

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND ) BEFORE THE STATE ETHICS COMMISSION  
) )  
IN THE MATTER OF: )  
Complaint 2014-136 )  
) )  
Rick Bryan, )  
Respondent. )  
) )  
Alberta Wasden, )  
Complainant. )  
\_\_\_\_\_ )

**CONSENT ORDER**

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This matter comes before the State Ethics Commission by virtue of a complaint filed by the Complainant, Alberta Wasden, on March 18, 2014. The complaint against the Respondent, Rick Bryan, was considered by the Commission on July 16, 2014 and probable cause found to warrant an evidentiary hearing.

Prior to the call of the case Respondent agreed to entry of the following allegations, statements of fact, conclusions of law, admission, and disposition in this matter as follows.

**ALLEGATIONS**

**COUNT ONE**  
**USE OF OFFICIAL OFFICE FOR GAIN**  
**SECTION 8-13-700(A), S.C. CODE ANN., 1976, AS AMENDED**

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The Respondent, Rick Bryan, Town of Swansea Utility Manager, did in Lexington County, in July, August and September 2013, unlawfully violate Section 8-13-700(A), by knowingly using his official position to obtain an economic interest for himself by recommending, advocating and supporting a contract between his employer, Town of Swansea and the Town of North with the knowledge that when the contract was approved, Respondent would receive an economic benefit.

**COUNT TWO**  
**PERFORMING AN OFFICIAL FUNCTION RELATING TO A  
CONTRACT WHILE HAVING AN ECONOMIC INTEREST IN THE  
CONTRACT**  
**SECTION 8-13-775, S.C. CODE ANN., 1976, AS AMENDED**

The Respondent, Rick Bryan, Town of Swansea Utility Manager, did in Lexington County, from July to September 2013, unlawfully violate Section 8-13-775, in that the Respondent had an economic interest in a contract between a business with which he was associated and the Town of Swansea and was authorized to and did perform an official function as a public employee.

**STATEMENTS OF FACT**

1. The Respondent, Rick Bryan, is currently serving as the Town of Swansea Water Sewer Utility Manager.
2. Staff met with Respondent. He stated that he owns and operates a private water systems management company which, in 2011, entered in to a contract with the Bull Swamp Rural Water Company (BSRWC) to provide utility management services. Respondent said that he provides services for the BSRWC while he is on off duty time from the Town of Swansea. Respondent stated that Swansea Mayor, Ray Spires, approved his off duty employment.
3. Respondent said when he started working for the Town of Swansea he realized that the Town of Swansea, the BSRWC, and the Town of North could improve water utility services for all of the communities in a more cost effective manner by sharing equipment and staff. Respondent stated that he made a recommendation to Mayor Spires and to Town Council in regard to merging the Town of Swansea's Utility Department

with the Town of North, and BSRWC. Respondent said that the Town of Swansea would benefit from the agreements with the Town of North and BSRWC because the Town of Swansea would receive additional revenue and Town of Swansea would have access to additional equipment and personnel. Respondent said that he knew that when the proposed agreement was approved by Town Council the additional revenue the Town received would result in a salary increase for himself, and his staff. Respondent stated that he drafted a report in regard to the advantages of combining utility operations, and presented the report to Swansea Town Council.

4. Respondent stated that he met with the BSRWC Manager, Glenn Mack, and the Town of North's Council to discuss the possibility of the Town of Swansea providing water management services. Respondent said that he did facilitate the water systems agreement with the Town of North and the Town of Swansea because he drafted the terms and specifications of the agreement. In addition, he met with both Town Councils to seek approval for the agreement. Respondent said the specifications that he authored for the utility agreement were e-mailed to the attorney hired by Town of Swansea to draft the agreement. Respondent stated that the utility management agreement was approved by the Swansea Town Council and the North Town Council in September of 2013. Respondent said that he is also currently working on specifications for a water systems agreement between the Town of Swansea and the BSRWC.

5. Respondent said that he did provide the Swansea Town Council with a utility department budget in regard to services that were going to be provided for the Town of North as a result of the water systems agreement. Respondent stated that the budget

included salary increases for himself and his staff. Respondent said that the additional revenue received by the Town of Swansea from the agreement with Town of North would provide for the salary increases, and generate additional revenue for the Town of Swansea. Respondent said that the utility department budget that included the salary increases was approved by the Swansea Town Council.

6. Mayor Spires stated that Respondent wrote, and assisted in the preparation of the contract specifications for the intergovernmental water and waste water systems agreement between the Town of North and the Town of Swansea. Mayor Spires stated that he forwarded Respondent's work product on the contract specifications to the Swansea Town Attorney, Ms. Lea Moody, and Ms. Moody drafted the agreement. Mayor Spires stated that the agreement was approved by both town councils. Mayor Spires said that as a result of the contract the Town of North agreed to pay the Town of Swansea \$4,000.00 per month to operate the Town of North's water system. Mayor Spires stated that before the contract with the Town of North was approved by council, Respondent submitted a budget proposal for the utility department to Town Council. Mayor Spires said that since the contract with the Town of North would result in additional duties and responsibilities for Respondent and his staff, Respondent submitted a budget proposal that included an increase in salary for himself and his staff. Mayor Spires said that the revenue from the contract with the Town of North would be used to pay for salary increases. Mayor Spires provided Town Council with a copy of Respondent's utility department budget proposal. The budget proposal documented a yearly salary increase

for Respondent in the amount of \$19,000.00. Mayor Spires stated that the budget proposal was approved by Town Council.

