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# City of Walterboro

242 Hampton Street

Walterboro, South Carolina 29488

Mailing Address:

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Walterboro, South Carolina 29488-0008

Walterboro City Council  
Regular Meeting  
May 1, 2018  
City Hall  
6:15 P.M.

## A G E N D A

**I. Call to Order:**

1. Invocation.
2. Pledge of Allegiance.

**II. Public Input on Agenda Items:**

**III. Approval of the Minutes:**

1. Minutes of the April 3, 2018 Work Session, 2018-2019 Budget (Minutes attached).

**IV. Proclamation:**

1. **Proclamation No. 2018-01**, to Recognize the Colleton County High School Band of Blue Varsity Winter Guard (Proclamation attached).

**V. Old Business:**

**VI. New Business:**

1. **Ordinance # 2018-02**, An Ordinance to Amend the FY2017-2018 City of Walterboro, South Carolina Budget Ordinance # 2017-04, So As to Provide for Supplemental Appropriation from the City's General Fund Balance in the Amount of \$75,000, **First Reading** (Ordinance attached).
2. **Ordinance # 2018-03**, An Ordinance Adopting the City General Fund Budget for Fiscal Year 2018-2019, and Matters Relating Thereto, **First Reading** (Ordinance attached).
3. **Ordinance # 2018-04**, An Ordinance Adopting the City Enterprise Fund Budget for Fiscal Year 2018-2019, and Matters Relating Thereto, **First Reading** (Ordinance attached).
4. **Ordinance # 2018-05**, An Ordinance of the City of Walterboro, South Carolina, Amending the Comprehensive Fee Schedule for Utility Support Department, **First Reading** (Ordinance attached).

5. **Ordinance # 2018-06**, An Ordinance of the City of Walterboro, South Carolina, Amending the Comprehensive Fee Schedule for the Judicial Department, **First Reading** (Ordinance attached).
6. **Ordinance # 2018-07**, An Amended and Restated Ordinance Authorizing and Providing for the Issuance of Hospitality and Accommodations Fee Revenue Bonds of the City of Walterboro, South Carolina, and Other Matters Relating Thereto, **First Reading** (Ordinance attached).
7. **Ordinance # 2018-08**, An Ordinance Providing for the Issuance and Sale of Not Exceeding Two Million Five Hundred Thousand Dollars (\$2,500,000) Hospitality and Accommodations Fee Revenue Bonds, Series 2018 of the City of Walterboro, South Carolina; Providing for the Issuance of Bond Anticipation Notes; and Other Matters Relating Thereto, **First Reading** (Ordinance attached).
8. **Ordinance # 2018-09**, An Ordinance to Amend the Zoning Map of the City of Walterboro, South Carolina, to Provide for Changes in the Zoning Districts of the City of Walterboro by Changing the Zoning Classification of One Parcel of Land on Carn Street Designated as TMS # 163-11-00-058 from Medium Density Residential (MDR) District to Neighborhood Commercial District (NCD), **First Reading** (Ordinance attached).
9. **Resolution No. 2018-R-05**, A Resolution to Express the Intention of the City Council of the City of Walterboro, to Cause the City of Walterboro to be Reimbursed with the Proceeds of Obligations for Certain Costs Associated with the Renovation of the Walterboro Wildlife Discovery Center (Resolution attached).
10. **Resolution No. 2018-R-06**, to Adopt Policy Statements for Organizational Commitment to a Safe Workplace, Safety Policy, Risk Management Policy and Loss Control Policy (Resolution attached).
11. **Resolution No. 2018-R-07**, A Resolution to Declare May 6-12, 2018, as "Municipal Clerks Week in Walterboro" to Recognize and Honor the Valuable Contributions that Municipal Clerks Make to Cities and Towns in South Carolina and to Recognize the 40<sup>th</sup> Anniversary of the Municipal Finance Officers, Clerks and Treasurers Association, An Affiliate of the Municipal Association of South Carolina (Resolution attached).

12. Consideration of Bids Received for Improvements to the Walterboro Wildlife Sanctuary Discovery Center (Memorandum and bid information attached).

**VII. Committee Reports:**

**VIII. City Manager's Report:**

**IX. Executive Session:**

1. The Provision of Services Encouraging Location or Expansion of Industries or Other Businesses in the Area Served by the City of Walterboro.
2. Contractual Matters:
  - a. Financial Services.
  - b. Walterboro Wildlife Sanctuary.
3. Personnel Matter - Appointment to Accommodations Tax Advisory Committee.

**X. Open Session:**

1. Council May Take Action on Matters Discussed in Executive Session.

**XI. ADJOURNMENT.**

Walterboro City Council  
Work Session  
April 3, 2018

**MINUTES**

A Work Session on the Fiscal Year 2017-2018 Budget was held by Walterboro City Council at City Hall on Tuesday, April 3, 2017 at 4:30 P.M., with Budget Committee Chairman Judy Bridge presiding.

**PRESENT WERE:** Mayor Bill Young, Council Members: Carl Brown, Judy Bridge, Paul Siegel, Bobby Bonds, James Broderick and Greg Pryor. City Manager Jeff Molinari, City Clerk Betty Hudson and City Attorney George Cone were also present. There were approximately 5 persons present in the audience.

There being a quorum present, Budget Chairman Bridge called the meeting to order and thanked everyone for coming to the Budget Committee Meeting. For the benefit of newcomers to the meeting, Chairman Bridge explained that the budget process starts in January. Ms. Bridge then stated that information then goes out to the department heads and they work on their budgets. I have sat in on a couple of those meetings with Jeff and it is interesting to see that process and how they talk about what they have been able to do with their money each year, what are their projections and overall needs. Then, they come to a consensus of what needs to stay in the budget, and what needs to come out. So, at that point, they start taking a little bit, and Jeff goes back to Amy and they look some more. The State tells them two things like insurance increases or retirement increases. So, we have to look at all that, also.

Chairman Bridge then announced that the next Budget Committee Work Session will be held on April 17<sup>th</sup> at 4:30 p.m. She asked Council Members to review their budget books, make notations on what their questions might be, and all questions will be answered at the April 17<sup>th</sup> meeting. First Reading of the Budget Ordinance will be held in May and final adoption and approval will be held in June.

Chairman Bridge then recognized the City Manager Jeff Molinari. Mr. Molinari then gave the following highlights of the Fiscal Year 2018-2019 Budget. A budget summary sheet was provided to all Council Members.

1. The total City Budget is \$11,124,407. This is about \$100,000 less than last year.
2. The General Fund Budget is \$7,047,507.
3. The Enterprise Fund Budget is \$4,076,900. This is our water and sewer operations, as well as Sanitation.
4. We are proposing no ad valorem property tax increase.
5. We are proposing that the millage rate remain at 86.4.  
Back in 2013, we were required by the State of South Carolina to upgrade the 800 MHZ radios for our Police Department. In order to do that in 2013, we took out some general obligation debt, which equals 2.86 mills. As you are aware, the General Assembly has really tied our hands as far as our ability to increase millage. What they have done is they said we can go back a maximum of 3 years to factor in our growth rate, which is essentially zero and the CPI. Coincidentally, if you go back the last 3 years, that equals 2.86 mills. So, what I am recommending to you is a millage increase without having to increase the millage. You really are not going to have a better time to do it, and what this translates to us in real dollars is about \$70,000. And this is money that if we don't take advantage and capture, this is \$70,000 that we won't be able recapture.
6. There will be no business license increase.
7. No water or sewer rates increase.
8. We are proposing a sanitation rate increase. If you will remember at the retreat, I showed you some slides which had indicated that beginning in

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2015, we started losing money in the Sanitation Department. Essentially, in the last 3 years, we have been subsidizing that operation. What we are proposing is a \$2.00 increase per resident per billing cycle, which would amount to a \$12.00 annual increase and a 20% increase for commercial. When we get into the budget in 2 weeks, I will show you the comparables for commercial, and we are still very far below what the private section charges.

9. One of the things that we had to adjust to during the budget process was we found out from the State that health insurance premiums would be increasing 7½% effective January 1, 2019, and that has been incorporated into the budget. There is not going to be a premium increase for employees, but Amy has informed me that employees are going to have to absorb an increase in deductibles, as well as prescription costs.
10. We anticipate a 2% increase in South Carolina Retirement contributions. I have put that in there, just as a place marker, because the budget that passed both the House and the Senate shows the General Assembly picking up that 1% like they did last year, which would be great, but until that budget is passed, we are not going to bank on that money. So, in real dollars for the general fund, it is about \$36,000. For the Enterprise Fund, it is roughly \$9,000.
11. We are also proposing a 1% cost of living adjustment for City employees.

The City Manager then gave the following details for each City department budget:

Mayor and City Council: Status quo. When I say status quo, what I mean is there are no new personnel, and no major capital expenditures.

City Manager: Status quo.

Finance: Status quo.

Public Works: Status quo.

Planning and Development: We are proposing to allocate \$25,000 for demolition of substandard properties. That was one of the things that we talked about at the retreat. One of the opportunities that we have through CDBG is to utilize those funds potentially for demolition. You heard Ms. Knights' comments during the public hearing last month that we could potentially utilize those resources as a match for a CDBG Grant, where we could really leverage that money and get some additional resources for those purposes.

Police Department: We are proposing to purchase two new police vehicles for the Police Department.

Judicial: Add a Public Defender position. Due to a memo from the Chief Justice of the State Supreme Court last year, we entered into a contract with a Public Defender and we are going to need to continue that.

Fire Department: Status quo.

Sanitation: We are proposing a new residential sanitation truck. This will be similar to what we did last year with the grapple truck. As you are aware, the lead time on one of those vehicles is typically 10 to 12 months. So, it is important for us to get it in this coming year's budget, which allows us, if approved by City Council, to

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get it out for bid, get it ordered in July and then we don't have to start paying on the vehicle until the next budget year.

Parks Department: Status quo.

Tourism Department: Status quo.

Water: We have been purchasing new radio read meters each year. This has been an ongoing process. Right now, we have between 30-35% of our meters have been converted to the radio read, and we would like to continue with that process.

Utility Support: We put in for a Water/Sewer/Sanitation Rate Study.

Sewer: Status quo.

Sewer Support: Status quo.

