

A RESOLUTION ACKNOWLEDGING RECEIPT OF, AND EXPRESSING SUPPORT FOR, THE IMPLEMENTATION OF THE RECOMMENDATIONS OF THE AD HOC REGIONAL FEASIBILITY STUDY IMPLEMENTATION COMMITTEE; AND OTHER MATTERS RELATED THERETO.

NOW THEREFORE, be it resolved by the City Council of the City of Walhalla (the “**City Council**”), the governing body of the City of Walhalla, South Carolina (the “**City**”), as follows:

Section 1 Findings. The City Council make the following findings in connection with the adoption of this resolution (this “**Resolution**”):

A. The City is a municipal corporation of the State of South Carolina (the “**State**”) located in Oconee County, South Carolina, and as such possesses all general powers granted by the Constitution and statutes of the State to such public entities.

B. The City is a member of Oconee Joint Regional Sewer Authority (“**OJRSA**”), a joint authority sewer system organized under Title 6, Chapter 25 of the Code of Laws of South Carolina 1976, as amended (the “**Act**”), created in 2007 by its three member-municipalities: the City of Westminster, South Carolina (“**Westminster**”), the City of Seneca, South Carolina (“**Seneca**”), and the City (collectively, the “**Members**”).

C. OJRSA commissioned the Regional Feasibility Planning Study (“**Planning Study**”), which was completed in August 2024 and formally adopted by the Board of Commissioners, as the governing body of OJRSA (“**Board**”) in September 2024.

D. The Planning Study recommended the formation of an Ad Hoc Regional Feasibility Study Implementation Committee (“**Ad Hoc Committee**”) to further evaluate and develop implementation strategies to restructure OJRSA.

E. The Board established the Ad Hoc Committee in November 2024, who convened regularly from December 2024 through June 2025 to conduct a comprehensive review of the Planning Study and develop independent recommendations for implementation.

F. The City’s representative, Ms. Celia Myers, served as a member of the Ad Hoc Committee throughout its deliberations.

G. On June 16, 2025, the Ad Hoc Committee issued a final report entitled “OJRSA Reorganization Recommendations” that includes five major recommendations for the reorganization and reconstitution of OJRSA under the Act (the “**Recommendation Report**”).

H. The recommendations, including the addition of Oconee County, South Carolina (the “**County**”) as a member of the Authority, are intended to address longstanding operational, governance, regulatory, and financial challenges facing OJRSA and the Members, and to provide for a coordinated, compliant, and sustainable regional wastewater system to serve the current and future needs of Oconee County and its municipalities.

I. The City Council has received and reviewed the Recommendation Report, including the proposed implementation timeline, and recognizes the importance of working cooperatively and in good faith with OJRSA, Seneca, Westminster, the County, and other stakeholders to advance the implementation of the recommendations therein.

Section 2 Support for Implementation. The City expresses its support for the recommendations contained in the Recommendation Report and agrees to work in good faith with OJRSA, the other Members, the County, and other affected entities to evaluate and, where appropriate, implement the proposed actions, including but not limited to: (i) the consolidation of Members' sewer collection systems, including the City's system, and enforced compliance of all applicable sewer user regulations; (ii) the development of a reconstituted governance structure for OJRSA, including the elimination of *ex officio*, principal-agent or other potentially conflicted members; (iii) the drafting of new governance documents; (iv) participation in the formation of an implementation committee to shepherd the reorganization process; and (v) the use of a coordinated communications plan to support public engagement and transparency. In addition to its confirmation and support of the major recommendations of the Recommendation Report, the City further supports and agrees that changes to the Act are needed and necessary to fully formulate the terms and findings of the Recommendation Report. Finally, the City Council presently intends to act in good faith to assure the City's compliance with the timeline for implementation of the Recommendation Report, including the engagement of all necessary consultants and other personnel necessary to formalize the planned restructuring.

Section 3 Non-Binding Intent. This Resolution expresses the City's non-binding intent to proceed in good faith with the evaluation and implementation process, with the understanding that final approvals of any restructuring or system consolidation actions will remain subject to the review and approval of City Council based on mutually agreed-upon terms and conditions.

Section 4 Further Action; Effective Date. The City Administrator is hereby directed to deliver this Resolution to OJRSA and any State regulatory agencies or entities in order to evidence the City's initial approval of the Recommendation Report. This Resolution shall become effective immediately upon its adoption.

DONE AND ADOPTED, this 16th day of September 2025.

CITY OF WALHALA, SOUTH CAROLINA

Mayor

(SEAL)

ATTEST:

City Clerk