7. The Swansea Town attorney, Ms. Lea Moody, stated that she did draft the water agreement between the Town of Swansea and the Town of North based on specifications she received from Respondent. Ms. Moody stated that she was not advised by Respondent or the Mayor of Swansea that Respondent had an economic interest related to the approval of the water agreement.

8. Mayor Spires said that the intergovernmental water agreement was approved by the Swansea Town Council on September 18, 2013, and the next pay period after the agreement was signed, Respondent, and his staff began receiving salary increases.

9. Mayor Spires said that the Town of Swansea is in the process of working on an intergovernmental water management agreement with the Bull Swamp Rural Water Company, and Respondent is assisting him with working on the contract specifications. Mayor Spires stated that it may be several months before Swansea Town Council considers an agreement with the Bull Swamp Rural Water Company.

10. A review of the Swansea Town Council meeting minutes dated July 15, 2013 revealed that Respondent reported on an intergovernmental water agreement between the Town of North and the Town of Swansea. During the meeting, Respondent advised town council that negotiations have begun, and he would have documents for council to review at the next meeting.

11. A review of the Swansea Town Council meeting minutes dated August 19, 2013 revealed that Respondent explained how the intergovernmental water agreement would work, the pros and cons, and he answered questions from council.

12. A review of the Swansea Town Council meeting minutes dated September 16, 2013 revealed that council accepted the agreement with the Town of North concerning water services; and Council gave the Mayor the authority to sign the agreement for the Town of Swansea.

13. A review of the Utility budget proposal that Respondent submitted to Council in regard to the intergovernmental water agreement revealed pay increases for Respondent, and his staff. Respondent proposed a pay increase for himself in the amount of \$19,000.00 per year.

#### **CONCLUSIONS OF LAW**

Based upon the foregoing Statement of Facts, the Commission concludes, as a matter of law:

1. During all times relevant, the Respondent, Rick Bryan, was a public employee, as defined by S.C. Code Ann. § 8-13-100(25)(Supp. 2013).

2. The State Ethics Commission has personal and subject matter jurisdiction.

3. Section 8-13-700(A) prohibits a public employee from knowingly using his official employment to obtain any economic interest for himself.

4. Section 8-13-775 states a public employee may not have an economic interest in a contract with his political subdivision if the public employee is authorized to perform an official function relating to the contract. Official function means writing or preparing

the contract specifications, acceptance of bids, award of the contract, or other action on the preparation or award of the contract.

### **DISCUSSION**

Violation of any ethics rules was unknown at that time and unintentional. This negotiation process was accomplished as transparent as possible to avoid any perception of a conflict of interest. This inter-governmental agreement (IGA) was negotiated to help with strained town budgets by reducing expenses for the Town of North and generating revenue for the Town of Swansea by sharing operations expenses. Not knowing it was an ethics violation, hiring out contract negotiations was counterproductive to this goal especially with having considerable experience with utility contract development in house. The proposal was intended to and has benefited all involved. Hopefully this IGA will be an example for other rural utilities to follow to consolidate operations for the greater good of their citizens, customers and staff. Also, hopefully this consent order will be a warning to other utilities that staff cannot be involved in the negotiations due to the possible resulting compensation changes, regardless of how well their intentions are.

### **ADMISSIONS**

The Respondent, Rick Bryan, admits he unintentionally violated Sections 8-13-700(A) and 775 of the Ethics Reform Act.

### **DISPOSITION**

The State Ethics Commission hereby finds Rick Bryan in violation of Sections 8-13-700(A) and 775 of the Ethics Reform Act and hereby adopts the Statement of Facts, Conclusions of Law, Admissions, and Disposition as agreed upon by Respondent.

THEREFORE, the State Ethics Commission hereby issues a written warning to Rick Bryan for violation of Sections 8-13-700(A) and 775 of the Ethics Reform Act,

AND, orders Respondent not to use his official employment to obtain an economic interest for himself or a business with which he is associated,

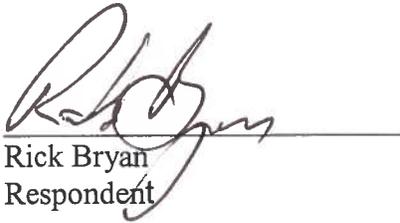
AND, orders Respondent to pay an administrative fee of \$500.00 within 60 days of receipt of the signed order,

AND IT IS SO ORDERED THIS 2nd DAY OF September 2014.

STATE ETHICS COMMISSION



JAMES H. BURNS  
Chairman



Rick Bryan  
Respondent