Mr. Molinari concluded by stating, I know that was a fairly quick overview, but as I said before, you will have the budget books for 2 weeks and as you are going through them, if you have any questions or comments, pass those along and then when we reconvene on the April 17<sup>th</sup>, I will go through each department's budget and do it in as much detail or as little detail as you'd like. It seems like each year, the budget gets a little bit more challenging. What I am finding, when we are looking at cutting things, we are getting closer and closer to the bone, as our personnel and other fixed costs are there, we are having less and less room to maneuver with some other expenditures. Amy Risher and her staff have been outstanding in helping us to get this together. I think we have a new budget that will accomplish the goals and objectives that City Council has set forth.

Council Member Bridge asked why are we doing a Water/Sewer/Sanitation Rate Study? Mr. Molinari responded that the City has some significant capital expenditures for its water/sewer system, water & sewer infrastructure, and its waste water treatment plant. Also, it has been over ten years since we have done a rate study to see how our rates compare with other cities, but also to be able to dovetail that into a capital improvement plan, so we can accomplish our increase in capacity and continue to replace outdated infrastructure water and sewer lines and then obviously, we want to look at sanitation, as well, because that is part of our enterprise budget. As we move forward to that, Council will need to make some policy decisions on where we go for sanitation. When City Council adopted the financial policies last year, one of the things that the City's bond attorney recommended was to have the rate study done.

Council Member Brown then asked the City Manager if he had looked at all ways to cut costs for sanitation instead of just raising costs? Have you looked at cutting costs in that department? City Manager Molinari responded, as far as cutting cost, we have not. Our sanitation service is very generous and we pick up twice a week and that has been something that City Council has been very consistent on, and they would like to continue that. We did not make any operational changes. It's a very lean operation.

Mr. Brown then asked if there were any money in the budget for cleanup of the streets. City Manager Molinari responded, I think that we can do that. I think we can absorb that internally.

Council Member Brown then said, I still like to see us do sweeping. If we have money in the bank, we can look at sweeping that account every night. Also, I like to see us putting out for bids our banking services. He stated that he believed that the school system also does that. He asked the Finance Director if she would be putting

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Work Session  
April 3, 2018

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this out for bid. Councilman Brown also noted that he was not trying to take any money from locals. Council Member Bonds asked, so when will we look at bidding that out? When is that going to be done? Ms. Risher said, we just wanted to get the budget settled and then we can work on that. Council Member Brown then stated, what you are going to need to do is to go to the County and get a boiler plate thing of what they bid out so that everybody bids on the same services, unless you already have something.

Finance Director Risher said she could start looking at this probably next month. Mr. Molinari asked if this service had been bid out about 10 years ago. Ms. Risher said she believed it was 4 or 5 years ago.

Councilman Brown then said, there are some banks that won't sweep and you have to make that a part of your bid packet. Councilman Bonds then asked Councilman Brown, what is sweeping? Mr. Brown responded that the bank will take your money and invest it over night for you and give it back by the next open business day. Mr. Molinari mentioned that the rate that the City has is very low, and that's why we have parked some of our general fund money in the Local Government Investment Pool at 1% interest. Again, it does not sound like a lot, but it is more than .1%.

There being no further business to consider, Chairman Bridge adjourned the meeting at 5:15 P.M. Notice of this meeting was distributed to all local media and posted on the City's website and the City Hall bulletin board at least twenty-four hours prior to meeting time.

Respectfully,

Betty J. Hudson  
City Clerk

**Proclamation No. 2018-01**  
**By the Mayor and City Council**  
**Walterboro, South Carolina**

**WHEREAS**, the Colleton County High School (CCHS) Band of Blue has a tradition of serving as proud representatives of Walterboro and Colleton County; and

**WHEREAS**, the Colleton County High School Band of Blue "Varsity Winter Guard" competed in and won the 2018 SCBDA Winter Ensemble Scholastic AA State Winter Ensemble Championship held on March 31, 2018 at River Bluff School in Lexington, SC; and

**WHEREAS**, this is the second State Championship for the "Band of Blue Varsity Winter Guard" winning the gold medal; and

**WHEREAS**, the members of the "Band of Blue Varsity Winter Guard" include: Trinity Holt, Tiffany Infinger, Shaquanay Kelly, Elizabeth Lawton, Bailey Raez, Heaven Teal, Dyneira Brown, Caroline Davis, Ja'Niah Francis, Candace Grooms, Makayla Hinz, Lexi Lee, Cheyenne Myers, Jada Priester; and

**WHEREAS**, this is the fourth South Carolina Band Directors Association Winter Ensemble State Championship for the Colleton County Band of Blue. The CCMS Cadet Guard won the Cadet Class and gold medal in 2013 and in 2018; and

**WHEREAS**, the Band of Blue Varsity Winter Guard's performance is a tribute to the dedication of the members, parents, directors, support staff, students and fans; and

**WHEREAS**, these performances and competitions contribute greatly to the character and quality of life in our community; and

**WHEREAS**, the student members of the Band of Blue Varsity Winter Guard have been outstanding ambassadors for our city and county and our city is very proud of the accomplishments of these students; and

**WHEREAS**, the Mayor and City Council wish to congratulate the Colleton County High School Band of Blue Varsity Winter Guard members and Band Director Tom Finigan, Guard Instructor William Thomas, Associate Director Nick Infinger and Assistant Directors Gary Stroupe and Cathy Meshach, for their outstanding work.

**NOW, THEREFORE, BE IT PROCLAIMED**, by the Mayor and Council, in Council Assembled, that we join the entire community in recognizing these tremendous achievements by proclaiming, May 2, 2018 as: "**BAND OF BLUE VARSITY WINTER GUARD DAY**," in the City of Walterboro; and

**BE IT FURTHER PROCLAIMED**, that the Mayor and City Council encourage the community to show its support for these talented young citizens and extends its best wishes to the entire staff of the Band of Blue.

**DONE**, this 1<sup>st</sup> day of May, 2018.

\_\_\_\_\_  
William T. Young, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Betty J. Hudson, City Clerk



**ORDINANCE # 2018-02**

**AN ORDINANCE TO AMEND THE FY2017-2018 CITY OF WALTERBORO, SOUTH CAROLINA BUDGET ORDINANCE # 2017-04 SO AS TO PROVIDE FOR SUPPLEMENTAL APPROPRIATION FROM THE CITY'S GENERAL FUND BALANCE IN THE AMOUNT OF \$75,000**

**WHEREAS**, the fiscal year 2017-2018 budget was adopted with the passage of Ordinance # 2017-04 on June 6, 2017, and,

**WHEREAS**, the Mayor and City Council has determined that a need exists to amend said budget to provide for supplemental funding of expenditures; and

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF WALTERBORO, SOUTH CAROLINA, IN COUNCIL, ASSEMBLED**, that the fiscal year 2017-2018 Budget shall be amended as follows:

1. Supplemental General Fund expenditures totaling \$75,000 shall be authorized in the departmental line items specified on the attached table.
2. An amended General Fund budget for expenditures of \$7,230,211 shall be established for Fiscal Year 2017-2018.

**ADOPTED**, this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
William T. Young, Jr.  
Mayor

**ATTEST:**

\_\_\_\_\_  
Betty J. Hudson  
Municipal Clerk

First Reading: \_\_\_\_\_  
Public Hearing: \_\_\_\_\_  
Second Reading: \_\_\_\_\_

**CITY OF WALTERBORO  
FY 2017-2018 BUDGET  
SUMMARY SHEET BY CATEGORY**

Attachment to Ordinance  
#2018-02, Page 1  
06/05/18

LINE ITEM	APPROVED FY 2017-2018 BUDGET	RECOMMENDED FY 2017-2018 BUDGET AMENDMENT	VARIANCE ORIGINAL VS AMENDED BUDGET
<b><u>REVENUE</u></b>			
<b>GENERAL FUND</b>	<b>\$ 7,023,211</b>	<b>\$ 7,023,211</b>	<b>\$ -</b>
<b><u>EXPENDITURES</u></b>			
<b>CITY COUNCIL</b>			
PERSONNEL	\$ 130,346	\$ 130,346	\$ -
OPERATING	\$ 73,622	\$ 73,622	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 203,968</b>	<b>\$ 203,968</b>	<b>\$ -</b>
<b>CITY MANAGER</b>			
PERSONNEL	\$ 325,319	\$ 325,319	\$ -
OPERATING	\$ 16,000	\$ 16,000	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 341,319</b>	<b>\$ 341,319</b>	<b>\$ -</b>
<b>FINANCE</b>			
PERSONNEL	\$ 191,841	\$ 191,841	\$ -
OPERATING	\$ 337,194	\$ 337,194	\$ -
CAPITAL	\$ 25,000	\$ 100,000	\$ 75,000
<b>SUBTOTAL</b>	<b>\$ 554,035</b>	<b>\$ 629,035</b>	<b>\$ 75,000</b>
<b>PUBLIC WORKS</b>			
PERSONNEL	\$ 517,694	\$ 517,694	\$ -
OPERATING	\$ 383,495	\$ 383,495	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 901,189</b>	<b>\$ 901,189</b>	<b>\$ -</b>
<b>PLANNING &amp; DEVELOPMENT</b>			
PERSONNEL	\$ 94,100	\$ 94,100	\$ -
OPERATING	\$ 22,816	\$ 22,816	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 116,916</b>	<b>\$ 116,916</b>	<b>\$ -</b>
<b>POLICE</b>			
PERSONNEL	\$ 2,172,188	\$ 2,172,188	\$ -
OPERATING	\$ 345,000	\$ 345,000	\$ -
CAPITAL	\$ 74,000	\$ 74,000	\$ -
<b>SUBTOTAL</b>	<b>\$ 2,591,188</b>	<b>\$ 2,591,188</b>	<b>\$ -</b>
<b>JUDICIAL</b>			
PERSONNEL	\$ 159,194	\$ 159,194	\$ -
OPERATING	\$ 42,538	\$ 42,538	\$ -
CAPITAL	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>	<b>\$ 201,732</b>	<b>\$ 201,732</b>	<b>\$ -</b>

