

1974 WL 27734 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

May 1, 1974

*1 Thomas O. Lawton, Jr., Esquire
Lawton & Myrick
Attorneys at Law
Allendale, South Carolina 29810

Dear Mr. Lawton:

Your letter of March 18, 1974, and April 15, 1974, concerning the feasibility of the Allendale Industrial Park Water and Sewerage District and the Town of Allendale entering into a proposed agreement, has been referred to me for answer. As you pointed out in your letter of March 18, the Allendale Industrial Park Water and Sewerage District was established by Act No. 227, 53 STAT. 256 (1963). Pursuant to this Act the District has constructed a water system which is now serving several industries in the area; however, the District has never constructed a sewerage system even though the Act provides that it may do so.

Now, however, the County and Town of Allendale wish to cooperate with the District and extend a sewer line from the Town to the Industrial Park District. The County proposes to build a line, which will be maintained and operated by the Town through revenue received from the various industries served.

In your letter of March 18, 1974, you proposed two questions. First, does the District have the power to enter into a simple contract with the Town whereby the District agrees to construct the line, and the Town agrees to maintain it and receive the revenues for maintenance. Pursuant to Section 5, paragraph 24 of Act No. 227 (1963), the District has the power '[t]o make contracts of all sorts and to execute all instruments necessary or convenient for the carrying on of the business of the District.' This power to contract granted by Section 5, paragraph 16 is quite broad. There seems to be no question but that a contract with the Town whereby the District agrees to construct the line, and the Town agrees to maintain it, comes within the meaning of the phrase 'to execute all instruments necessary or convenient for the carrying on of the business; of the District.' It would seem that such a contract is necessary in order to provide the Industrial Park with sewerage service.

As to your second question, whether or not competitive bidding is necessary in the letting of contracts with construction engineers, legal and other services, as you pointed out in your first letter, Section 5, paragraph 24 of Act No. 227 provides that the District has the power to make such contracts with or without competitive bidding. Therefore, unless some other state statute requires competitive bidding, the District may negotiate a contract if it so desires. The only section of the Code of Laws for South Carolina which I have been able to find that requires competitive bidding is § 1-466, CODE OF LAWS OF SOUTH CAROLINA, (1962). This Section, however, requires competitive bidding only on public buildings or additions thereto when such buildings or additions cost more than \$10,000.00. Since the sewer line is in no sense a public building or an addition thereto, this section has no effect upon whether or not the District must enter into competitive bidding.

*2 Thus for the above stated reasons it is the opinion of this Office that the Allendale Industrial Park Water and Sewerage District has the power to enter into a simple contract with the Town of Allendale whereby the District agrees to construct the line and the Town agrees to maintain it. Furthermore, the District also has the power to negotiate contracts if it so desires.

If you have any further questions concerning this matter or any other, please do not hesitate to contact this Office.

Yours very truly,

M. Elizabeth Crum
Staff Attorney

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