996

All municipalities which have a certificate of incorporation issued by the Secretary of State ... are hereby declared to be <u>perpetual bodies</u>, politic and corporate and are entitled to exercise all the powers and privileges and are subject to all the limitations and liabilities provided for municipal corporations in this State. [Emphasis added.]

This statute originated as Act No. 285 of 1904:

Be it enacted by the General Assembly of the State of South Carolina, That all municipal charters heretofore or hereafter issued by the Secretary of State shall be, and are hereby, declared to be perpetual; Provided, That nothing herein contained shall be deemed or taken to prevent the General Assembly from amending or repealing said charters.

The original act was amended by Act No. 440 of 1918 to read:

Section 2986. All municipal charters heretofore or hereafter issued by the Secretary of State, and also all municipal corporations heretofore created by Acts of the General Assembly of this State, shall be, and are hereby, declared to be perpetual: Provided, That nothing contained in this section shall be deemed or taken to prevent the General Assembly from amending or repealing said charters.

These enactments would support the position that the charter or certificate of incorporation issued to the Town of Reidville would still be extant, as such would be perpetual in the absence of actions of the General Assembly or appropriate state or local actions (as in §5-1-100, for example).

Conclusion

Construing all of the foregoing statutes and indications of public policy and presumptions to be indulged in light of the facts accepted as true for purposes of this informal opinion, particularly the facts that the population of the Town of Reidville has not dropped below the statutorily indicated level and that no steps have apparently been taken by the State of South Carolina (i.e., through the General Assembly or the Secretary of State) to cancel the charter or certificate of incorporation, I am of the opinion that the charter of the Town of Reidville would have perpetual existence by virtue of the various applicable statutes. Due to the lack of judicial guidance on this issue and novelty of the question in this State, I must advise that my conclusion is not completely free from doubt,

1997,03-03

The Honorable C. Tyrone Courtney Page 7 February 12, 1996

however; to remove that doubt, the concerned residents may wish to consider seeking a declaratory judgment in the courts of this State.

This letter is an informal opinion only. It has been written by a designated Senior Assistant Attorney General and represents the position of the undersigned attorney as to the specific questions asked. It has not, however, been personally scrutinized by the Attorney General nor officially published in the manner of a formal opinion. I trust that it satisfactorily responds to your inquiry and that you will advise if clarification or additional assistance should be necessary.

With kindest regards, I am

Sincerely,

Patricia D. Petway

Patricia D. Petway

Senior Assistant Attorney General

Enclosures

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Another <u>Search?</u> General Assembly <u>Home Page</u>

Bill 1395

Current Status

Bill Number: 1395
Ratification Number: 375
Act Number 338

Act Number
Type of Legislation: General Bill GB
Introducing Body: Senate
Introduced Date: 19960425
Primary Sponsor: Courtney
All Sponsors: Courtney
Drafted Document Number: JUD6079.CTC

Drafted Document Number: JUD6079.0
Date Bill Passed both Bodies: 19960509
Governor's Action: S

Date of Governor's Action: 19960520

Subject: Minicipal corporation, articles of

incorporation, adoption

Product of the Legislative Printing Agency-LPITR

History

Body	Date	Action Description	Cor	n	Leg	Involved
	·····					
	19960530	Act No. A338				
	19960520	Signed by Governor				
	19960514	Ratified R375			•	
House	19960509	Read third time, enrolled for ratification				•
House	19960508	Read second time				•
House	19960507	Debate adjourned until Wednesday, 19960508				
House	19960501	Recalled from Committee		НJ		
House	19960430	Introduced, read first time, referred to Committee	25	НĴ		
Senate	19960429	Read third time, sent to House				
Senate	19960426	Read second time				
Senate	19960425	Unanimous consent for second and third reading on the next two consecutive Legislative days				
Senate	19960425	Introduced, read first time, placed on Calendar without reference				

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(Text matches printed bills. Document has been reformatted to meet World Wide Web specifications.)

(R375, S1395)

AN ACT TO AMEND SECTION 5-5-10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE FORMS AND SELECTION OF MUNICIPAL GOVERNMENT, SO AS TO PROVIDE THAT A MUNICIPALITY WHICH FAILED TO ADOPT ONE OF THE SPECIFIED FORMS OF GOVERNMENT WITHIN FIFTEEN MONTHS OF DECEMBER 31, 1977, IS CONSIDERED TO HAVE FORFEITED ITS ARTICLES OF INCORPORATION UNTIL IT CERTIFIES THE ADOPTION OF ONE OF THE FORMS TO THE SECRETARY OF STATE, AND TO FURTHER PROVIDE THAT THE ARTICLES OF INCORPORATION MUST BE REINSTATED UPON THE CERTIFICATION OF THE ADOPTION.

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

Reinstatement of articles of incorporation

SECTION 1. Section 5-5-10 of the 1976 Code is amended by adding at the end:

"If a municipality failed to adopt one of the above forms of government within fifteen months of December 31, 1977, it shall be considered to have forfeited its articles of incorporation, until such time as the municipality adopts one of these forms of government and certifies the adoption to the office of the Secretary of State. Upon certification by the governing body of the municipality of the adoption of one of the forms of government to the office of the Secretary of State, the articles of incorporation for the municipality shall be reinstated. All actions taken by the governing body municipality during the period of forfeiture shall be deemed to have been ratified by the governing body of the municipality upon reinstatement of the articles of incorporation. The reinstating municipality must not be contiguous to any existing municipality."

Time effective

SECTION 2. This act takes effect upon approval by the Governor.

In the Senate House May 14, 1996.

Robert L. Peeler,

President of the Senate

David H. Wilkins,

Speaker of the House of

Representatives

Approved the 20th day of May, 1996.

FROM : APPALACHIAN COUNCIL

David M. Beasley,

Governor

Printer's Date -- May 29, 1996 -- S.

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COUNCIL OF GOVERNMENTS

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Bill 1395

Current Status

Bill Number:

1395

Ratification Number:

375

Type of Legislation:

General Bill GB

Introducing Body: Introduced Date:

Senate 19960425

Primary Sponsor:

Courtney

All Sponsors:

Courtney

Drafted Document Number: Date Bill Passed both Bodies: JUD6079 CTC

19960509

Governor's Action: Date of Governor's Action: S

19960520

Subject:

Minicipal corporation, articles of incorporation, adoption

Product of the Legislative Printing Agency-LPITR

History

Body	Date	Action Description	Соп	1	Leg	Involved
	19960520	Signed by Governor				
	19960514	Ratified R375				
House	19960509	Read third time, enrolled for				
. ,,		ratification				
House	19960508	Read second time				
House	19960507	Debate adjourned until				
,,,,,,,,,		Wednesday, 19960508				
House	19960501	Recalled from Committee		НJ		
House	19960430	Introduced, read first time,	25	НJ		
		referred to Committee				
Senate	19960429	Read third time, sent to House				
Senate		Read second time				•
Senate		Unanimous consent for second				
-		and third reading on the next two				
		consecutive Legislative days				
Senate	19960425	Introduced, read first time,				
		placed on Calendar without reference				
		•				