**CITY OF WALTERBORO  
 FY 2017-2018 BUDGET  
 SUMMARY SHEET BY CATEGORY**

Attachment to Ordinance  
 #2018-02, Page 2  
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<b>LINE ITEM</b>	<b>APPROVED FY 2017-2018 BUDGET</b>	<b>RECOMMENDED FY 2017-2018 BUDGET AMENDMENT</b>	<b>VARIANCE ORIGINAL VS AMENDED BUDGET</b>
<b>FIRE</b>			
PERSONNEL	\$ 1,017,634	\$ 1,017,634	\$ -
OPERATING	\$ 306,676	\$ 306,676	\$ -
CAPITAL	\$ 50,000	\$ 50,000	\$ -
<b>SUBTOTAL</b>	<b>\$ 1,374,310</b>	<b>\$ 1,374,310</b>	<b>\$ -</b>
<b>PARKS</b>			
PERSONNEL	\$ 334,780	\$ 334,780	\$ -
OPERATING	\$ 346,557	\$ 346,557	\$ -
CAPITAL	\$ 33,000	\$ 33,000	\$ -
<b>SUBTOTAL</b>	<b>\$ 714,337</b>	<b>\$ 714,337</b>	<b>\$ -</b>
<b>TOURISM</b>			
PERSONNEL	\$ 107,552	\$ 107,552	\$ -
OPERATING	\$ 48,665	\$ 48,665	\$ -
<b>SUBTOTAL</b>	<b>\$ 156,217</b>	<b>\$ 156,217</b>	<b>\$ -</b>
<b>NON DEPARTMENTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>RESERVE ACCOUNTS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL ALL EXPENDITURES</b>	<b>\$ 7,155,211</b>	<b>\$ 7,230,211</b>	<b>\$ 75,000</b>
<b>GENERAL FUND - FUND BALANCE</b>	<b>\$ 132,000</b>	<b>\$ 207,000</b>	<b>\$ 75,000</b>
<b>BALANCE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**ORDINANCE # 2018-03**

**AN ORDINANCE ADOPTING THE CITY GENERAL FUND BUDGET FOR FISCAL YEAR 2018-2019 AND MATTERS RELATING THERETO.**

**WHEREAS**, the 2018-2019 General Fund Budget has been presented and considered; and

**WHEREAS**, a public hearing on the budget has been properly advertised and conducted on June 5, 2018.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Council of the City of Walterboro, South Carolina, in Council Assembled, as follows:

1. The 2018-2019 City General Fund Budget is hereby adopted in the amount of \$7,074,507 with revenues and expenditures as set out in the budget document dated June 5, 2018.
2. The property tax rate shall be set at eighty-six point four (86.4) mills.

This ordinance shall be effective July 1, 2018.

**DONE**, this \_\_\_\_\_ day of June, 2018.

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William T. Young, Jr.  
Mayor

ATTEST:

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Betty J. Hudson  
City Clerk

First Reading: \_\_\_\_\_

Public Hearing: \_\_\_\_\_

Second Reading: \_\_\_\_\_

**CITY OF WALTERBORO**  
**FY 2017-2018 BUDGET**  
**SUMMARY SHEET BY CATEGORY**

Attachment to Ordinance  
#2018-03, Page 1  
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LINE ITEM	APPROVED FY 2017-2018 BUDGET AS AMENDED	FY 2018-2019 DEPARTMENT REQUEST	FY 2018-2019 MANAGER'S RECOMMENDATION	FY 2018-2019 COUNCIL APPROVED
<b><u>REVENUE</u></b>				
<b>GENERAL FUND</b>	<b>\$ 7,023,211</b>	<b>\$ 6,486,680</b>	<b>\$ 6,957,489</b>	
<b><u>EXPENDITURES</u></b>				
<b>CITY COUNCIL</b>				
PERSONNEL	\$ 130,346	\$ 145,950	\$ 145,766	
OPERATING	\$ 73,622	\$ 97,362	\$ 80,442	
CAPITAL	\$ -	\$ -	\$ -	
<b>SUBTOTAL</b>	<b>\$ 203,968</b>	<b>\$ 243,312</b>	<b>\$ 226,208</b>	<b>\$ -</b>
<b>CITY MANAGER</b>				
PERSONNEL	\$ 325,319	\$ 333,460	\$ 332,643	
OPERATING	\$ 16,000	\$ 17,800	\$ 20,050	
CAPITAL	\$ -	\$ -	\$ -	
<b>SUBTOTAL</b>	<b>\$ 341,319</b>	<b>\$ 351,260</b>	<b>\$ 352,693</b>	<b>\$ -</b>
<b>FINANCE</b>				
PERSONNEL	\$ 191,841	\$ 202,017	\$ 202,476	
OPERATING	\$ 337,194	\$ 146,893	\$ 133,853	
CAPITAL	\$ 100,000	\$ 92,000	\$ -	
<b>SUBTOTAL</b>	<b>\$ 629,035</b>	<b>\$ 440,910</b>	<b>\$ 336,329</b>	<b>\$ -</b>
<b>PUBLIC WORKS</b>				
PERSONNEL	\$ 517,694	\$ 541,678	\$ 532,160	
OPERATING	\$ 383,495	\$ 439,399	\$ 412,409	
CAPITAL	\$ -	\$ 34,500	\$ 27,000	
<b>SUBTOTAL</b>	<b>\$ 901,189</b>	<b>\$ 1,015,577</b>	<b>\$ 971,569</b>	<b>\$ -</b>
<b>PLANNING &amp; DEVELOPMENT</b>				
PERSONNEL	\$ 94,100	\$ 95,102	\$ 92,839	
OPERATING	\$ 22,816	\$ 76,650	\$ 75,300	
CAPITAL	\$ -	\$ -	\$ -	
<b>SUBTOTAL</b>	<b>\$ 116,916</b>	<b>\$ 171,752</b>	<b>\$ 168,139</b>	<b>\$ -</b>
<b>POLICE</b>				
PERSONNEL	\$ 2,172,188	\$ 2,265,999	\$ 2,241,526	
OPERATING	\$ 345,000	\$ 303,442	\$ 280,654	
CAPITAL	\$ 74,000	\$ 136,018	\$ 90,018	
<b>SUBTOTAL</b>	<b>\$ 2,591,188</b>	<b>\$ 2,705,459</b>	<b>\$ 2,612,198</b>	<b>\$ -</b>
<b>JUDICIAL</b>				
PERSONNEL	\$ 159,194	\$ 173,545	\$ 173,486	
OPERATING	\$ 42,538	\$ 61,046	\$ 56,731	
CAPITAL	\$ -	\$ -	\$ -	
<b>SUBTOTAL</b>	<b>\$ 201,732</b>	<b>\$ 234,591</b>	<b>\$ 230,217</b>	<b>\$ -</b>

**CITY OF WALTERBORO  
FY 2017-2018 BUDGET  
SUMMARY SHEET BY CATEGORY**

Attachment to Ordinance  
#2018-03, Page 2  
06/05/18

LINE ITEM	APPROVED FY 2017-2018 BUDGET AS AMENDED	FY 2018-2019 DEPARTMENT REQUEST	FY 2018-2019 MANAGER'S RECOMMENDATION	FY 2018-2019 COUNCIL APPROVED
<b>FIRE</b>				
PERSONNEL	\$ 1,017,634	\$ 1,224,472	\$ 1,054,366	
OPERATING	\$ 306,676	\$ 297,230	\$ 269,760	
CAPITAL	\$ 50,000	\$ 24,000	\$ -	
<b>SUBTOTAL</b>	<b>\$ 1,374,310</b>	<b>\$ 1,545,702</b>	<b>\$ 1,324,126</b>	<b>\$ -</b>
<b>PARKS</b>				
PERSONNEL	\$ 334,780	\$ 351,495	\$ 348,131	
OPERATING	\$ 346,557	\$ 360,571	\$ 342,342	
CAPITAL	\$ 33,000	\$ 19,500	\$ -	
<b>SUBTOTAL</b>	<b>\$ 714,337</b>	<b>\$ 731,566</b>	<b>\$ 690,473</b>	<b>\$ -</b>
<b>TOURISM</b>				
PERSONNEL	\$ 107,552	\$ 106,019	\$ 102,605	
OPERATING	\$ 48,665	\$ 58,651	\$ 59,950	
<b>SUBTOTAL</b>	<b>\$ 156,217</b>	<b>\$ 164,670</b>	<b>\$ 162,555</b>	<b>\$ -</b>
<b>TOTAL ALL EXPENDITURES</b>	<b>\$ 7,230,211</b>	<b>\$ 7,604,799</b>	<b>\$ 7,074,507</b>	<b>\$ -</b>
<b>GENERAL FUND - FUND BALANCE</b>	<b>\$ 207,000</b>		<b>\$ 117,018</b>	
<b>BALANCE</b>	<b>\$ -</b>	<b>\$ (1,118,119)</b>	<b>\$ -</b>	<b>\$ -</b>

**ORDINANCE # 2018-04**

**AN ORDINANCE ADOPTING THE CITY ENTERPRISE FUND BUDGET FOR FISCAL YEAR 2018-2019 AND MATTERS RELATING THERETO.**

**WHEREAS**, the 2018-2019 Enterprise Fund Budget has been presented and considered; and

**WHEREAS**, a public hearing on the budget has been properly advertised and conducted on June 5, 2018.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Council of the City of Walterboro, South Carolina, in Council Assembled, as follows:

The 2018-2019 City Enterprise Fund Budget is hereby adopted with revenues and expenditures in the amount of \$4,126,900 as set out in the budget document dated June 5, 2018.

This ordinance shall be effective July 1, 2018.

