

**RESOLUTION OF THE TOWN OF SULLIVAN'S ISLAND TO ADOPT AN
ALTERNATIVE WATER AND WASTEWATER RATE STRUCTURE**

WHEREAS, the Town of Sullivan's Island has operated a water and wastewater utility since circa 1968; and,

WHEREAS, the Town Sullivan's Island has not received a professional rate structure evaluation during the past ten (10) years; and,

WHEREAS, the Town of Sullivan's Island recognizes the need for long term financial planning and a rate model which incorporates a rate structure designed to more appropriately reflect cost of service principles and revenue sufficiency, and;

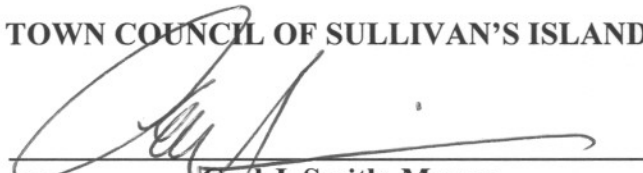
WHEREAS, the Town of Sullivan's Island entered into contractual agreement with Raftelis Financial Consultants, Inc, a recognized industry consultant, for review of the utility billing structure; and,

WHEREAS, the Consultant has provided alternative water and wastewater rate structures that are more consistent with industry rate practices than the current rate structures, has provided various rate and financial policy recommendations for the Town to consider implementing to improve financial sufficiency of the water and wastewater utilities, and, has provided a ten-year forecast of anticipated utility rate adjustments necessary to fully fund the annual water and wastewater operations and maintenance and capital costs; and,

WHEREAS, the adoption of the recommendations set forth by the study would benefit the utility and the Town;


NOW, THEREFORE, BE IT RESOLVED, this 21st day of April, 2009 that the Mayor and Town Council being duly assembled agree to adopt the rate structure recommendations as submitted by Raftelis Financial Consultants, Inc. in report dated March 6, 2009.

TOWN COUNCIL OF SULLIVAN'S ISLAND



Carl J. Smith, Mayor

Attest:



Ellen McQueeney, Clerk