**DONE**, this \_\_\_\_ day of June, 2018.

\_\_\_\_\_  
William T. Young, Jr.  
Mayor

ATTEST:

\_\_\_\_\_  
Betty J. Hudson  
City Clerk

First Reading: \_\_\_\_\_

Public Hearing: \_\_\_\_\_

Second Reading: \_\_\_\_\_

**CITY OF WALTERBORO  
FY 2017-2018 BUDGET  
SUMMARY SHEET BY CATEGORY**

Attachment to Ordinance  
#2018-04, Page 1  
06/05/18

LINE ITEM	APPROVED FY 2017-2018 BUDGET	FY 2018-2019 DEPARTMENT REQUEST	FY 2018-2019 MANAGER'S RECOMMENDATION	FY 2018-2019 COUNCIL APPROVED
<b><u>BEGINNING NET POSITION</u></b>				
UTILITY FUND	\$ 1,288,817	\$ 2,715,220	\$ 2,715,220	\$ -
<b>BEGINNING BALANCE TOTAL</b>	<b>\$ 1,288,817</b>	<b>\$ 2,715,220</b>	<b>\$ 2,715,220</b>	<b>\$ -</b>
<b><u>REVENUE</u></b>				
UTILITY FUND	\$ 4,114,100	\$ 3,991,250	\$ 4,126,900	
<b><u>EXPENDITURES</u></b>				
<b>WATER</b>				
PERSONNEL	\$ 468,652	\$ 482,547	\$ 480,403	
OPERATING	\$ 452,881	\$ 492,836	\$ 467,167	
CAPITAL	\$ 30,000	\$ 120,000	\$ -	
<b>SUBTOTAL</b>	<b>\$ 951,533</b>	<b>\$ 1,095,383</b>	<b>\$ 947,570</b>	<b>\$ -</b>
<b>UTILITY SUPPORT</b>				
PERSONNEL	\$ 159,237	\$ 168,658	\$ 167,099	
OPERATING	\$ 70,480	\$ 83,000	\$ 134,426	
DEBT	\$ 428,290	\$ 485,638	\$ 485,638	
<b>SUBTOTAL</b>	<b>\$ 658,007</b>	<b>\$ 737,296</b>	<b>\$ 787,163</b>	<b>\$ -</b>
<b>SANITATION</b>				
PERSONNEL	\$ 243,624	\$ 252,646	\$ 247,067	
OPERATING	\$ 220,990	\$ 244,886	\$ 221,448	
CAPITAL	\$ -	\$ -	\$ -	
<b>SUBTOTAL</b>	<b>\$ 464,614</b>	<b>\$ 497,532</b>	<b>\$ 468,515</b>	<b>\$ -</b>
<b>SEWER</b>				
PERSONNEL	\$ 243,433	\$ 255,471	\$ 254,451	
OPERATING	\$ 492,895	\$ 487,936	\$ 505,431	
CAPITAL	\$ -	\$ 225,000	\$ -	
<b>SUBTOTAL</b>	<b>\$ 736,328</b>	<b>\$ 968,407</b>	<b>\$ 759,882</b>	<b>\$ -</b>
<b>SEWER SUPPORT</b>				
PERSONNEL	\$ 283,446	\$ 295,254	\$ 285,765	
OPERATING	\$ 30,165	\$ 44,853	\$ 43,785	
CAPITAL	\$ 107,000	\$ 93,200	\$ 93,200	
<b>SUBTOTAL</b>	<b>\$ 420,611</b>	<b>\$ 433,307</b>	<b>\$ 422,750</b>	<b>\$ -</b>
UTILITY SUPPORT TO GF	\$ 883,007	\$ 326,325	\$ 741,020	
<b>UTILITY FUND SUBTOTAL</b>	<b>\$ 4,114,100</b>	<b>\$ 4,058,250</b>	<b>\$ 4,126,900</b>	<b>\$ -</b>
<b><u>ENDING NET POSITION</u></b>				
UTILITY FUND	\$ 1,288,817	\$ 2,648,220	\$ 2,715,220	\$ -



ORDINANCE # 2018-05

AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA,  
AMENDING THE COMPREHENSIVE FEE SCHEDULE FOR THE UTILITY  
SUPPORT DEPARTMENT.

WHEREAS, the City of Walterboro from time to time must review  
its fees and charges and make adjustments as necessary; and

WHEREAS, the need to maintain a comprehensive fee schedule  
for all City of Walterboro fees is necessary; and

WHEREAS, the fees recommended by the Mayor and Walterboro  
City Council are as follows:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of  
the City of Walterboro, the following fees are amended or adopted:

UTILITY SUPPORT DEPARTMENT FEES:

WATER

Minimum Charges (Bi-Monthly Billing)

<u>Service Size/Type</u>	<u>In-City</u>	<u>Out-of City</u>
3/4" Residential	\$22.31	\$46.22
3/4" Commercial	\$28.68	\$60.21
1" Residential	\$34.44	\$84.28
1" Commercial	\$40.13	\$96.36
1 1/4" Residential	\$45.87	\$108.38
1 1/4" Commercial	\$51.61	\$120.40
1 1/2" Residential	\$54.45	\$129.42
1 1/2" Commercial	\$60.22	\$141.49
2" Residential	\$94.62	\$231.77
2" Commercial	\$100.34	\$243.83
3" Residential	\$180.61	\$454.50
3" Commercial	\$186.34	\$466.52
4" Residential	\$352.58	\$899.91
4" Commercial	\$358.32	\$911.95
6" Residential	\$696.55	\$1,787.75
6" Commercial	\$728.09	\$1,799.81
8" Residential	\$1,384.47	\$3,563.46
8" Commercial	\$1,390.21	\$3,575.50

**Usage Rates**

	<u>In-City</u>	<u>Out-of-City</u>
First 4,000	Included in	Minimum
Next 36,000	\$1.48	\$2.98
Next 160,000	\$1.35	\$2.70
All over 200,000	\$1.23	\$2.45

**Water Tap Fees**

<u>Service Size</u>	<u>In-City</u>	<u>Out-of-City</u>
3/4"	\$589.05	\$1,178.10
1"	\$610.05	\$1,220.10
1 1/2"	\$750.75	\$1,501.50
2"	\$2,326.80	\$4,653.60
Over 2"	Cost plus 20%	

**SEWER****Usage Rates - Per Thousand**

<u>In-City</u>	<u>Out-of-City</u>
\$4.31	\$8.15

**Sewer Tap Fees**

	<u>In-City</u>	<u>Out-of-City</u>	
Residential	\$376.95	\$753.90	
Restaurant	\$3,794.70	\$7,589.40	
Motel/Apartments	\$1,517.25	\$3,034.50	1st unit
	\$91.18	\$182.35	each additional
Business	\$753.90	\$1,507.80	

**Administrative**

Late Fee	\$10.00
Processing cut-off/on fee	\$30.00
Water meter removal/replacement	\$50.00
Deposit	\$100.00
Turn on/off service fee	\$5.00
Tampering fee	\$100.00
Terminate/restore tap fee	\$400.00
Missed appointment fee 3 <sup>rd</sup> visit	\$25.00

**SANITATION**

**Garbage Fees**

Residential rollout	\$25.00
Commercial rollout	\$27.82
Dumpster - 1 pickup/wk	\$228.70
Extra pickup on dumpster	\$29.83
Sharing dumpster	\$114.35

This Ordinance shall become effective July 1, 2018.

DONE, this \_\_\_\_\_ day of June, 2018.

\_\_\_\_\_  
William T Young, Jr.  
Mayor

**ATTEST:**

\_\_\_\_\_  
Betty J. Hudson  
Municipal Clerk

First Reading: \_\_\_\_\_  
Public Hearing: \_\_\_\_\_  
Second Reading: \_\_\_\_\_

ORDINANCE # 2018-06

AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA,  
AMENDING THE COMPREHENSIVE FEE SCHEDULE FOR THE JUDICIAL  
DEPARTMENT.

WHEREAS, the City of Walterboro from time to time must review its fees and charges and make adjustments as necessary; and

WHEREAS, the need to maintain a comprehensive fee schedule for all City of Walterboro fees is necessary; and

WHEREAS, the fees recommended by the Mayor and Walterboro City Council are as follows:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Walterboro, the following fees are amended or adopted:

**JUDICIAL DEPARTMENT FEES:**

**ADMINISTRATIVE FEES:**

Indigent defense application fee     \$40.00

A forty-dollar application fee for public defender services must be collected from every person who executes an affidavit that he is financially unable to employ counsel. The person may apply to the clerk of court for a waiver or reduction in the application fee. If the trial judge determines that the person is unable to pay the application fee, the fee may be waived or reduced, provided that if the fee is waived or reduced, the trial judge shall report the amount waived or reduced upon sentencing and the trial judge shall order the remainder of the fee paid during probation if the person is granted probation. The clerk of court shall collect the application fee imposed by this section and proceeds must be remitted on a monthly basis to the general fund. The monies must be used only to provide for indigent defense services.

This Ordinance shall become effective June 6<sup>th</sup>, 2018.

DONE, this \_\_\_\_\_ day of June, 2018.

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William T Young, Jr.  
Mayor

**ATTEST:**

\_\_\_\_\_  
Betty J. Hudson  
Municipal Clerk

First Reading: \_\_\_\_\_  
Public Hearing: \_\_\_\_\_  
Second Reading: \_\_\_\_\_

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**ORDINANCE # 2018-07**

**AMENDED AND RESTATED GENERAL BOND ORDINANCE**

**AN AMENDED AND RESTATED ORDINANCE AUTHORIZING AND PROVIDING FOR THE  
ISSUANCE OF HOSPITALITY AND ACCOMMODATIONS FEE REVENUE BONDS OF THE CITY  
OF WALTERBORO, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO.**

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**Dated June 5, 2018**

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Exhibit A – Specimen Series 2011 Bond

Exhibit B – Form of Consent

BE IT ORDAINED BY THE MAYOR AND THE MEMBERS OF CITY COUNCIL OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AS FOLLOWS:

ARTICLE I - FINDINGS AND DETERMINATIONS

Section 1.01 Findings and Determinations.

Incident to the enactment of this Amended and Restated General Bond Ordinance (this "Bond Ordinance"), the City Council of the City of Walterboro (the "City Council"), the governing body of the City of Walterboro, South Carolina (the "City"), finds that each of the statements hereinafter set forth is in all respects true and correct.

(A) The City is a municipal corporation of the State of South Carolina (the "State"), located in Colleton County, South Carolina (the "County") and as such possesses all general powers granted by the Constitution and statutes of the State to municipal corporations.

(B) Pursuant to Article 7, Chapter 1, Title 6 of the Code of Laws of South Carolina 1976, as amended (the "Hospitality Fee Act"), the City did enact Ordinance No. 2006-08 on April 4, 2006, as may be amended from time to time (the "Hospitality Fee Ordinance").

(C) Pursuant to the Hospitality Fee Ordinance, the City did impose a local hospitality tax (the "Hospitality Fee") on the gross proceeds of sales of prepared meals and beverages sold in establishments located within the City.

(D) The City has been collecting the Hospitality Fee since May 1, 2006, the revenues of which have been segregated into the City of Walterboro Local Hospitality Tax Special Revenue Fund (the "Hospitality Fund") and used for the purposes delineated in the Hospitality Fee Act.

(E) Pursuant to Article 5, Chapter 1, Title 6 of the Code of Laws of South Carolina 1976, as amended (the "Accommodations Fee Act"), the City did enact Ordinance No. 2006-17 on July 1, 2006, as may be amended from time to time (the "Accommodations Fee Ordinance").

(F) Pursuant to the Accommodations Fee Ordinance, the City did impose a local accommodations tax (the "Accommodations Fee") on the gross proceeds derived from rental or charges for accommodations furnished to transients for consideration.

(G) The City has been collecting the Accommodations Fee since July 1, 2006, the revenues of which have been segregated into a Local Accommodations Tax Account (the "Accommodations Fund") and used for the purposes delineated in the Accommodations Fee Act.

(H) Article X, Section 14(10) of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that indebtedness payable from a special source, which source does not involve revenues from any tax or license, may be issued upon such terms and conditions as the General Assembly may prescribe by general law.

(I) In its 2010 legislative session, the General Assembly enacted Act No. 284 of 2010, now codified as Section 6-1-760 of the Hospitality Fee Act ("Act No. 284"), whereby, "any . . . municipality is authorized to issue bonds, pursuant to Section 14(10), Article X of the Constitution of this State, utilizing the procedures of Section 4-29-68, Section 6-17-10 and related sections, or Section 6-21-10 and related sections, for the purposes enumerated in Section 6-1-530, to pledge as security for such bonds and to retire such bonds with the proceeds of . . . accommodations fees imposed under [the Accommodations Fee Act],

hospitality fees imposed under [the Hospitality Fee Act] . . . and the pledge of such other nontax revenues as may be available for those purposes for capital projects used to attract and support tourists.”

(J) Under applicable law, neither the Hospitality Fee nor the Accommodations Fee constitute a tax for purposes of Article X, Section 14(10) of the Constitution or Act No. 284.

(K) The City has, pursuant to Ordinance No. 2011-12 enacted on August 9, 2011 (the “Original Bond Ordinance”), provided for the issuance, pursuant to the foregoing provisions of the Hospitality Fee Act and the Constitution, of its \$1,145,000 original principal amount Hospitality Tax Revenue Bond, Series 2011 dated August 30, 2011 (the “Series 2011 Bond”), which Series 2011 Bond is payable from and secured by a pledge of the Hospitality Fees. The Series 2011 Bond is presently outstanding in the principal amount of \$376,759.34.

(L) The City Council now desires to amend and restate the Original Bond Ordinance pursuant to this Bond Ordinance in order to provide for the issuance of bonds which are payable from and secured by a pledge of both the Hospitality Fees and the Accommodations Fees and to make certain additional amendments to the terms and provisions of the Original Bond Ordinance.

(M) Branch Banking and Trust Company (“BB&T”), as the holder of the Series 2011 Bond, has indicated that it is willing to consent, as required by Section 11.02 of the Original Bond Ordinance, to the amendment and restatement of the Original Bond Ordinance pursuant to this Bond Ordinance. The form of the consent of BB&T is attached hereto as Exhibit B.

(N) The bonds authorized hereunder shall be issued for those purposes enumerated in Section 6-1-530 and Section 6-1-730 of the Code of Laws of South Carolina 1976, as amended and for those purposes as may be authorized by the laws of the State.

(O) It is now in the best interests of the City Council to provide for the amendment and restatement of the Original Bond Ordinance and to provide for security, issuance and sale of Bonds (as defined herein) of the City pursuant to the Enabling Act (as defined herein) and the Constitution to defray the costs of Projects (as defined herein).

[End of Article I]

## ARTICLE II - DEFINITIONS AND INTERPRETATIONS

Section 2.01 Defined Terms. The terms defined in this Section 2.01 (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Bond Ordinance shall have the respective meanings specified in this Section 2.01.

“Accommodations Account” shall mean the account by that name established in the Revenue Fund.

“Accommodations Fee” shall mean the charges imposed and collected by the City pursuant to the Accommodations Fee Act and the Accommodations Fee Ordinance.

“Accommodations Fee Ordinance” shall mean Ordinance No. 2006-17 enacted July 1, 2006, as may be amended from time to time.

“Accommodations Fee Revenues” shall mean all Accommodations Fees collected by the City.

“Accommodations Fund” shall mean the Local Accommodations Tax Account created and maintained pursuant to the Accommodations Fee Ordinance.

“Accountant” shall mean any independent certified public accountant or firm of accountants selected by the City and who or which is experienced in the auditing of municipal entities.

“Authorized Representative” shall mean the Mayor or the City Manager and any other Person or Persons designated to act on behalf of the City by written certificate of the City Manager furnished to the Trustee, if any.

“Bond” or “Bonds” shall mean the Series 2011 Bond and all bonds and other obligations of the City issued pursuant to and under the authority of Sections 3.02, 3.03 and 3.04 hereof (excluding Junior Bonds and Capital Leases) and Outstanding from time to time.

“Bond Counsel” shall mean any attorney or firm of attorneys of nationally recognized standing in the matters pertaining to the federal tax exemption of interest on bonds issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“Bond Holders,” “Bondholders,” “Holders,” or the term “Registered Holders,” or any similar term, shall mean the registered owner of any Outstanding Bond or Bonds.

“Bond Ordinance” shall mean the Original Bond Ordinance, as amended and restated pursuant to this Amended and Restated General Bond Ordinance as from time to time amended or supplemented by one or more Supplemental Ordinances and in the context of any Series of Bonds, includes this General Bond Resolution and all Series Ordinances authorizing such Series of Bonds.

“Bond Redemption Account” shall mean the account by that name established in the Debt Service Fund.

“Books of Registry” shall mean the registration books maintained by the City, or a Trustee, if appointed, as bond registrar in accordance with Section 4.04 hereof.

“Capital Lease” shall mean any lease of property which, in accordance with generally accepted accounting principles, has been or should be capitalized on the lessee’s balance sheet or for which the amount of the asset and liability thereunder as if so capitalized should be disclosed in a note to the balance sheet.

“City Manager” shall mean the City Manager of the City or the acting City Manager or Interim City Manager, as the case may be, or his designee.

“Clerk” shall mean the City Clerk or, in his absence, any assistant or acting City Clerk.

“Code” shall mean the Internal Revenue Code of 1986, as amended, any successor provision of law, and regulations promulgated thereunder.

“Construction Fund” shall mean any fund established with and maintained with the City, or at the option of the City, the Trustee, and funded with certain of the proceeds of the sale of any Series of Bonds and intended to defray Project Costs in connection therewith and the Costs of Issuance in connection with that Series of Bonds, all as established in a Series Ordinance authorizing the issuance of any Series of Bonds.

“Costs of Issuance” shall mean all items of expense, directly or indirectly payable or reimbursable by or to the City and related to the authorization, sale, and issuance of Bonds; including, but not limited to, printing costs; costs of preparation and reproduction of documents; filing and recording fees; initial fees and charges of any Trustee or Custodian; legal fees and charges; fees and disbursements of financial advisors, consultants and professionals; costs of credit ratings; fees and charges for preparation, execution, transportation, and safekeeping of Bonds; costs and expenses of refunding of Bonds; premiums or other charges for insurance or other credit enhancement for the payment of Bonds; financing charges; accrued interest with respect to the initial investment of proceeds of Bonds; and any other cost, charge or fee in connection with the original issuance of Bonds.

“Custodian” shall mean any bank, trust company, national banking association, or national association selected by the City as a depository of moneys or securities pursuant to this Bond Ordinance.

“Debt Service Fund” shall mean each such fund established by the provisions of Section 6.03 hereof designed to provide for the payment of the principal of, premium, if any, and interest on the Bonds (excluding Junior Bonds), as they respectively fall due.

“Debt Service Reserve Fund” shall mean the funds, if any, so designated and designed (1) to secure the timely payment of the principal of and interest on the respective Series of Bonds Outstanding and issued pursuant to this Bond Ordinance, and (2) to provide for the redemption of such Series of Bonds Outstanding prior to their stated maturity.

“Debt Service Reserve Fund Requirement” shall mean the amount, if any, with respect to each Series of Bonds as set forth in the Series Ordinance providing for the issuance of that Series of Bonds, required to be deposited in a Debt Service Reserve Fund to secure such Series of Bonds.

“Default” or “Event of Default” shall mean any of those defaults specified in and defined by Article XI hereof.

“Enabling Act” shall mean Act No. 284 and including the procedural requirements of Section 4-29-68 of the Code of Laws of South Carolina 1976, as amended and all other statutory authorizations (including the other procedural authorizations permitted by the Act No. 284 as may be amended),

authorizing and enabling the City Council to adopt this Bond Ordinance, any Series Ordinance and issue Bonds.

“Financial Consultant” shall mean a financial consultant appointed by the City who or which is not a full-time employee of the City.

“Fiscal Year” shall mean the period of 12 calendar months, beginning on the first day of July of each year and ending with the 30th day of June of the following year, until changed to a different 12-month period by ordinance of City Council.

“Hospitality Account” shall mean the account by that name established in the Revenue Fund.

“Hospitality Fee” means charges imposed and collected by the City pursuant to the Hospitality Fee Act.

“Hospitality Fee Ordinance” shall mean Ordinance No. 2006-08 enacted April 4, 2006, as may be amended from time to time.

“Hospitality Fee Revenues” shall mean all Hospitality Fees collected by the City.

“Hospitality Fund” shall mean the City of Walterboro Local Hospitality Tax Special Revenue Fund created and maintained pursuant to the Hospitality Fee Ordinance.

“Investment Obligations” shall mean (i) the South Carolina Pooled Investment Fund established pursuant to the provisions of Chapter 6, Title 6, of the Code of Laws of South Carolina, 1976, as amended; or (ii) any investments now or hereafter permitted under Section 6-5-10 of the Code of Laws of South Carolina, 1976, as amended; or (iii) any investments hereafter permitted by State law.

“Junior Bonds” shall mean bonds secured by a pledge of the Revenues junior and subordinate in all respects to the pledge securing the Bonds authorized by Sections 3.02, 3.03 and 3.04.

“Mayor” shall mean the Mayor of the City, or in his absence, the Mayor Pro Tempore of the City.

“Original Bond Ordinance” means Ordinance No. 2011-12 enacted on August 9, 2011.

“Outstanding Bonds” or “Outstanding” shall mean all Bonds which have been duly authenticated and delivered by the Trustee hereunder except:

(a) Bonds theretofore cancelled or theretofore delivered for cancellation to the City of the Trustee, if appointed;

(b) Bonds (or portions thereof) deemed to have been redeemed within the meaning of Sections 5.03 and 5.05 hereof;

(c) Bonds in lieu of or in substitution for which other Bonds shall have been executed and delivered; and

(d) Bonds (or portions thereof) deemed to have been paid within the meaning of Section 10.01 hereof.

“Person” shall mean natural persons, firms, associations, corporations, and public bodies.

**“Principal Installment”** shall mean, as of any date of calculation, (i) the aggregate principal amount of a Series of Bonds stated to mature on a bond payment date, reduced by the aggregate principal amount of such Bonds which will be retired by reason of any mandatory sinking fund payment payable before a bond payment date, plus (ii) any mandatory sinking fund payment due on such certain date, together with the aggregate amount of the premiums, if any, applicable to such mandatory sinking fund payments.

**“Principal and Interest Requirements”** shall mean, with respect to any particular Fiscal Year and to a Series of Bonds Outstanding, an amount (other than amounts paid from proceeds of Bonds) equal to the sum of (1) all interest payable on such Series of Bonds during such Fiscal Year, plus (2) any Principal Installment of such Series of Bonds during such Fiscal Year.

(a) For purposes of computing the Principal and Interest Requirement, the rate of interest used to determine (1) above shall be a rate per annum equal to (i) with respect to any Series of Bonds which bear interest at a fixed rate, the rate of interest borne or to be borne by such Bonds, and (ii) with respect to any Series of Variable Rate Bonds, the actual rate of interest on the date of calculation, or if the Variable Rate Bonds are not yet Outstanding, the initial rate (if established and binding); provided however, if the Variable Rate Bonds have been Outstanding for at least 12 months, the average rate over the twelve months immediately preceding the date of calculation.

For purposes of this definition, if the initial rate on any Series of Variable Rate Bonds is not established and binding, then: (i) if interest on the Variable Rate Bonds is intended by the Authority to be excludable from gross income under the applicable provisions of the Code, the Bond Buyer 25 Revenue Bond Index (or comparable index if such is no longer published) published not earlier than two weeks prior to the sale date, or (ii) if interest is not intended to be so excludable, the interest rate on Investment Obligations with comparable maturities; provided, however, that for purposes of any rate covenant measuring actual debt service coverage during a test period, Variable Rate Bonds shall be deemed to bear interest at the actual rate per annum applicable during the test period.

(b) For purposes of computing the “Principal and Interest Requirement,” the Principal Installments for each Series of Bonds used to determine (2) above will be the actual planned Principal Installments, except as for any Series of Bonds in which 25% or more of the Principal Installments are payable in a single Fiscal Year, the Principal Installment in such year will be assumed to be the result derived by dividing (A) the aggregate outstanding principal due on such Series of Bonds by (B) the number of full years in the remaining term of such Series of Bonds, but if the date of calculation is within 12 months of the final maturity date of such Series of Bonds and a binding commitment by an institutional lender or municipal underwriting firm exists to provide money to refinance the outstanding aggregate principal amount of such Series of Bonds then Outstanding, the payment terms contained in the commitment are to be used for purposes of calculating the Principal Installments for such Series of Bonds.

(c) For purposes of computing the “Principal and Interest Requirement,” amounts available in the Debt Service Reserve Fund established for a Series of Bonds may be applied against the interest payable on and the Principal Installments due on such Series of Bonds in the last Fiscal Year that such Series of Bonds is Outstanding.

**“Project”** or **“Projects”** shall mean those purposes, facilities, and projects used to attract and support tourists within the meaning of Act No. 284, as amended, and includes all purposes provided at Section 6-1-530 of the Accommodations Fee Act.

**“Project Costs”** shall mean costs incurred in connection with a Project, the repayment to the City of any funds expended in the acquisition or construction of any Project, and shall include, without limiting

the costs permitted under the Enabling Act, the Hospitality Fee Act, and the Accommodations Fee Act, the following items to the extent they relate to a Project: (i) all direct costs of such Project described in the plans and specifications for such Project; (ii) all costs of planning, designing, acquiring, constructing, financing and placing such Project in operation; (iii) the cost of any lands or interests therein and all of the properties deemed necessary or convenient for the maintenance and operation of such Project; (iv) all engineering, legal and financial costs and expenses; (v) all expenses for estimates of costs and of revenues; (vi) costs of obtaining governmental and regulatory permits, licenses and approvals; (vii) all fees of special advisors and consultants associated with one or more aspects of such Project; (viii) all amounts required to be paid by this Bond Ordinance or any Series Ordinance authorizing the issuance of Bonds into a Debt Service Fund or Debt Service Reserve Fund upon the issuance of any Series of Bonds; (ix) the payment of all principal, premium, if any, and interest, when due, of any Bonds of any Series or other evidences of indebtedness issued to finance a portion of the cost of such Project, whether at the maturity thereof or at the due date of interest or upon redemption thereof; (x) interest on Bonds of any Series prior to and during construction of such Project for which such Bonds were issued, and for such additional periods as the City may reasonably determine to be necessary for the placing of such Project in operation; and (xi) Costs of Issuance.

“Purchaser” shall mean, with respect to any Series of Bonds, the initial purchaser of that Series of Bonds.

“Record Date” shall mean, with respect to any Series of Bonds, (i) the 15th day (whether or not a business day) of the calendar month immediately preceding an interest payment date in the event that the interest payment date is the first day of a month, (ii) the last day (whether or not a business day) of the calendar month immediately preceding each interest payment date in the event that the interest payment date is the 15th day of a month, or (iii) any other day as may be provided in the Series Ordinance authorizing the issuance of that Series; provided, however, that in the case of a default in the payment of interest due on a Series of Bonds, the Trustee shall establish a special record date for payment of the defaulted interest, notice thereof to be mailed by first class mail, postage prepaid, by the Trustee to the Holder of that Series of Bonds not less than ten days prior to the special record date.

“Registrar” shall mean the Trustee, or, if so provided herein or by a Series Ordinance as to a Series of Bonds, an official of the City.

“Revenue Fund” shall mean the fund of that name created by Section 6.02 hereof.

“Revenues” shall mean the Accommodations Fees and the Hospitality Fees.

“Series” or “Series of Bonds” or “Bonds of a Series” shall mean all Bonds designated as being of the same series, issued and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter delivered in lieu thereof or in substitution therefor pursuant to this Bond Ordinance.

“Series 2011 Bond” shall mean the City’s \$1,145,000 original principal amount Hospitality Tax Revenue Bond, Series 2011.

“Series Ordinance” shall mean any ordinance enacted by City Council providing for the issuance of Bonds.

“State” means the State of South Carolina.



“Supplemental Ordinance” shall mean an ordinance, other than a Series Ordinance, enacted by City Council pursuant to and in compliance with the provisions of Article XII hereof amending or supplementing the provisions of this Bond Ordinance.

“Term Bond” or “Term Bonds” shall mean any Bond designated by the Series Ordinance providing for its issuance as being subject to retirement or redemption from moneys credited to the Bond Redemption Account in the Debt Service Fund as mandatory redemption requirements.

“Trustee” shall mean any bank, trust company, national banking association, or national association selected by the City and any successor Trustee appointed in accordance with Section 8.01 hereof. No Trustee shall be initially appointed under this Bond Ordinance for the initial Series of Bonds.

“Variable Rate Bonds” shall mean indebtedness in the form of Bonds that bears interest at a variable, adjustable or floating rate or indebtedness in the form of Bonds the interest on which is not established at the time of incurrence at a fixed or constant rate until its maturity.

Section 2.02    General Rules of Interpretation.

(a)    Articles, sections, and paragraphs mentioned by number are the respective articles, sections, and paragraphs of this Bond Ordinance so numbered.

(b)    Except as otherwise expressly provided or unless the context otherwise requires, words importing persons include firms, associations, and corporations, and the masculine includes the feminine and the neuter.

(c)    Words importing the redemption or redeeming or calling for redemption of a Bond do not include or connote the payment of the Bond at its stated maturity or the purchase of the Bond.

(d)    Words importing the singular number include the plural number and vice versa.

(e)    In the event of any conflict between this Bond Ordinance and the Hospitality Fee Ordinance or the Accommodations Fee Ordinance, the terms of this Bond Ordinance shall be deemed to control.

[End of Article II]

### ARTICLE III - AUTHORIZATION AND ISSUANCE OF BONDS

Section 3.01 Authorization of Bonds. There is hereby authorized to be issued Bonds of the City to be known as "Hospitality and Accommodations Fee Revenue Bonds," or as otherwise designated in the Series Ordinance authorizing any Series of Bonds, which Bonds may be issued pursuant to this Bond Ordinance and in accordance with the terms, conditions, and limitations set forth herein, in Series, in the amounts, and from time to time as City Council may from time to time deem to be necessary or advisable for any corporate purpose of the City for which Bonds may be issued under this Bond Ordinance, the applicable Series Ordinance and the Enabling Act. There may be additionally issued bond anticipation notes to be issued in anticipation of Bonds to be issued under the terms of this Bond Ordinance.

#### Section 3.02 General Provisions for Issuance of Bonds.

(a) The Bonds shall be issued by means of Series Ordinances enacted by City Council in accordance with the provisions of this Article III. The enactment of a Series Ordinance shall not be subject to the consent of the Trustee or Bondholders. Each Series Ordinance shall designate the Bonds provided for thereby by an appropriate Series designation and by any further particular designations, if any, as City Council deems appropriate; and shall, unless or except as is otherwise set forth herein, also specify:

- (i) the maximum authorized principal amount of the Series of Bonds;
- (ii) the purpose or purposes for which the Bonds of the Series are being issued, which shall be one or more of the purposes set forth in Sections 3.03 and 3.04 hereof;
- (iii) if the Bonds of the Series are being issued for a purpose specified in Section 3.03 hereof, an estimate of the Project Costs to be financed by the Series of Bonds;
- (iv) the date or dates of the Bonds of the Series;
- (v) the maturity date or dates of the Bonds of the Series, the principal amounts payable on each maturity date, and the mandatory redemption amounts and due dates, if any, for the Term Bonds of the Series;
- (vi) the interest rate or rates of the Bonds of the Series, or the manner of determining the rate or rates, the initial interest payment date therefor, and the subsequent interest payment dates;
- (vii) the denominations of, and manner of numbering and lettering, the Bonds of the Series;
- (viii) the redemption premium or premiums, if any, or the redemption price or prices to be paid upon the redemption of the Bonds of the Series, the period or periods, if any, during which premiums or prices shall be payable, and the terms and conditions, if any, of redemption;
- (ix) the place or places of payment of the Bonds of the Series and interest thereon, and the paying agents therefor;
- (x) the provisions for the sale or other disposition of the Bonds of the Series and the use, application, and investment, if any, of the proceeds of the sale or other disposition, which use, application and investment shall not be inconsistent with the provisions hereof;
- (xi) whether there will be a Debt Service Reserve Fund Requirement for such Series;

(xii) any other provisions which may be required to be included therein by other provisions of this Bond Ordinance; and

(xiii) any other necessary or desirable provisions not inconsistent with the provisions of this Bond Ordinance.

(b) City Council may delegate to an Authorized Representative the authority to determine the matters set forth in Sections 3.02(a)(iv) through 3.02(a)(xiii). Additionally, the City Council may delegate any other authorizations to an Authorized Representative in a Series Ordinance that such body, in its sole discretion, may determine.

Section 3.03 Conditions for the Issuance of Bonds.

(a) At any time and from time to time, one or more Series of Bonds may be issued for any purposes as may be permitted by the Enabling Act upon compliance with the provisions of Section 3.02 hereof and this Section 3.03 (except where specifically provided otherwise in this Section 3.03) in any principal amounts as may be determined by City Council.

(i) There shall be provided a certificate of the City Manager stating (A) either (1) that no Default exists in the payment of the principal of or interest on any Bonds or Junior Bonds, and all mandatory redemption requirements, if any, required to have been made or satisfied shall have been made or satisfied, or (2) that the application of the proceeds of the sale of the Series of Bonds to be issued as required by the Series Ordinance authorizing their issuance will cure the Default or permit the making or satisfaction of the redemption requirements; and (B) either (1) that to the knowledge of the City Manager, the City is not in Default in the performance of any other of its covenants and agreements contained in this Bond Ordinance, or (2) setting forth the circumstances of each Default known to him.

(ii) If a certificate filed pursuant to Section 3.03(a)(i) should disclose a Default or Defaults hereunder, which have not been cured, there shall be filed an opinion of Bond Counsel that, in the case of any Default disclosed in a certificate filed pursuant to Section 3.03(a)(i), no Default deprives the Bondholders of the security afforded by this Bond Ordinance in any material respect.

(b) For the issuance of Bonds (other than the initial Series of Bonds issued hereunder, or the issuance of Junior Bonds) issued hereunder to finance the Project Costs there shall be delivered a certificate of the Authorized Representative, the Accountant or a Financial Consultant, based upon the most recent audited financial statements of the City, to the effect that Revenues deposited into the Revenue Fund during any consecutive 12-month period out of the 24 months immediately preceding the issuance date of the proposed Bonds (the "Test Period") are not less than 120% of the average annual Principal and Interest Requirements for all Series of Bonds then Outstanding and the additional Bonds then proposed to be issued (with adjustments, if any, for any Bonds that will be discharged upon the issuance of such additional Bonds). Revenues may be adjusted for the purpose of the calculation required by this Section 3.03(b) to reflect additional Hospitality Fees and Accommodations Fees to be received from establishments which commenced payment of Hospitality Fees and Accommodations Fees during the Test Period. As to such an establishment, Hospitality Fees may be annualized based upon the average monthly Hospitality Fees and Accommodations Fees paid by such establishment during the Test Period.

(c) The Bonds may be issued to secure funds to defray Project Costs, or to refund any Bonds, Junior Bonds, or any notes, bonds, or other obligations issued to finance or to aid in financing Projects.

(d) There shall be on deposit in the Debt Service Reserve Fund, if such is required by any Series Ordinance, cash and securities (including any insurance policy, surety bond or letter of credit permitted by Series Ordinance) as provided in Section 6.04 hereof (inclusive of any proceeds of Bonds to be deposited in the Debt Service Reserve Fund), having an aggregate value not less than the Debt Service Reserve Fund Requirement, if any, with respect to each Series of Bonds to be then Outstanding and the Bonds then proposed to be issued.

Section 3.04 Issuance of Refunding Bonds. The City, by means of a Series Ordinance enacted in compliance with the Enabling Act and any other statutory provisions authorizing the issuance of revenue refunding bonds, including advance refunding bonds, may issue hereunder refunding Bonds for the purpose of refunding (including by purchase) Bonds, Junior Bonds, or any other notes, bonds or other obligations issued to finance or to aid in financing of Projects, including amounts to pay principal, redemption premium, and interest to the date of the redemption (or purchase) of the refunded Bonds or any other notes, bonds or other obligations issued to finance or to aid in financing of Projects, and the Costs of Issuance of the refunding Bonds and to fund any necessary reserves or other accounts. In addition, the City by means of a Series Ordinance may issue refunding Bonds for the purpose of refunding Bonds issued to finance or to aid in financing of Projects, without satisfying the conditions for the issuance of Bonds as contained in Section 3.03(b) hereof if the aggregate Principal and Interest Requirements with respect to the refunding Bonds is less than the aggregate Principal and Interest Requirements with respect to the Bonds to be refunded.

Section 3.05 Issuance of Junior Bonds. The City may, at any time, and without limitation and free of all conditions, including the consent of the Holder of the Bonds then Outstanding, issue Junior Bonds, in such amount as it may from time to time determine, payable from the Revenues, provided that the pledge of Revenues and any lien upon the Revenue Fund granted for the protection of said Junior Bonds, shall at all times be and remain subordinate and inferior in all respects to the pledges of Hospitality Fees and Accommodations Fees and liens upon the Revenue Fund made or authorized for any Bonds.

Section 3.06 Issuance of Capital Leases. In addition to Bonds, Junior Bonds and other obligations previously authorized by this Article, the City may enter into Capital Leases; such Capital Leases may be secured by purchase money liens and purchase money security interests and all other legally available sources of funds (specifically surplus funds under Section 7.05 herein). Provided, however, the loss of the property secured by any lien for a Capital Lease will not materially adversely affect the ability of the City to meet its financial obligations under this Bond Ordinance.

[End of Article III]

## ARTICLE IV - THE BONDS

### Section 4.01 Execution.

(a) Unless or except as is otherwise set forth in the Series Ordinance providing for the issuance of a Series of Bonds, the Bonds shall be executed on behalf of the City by the Mayor by manual or facsimile signature and the corporate seal of the City or a facsimile thereof shall be impressed or reproduced thereon and attested by the Clerk by manual or facsimile signature.

(b) In case any officer whose signature or facsimile of whose signature shall appear on the Bonds shall cease to be that officer before the delivery of the Bonds, the signature or the facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

Section 4.02 Authentication. Upon compliance with the provisions of Sections 4.03, 4.04, or 4.05 hereof, as applicable, and upon the written order of the City, the Trustee, if so appointed, shall authenticate Bonds authorized to be issued hereunder. Except as otherwise set forth in a Series Ordinance, only those Bonds as shall have endorsed thereon a certificate of authentication duly executed manually by the Trustee shall be entitled to any right or benefit under this Bond Ordinance, and no Bond shall be valid or obligatory for any purpose unless and until the certificate of authentication shall have been duly executed by the Trustee. The executed certificate of the Trustee upon any Bond shall be conclusive evidence that the Bond has been authenticated and delivered. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder or on all of the Bonds of a particular Series. If no Trustee has been appointed, no authentication of the Bonds shall be required.

Section 4.03 Mutilated, Lost, Stolen, or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen, or destroyed, the City may execute and the Trustee may authenticate (if applicable) a new Bond having the same date, maturity, and denomination as that mutilated, lost, stolen, or destroyed; provided that, in the case of any mutilated Bond, it shall first be surrendered to the City and in the case of any lost, stolen, or destroyed Bond, there shall be first furnished to the City and the Trustee evidence of the loss, theft, or destruction satisfactory to the City and the Trustee (if applicable), together with indemnity satisfactory to them; provided that, in the case of a Holder which is a bank or insurance company, the agreement of the bank or insurance company to indemnify shall be sufficient. In the event any Bond shall have matured, instead of issuing a duplicate Bond, the City may pay it without surrender thereof. The City and the Trustee may charge the Holder of the Bond with their reasonable fees and expenses in this connection.

### Section 4.04 Registration and Transfer of Bonds; Persons Treated as Owners.

(a) Each Bond shall be fully registered and transferable only upon the Books of Registry of the City which shall be kept for that purpose at the corporate trust office of the Trustee by the Registered Holder thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Trustee, duly executed by the Registered Holder or his duly authorized attorney, signature guaranteed. Upon the transfer of any Bond, the City shall issue, subject to the provisions of Section 4.07 hereof, in the name of the transferee, a new Bond or Bonds of the same Series and of the same aggregate principal amount as the unpaid principal amount of the surrendered Bond. If no Trustee has been appointed, the Clerk will act as Registrar.

(b) Any Bondholder requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any Bond, the person in whose name it shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of or on account of the principal of, premium, if any, and interest on any Bond shall be made only to or upon the order of

the Holder thereof, or his duly authorized attorney, and neither the City nor the Trustee shall be affected by any notice to the contrary, but the registration may be changed as herein provided. All the payments made in this manner shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums paid.

**Section 4.05 Form of Bonds; Denominations; Medium of Payment.** Unless or except as is otherwise provided in the Series Ordinance authorizing their issuance, the Bonds: (a) shall be in fully registered form without coupons; (b) shall be issued in denominations of \$1.00, or any multiple thereof; provided that, upon partial redemption of a Bond requiring surrender thereof and the issuance of a new Bond, the new Bond may be in the denomination of the unredeemed balance; and (c) shall be payable with respect to principal, interest, and premium, if any, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The City may provide in any Series Ordinance for a book-entry system for such Series of Bonds.

**Section 4.06 Numbers, Date, and Payment Provisions.**

(a) The Bonds shall be numbered and designated in any manner as the City, with the concurrence of the Trustee, if any, shall determine. Each Bond of a Series shall bear interest from the interest payment date immediately preceding the date of its authentication, unless authentication shall be upon an interest payment date, in which case, it shall bear interest from its authentication, or unless authentication shall precede the first interest payment date for the Bond, in which case it shall bear interest from the date of its delivery, or as otherwise provided in the Series Ordinance authorizing their issuance; provided, however, that if the date of authentication of any Bond of any Series is after a Record Date and before the corresponding interest payment date therefor, it shall bear interest from the next succeeding interest payment date. Notwithstanding the foregoing, however, if at the time of authentication of any Bond any interest on the Bond is in default, it shall bear interest from the date to which interest on it has been paid or if no interest has been paid, the Bond shall bear interest from the date of delivery thereof or as otherwise provided in the Series Ordinance authorizing the issuance of the Bonds.

(b) The principal of and redemption premium, if any, on the Bonds shall be payable when due in lawful money of the United States of America upon presentation and surrender of the Bonds at the office of the Clerk, or if a Trustee has been appointed, the corporate trust office of the Trustee described in the Series Ordinance authorizing the issuance of the Bonds. Except as otherwise set forth in a Series Ordinance, payment of interest on Bonds shall be made by check or draft drawn upon the City, or the Trustee, if a Trustee shall then be appointed and mailed to the Registered Holder at his address as it appears upon the Books of Registry; provided that payment to any Bondholder owning \$1,000,000 or more of Bonds may be made by wire transfer to an account in the continental United States of America upon the written request and instructions provided by such Bondholder to the City or the Trustee if a Trustee shall then be appointed no later than the preceding Record Date. The City or the Trustee, as applicable, shall maintain a record of the amount and date of any payment of principal or interest on the Bonds (whether at the maturity date or the redemption date prior to the maturity or upon the maturity thereof by declaration or otherwise).

**Section 4.07 Exchange of Bonds.** Bonds, upon surrender thereof at the office of the Trustee or the Clerk, as applicable, with a written instrument of transfer satisfactory to the Trustee or the Clerk, duly executed by the Bondholder or his duly authorized attorney, signatures guaranteed, may, at the option of the Bondholder thereof, and upon payment by the Bondholder of any charges which the City or the Trustee may make as provided in Section 4.08, be exchanged for a principal amount of Bonds of any other authorized denomination equal to the unpaid principal amount of surrendered Bonds.

**Section 4.08 Regulations with Respect to Exchanges and Transfer.** In all cases in which the privilege of exchanging or transferring Bonds is exercised, the City shall execute and the Trustee, as applicable, shall authenticate and deliver Bonds in accordance with the provisions of this Bond Ordinance.

All Bonds surrendered in any exchanges or transfers shall forthwith be cancelled by the Trustee. There shall be no charge to the Bondholder for the exchange or transfer of Bonds except that the City or the Trustee may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to the exchange or transfer. Neither the City nor the Trustee shall be required to register, transfer or exchange Bonds of a Series after the Record Date for such Series until the next succeeding bond payment date for such Series or to register, transfer or exchange any Bonds called for redemption after the mailing of any notice of redemption of such Bond.

Section 4.09 Temporary Bonds. Any Series of Bonds may be initially issued in temporary form, exchangeable for definitive Bonds to be delivered as soon as practicable and subject to the agreement of the City and the Purchaser. The temporary Bonds may be printed or typewritten, shall be of any denominations and may be numbered in any manner as may be determined by the City, and may contain reference to any of the provisions of this Bond Ordinance as may be appropriate. Every temporary Bond shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered for cancellation at the office of the Clerk or the Trustee, as applicable, and the Trustee or the Clerk shall deliver and exchange for the temporary Bonds an equal, aggregate principal amount of definitive Bonds having the same aggregate principal amount and in authorized denominations of the same Series, maturity or maturities, and interest rate or rates. Until exchanged, the temporary Bonds shall be entitled to the same benefits under this Bond Ordinance as definitive Bonds under this Bond Ordinance.

Section 4.10 Registrars. In the Series Ordinance authorizing the issuance of any Series of Bonds, the Clerk may be appointed to serve as Registrar in lieu of the Trustee. In such case, the Clerk as Registrar for such Series shall be authorized to perform the duties and responsibilities of the Trustee set forth in Sections 4.02, 4.03, 4.04, and 4.07 hereof with respect to the authentication, registration and exchange of Bonds of that Series, the same as is the Trustee pursuant to those Sections. The Clerk in such case shall be required to furnish to the Trustee the names and addresses of the transferors and transferees of any Bonds registered, transferred, or exchanged by it, and the numbers and other identifying symbols of any Bonds cancelled or exchanged by it, and shall comply with all reasonable instructions with respect to the performance of its duties and responsibilities that the Trustee shall give to it.

Section 4.11 Security for the Bonds.

The Bonds shall be payable solely from and shall be secured by a pledge of the Revenues and a contractual lien upon the Revenue Fund. Such pledge and lien securing the Bonds shall at all times and in all respects be and remain superior to pledges and liens made and given to secure any other Bonds or other obligations payable from the pledge of the Revenue and a lien upon the Revenue Fund, except those given to secure additional Bonds as authorized herein.

THE BONDS SHALL NOT BE SECURED BY, OR IN ANY WAY ENTITLED TO, A PLEDGE OF THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY. THE BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY PROVISION, LIMITATION OR RESTRICTION OF THE CONSTITUTION OR THE LAWS OF THE STATE, OTHER THAN THOSE PROVISIONS AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A SPECIAL SOURCE, WHICH SOURCE DOES NOT INVOLVE REVENUES FROM ANY TAX OR LICENSE. THE BONDS ARE NOT A PECUNIARY LIABILITY OF THE CITY OR A CHARGE AGAINST THE CITY'S GENERAL CREDIT OR TAXING POWER. THE CITY IS NOT OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON EXCEPT FROM THE REVENUES.

The covenants and agreements herein set forth to be performed by the City shall be for the equal and proportionate benefit, security, and protection of all Holders of the Bonds without preference, priority, or distinction as to payment or security or otherwise (except as to maturity) of any of the Bonds or any of the others for any reason or cause whatsoever, except as expressly provided herein or in the Bonds, and, except as aforesaid and with respect to Junior Bonds, all Bonds shall rank *pari passu* and shall be secured equally and ratably hereunder without discrimination or preference whatsoever.

[End of Article IV]



## ARTICLE V - REDEMPTION OF BONDS BEFORE MATURITY

**Section 5.01** **Redemption of Bonds.** The Bonds of a Series shall be subject to redemption prior to their stated maturities upon the terms and conditions and at the dates and redemption price or prices or premium or premiums as shall be set forth or provided for herein or in the Series Ordinance pursuant to which that Series is issued, and upon the further terms and condition as are hereinafter set forth.

**Section 5.02** **Selection of Bonds for Redemption.** In the event of the redemption at any time of only part of the Bonds of a Series, the Bonds to be redeemed shall be redeemed in the order as is set forth or provided for in the Series Ordinance providing for the issuance of that Series. Unless otherwise provided herein, if less than all of the Bonds having the same maturity of any Series shall be called for prior redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected as provided in the Series Ordinance.

**Section 5.03** **Notice of Redemption.** Unless or except as is otherwise provided in the Series Ordinance authorizing the issuance of the Bonds, the provisions of this Section 5.03 apply to each Series of Bonds. In the event any of the Bonds or portions thereof are called for redemption, the Clerk or the Trustee, as applicable, shall give notice, in the name of the City, of the redemption of the Bonds to be redeemed, the redemption date, the principal amount of each Bond to be redeemed (if less than all), the redemption price, the place or places where amounts due upon redemption will be payable, and the numbers of the Bonds to be redeemed. The notice shall be given by mailing a copy of the redemption notice by first class mail, postage prepaid, at least 30 days, but not more than 60 days, prior to the date fixed for redemption to the Holder of each Bond or portion thereof to be redeemed at the address shown on the Books of Registry. Failure duly to give notice by mailing, or any defect in the notice, to the Holder of any Bond designated for redemption shall not affect the validity of any proceedings for the redemption of any other Bonds. All Bonds or portions thereof called for redemption will cease to bear interest on the specified redemption date, provided funds for their redemption are on deposit with the Trustee or the Clerk on or before such redemption date; and the Bonds shall not be deemed to be Outstanding under the provisions of this Bond Ordinance. If on the date fixed for redemption there is not on deposit with the Trustee or the City funds for redemption, the Trustee or the Clerk, as applicable, shall send a notice to all Holders in the same manner as the notice of redemption canceling such notice of redemption.

If at the time of mailing of the notice of redemption there shall not have been deposited with the Trustee or the City moneys sufficient to redeem all of the Bonds called for redemption, which moneys are or will be available for redemption of Bonds, such notice will state that it is conditional upon the deposit of the redemption moneys with the Trustee or the City not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

**Section 5.04** **Partial Redemption of Bond.** In the event that only part of the principal sum of a Bond shall be called for redemption or prepaid, payment of the amount to be redeemed or prepaid shall be made only upon surrender of the Bond to the Trustee or the Clerk, as applicable. Upon surrender of the Bond, the City shall execute and the Trustee or the Clerk shall authenticate and deliver to the Holder thereof, at the office of the Trustee or the Clerk, as applicable, or send to the Holder by registered mail at his request, risk, and expense, a new fully executed Bond or Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same Series, maturity, and interest rate as, the unredeemed portion of the Bond surrendered.

**Section 5.05** **Effect of Redemption.** If a Bond is subject to prior redemption and has been duly called for redemption, in whole or in part, and notice of the redemption thereof has been duly given as hereinbefore provided, and if moneys for the payment of the Bond at the then applicable redemption price or together with the then applicable premium, if any, and the interest to accrue to the redemption date on

the Bond are held on or before the date fixed for redemption for the purpose of payment by the Trustee or other paying agent or the City for the Series of Bonds of which that Bond is one, then on the redemption date designated in the notice, the Bond or portion thereof called for redemption shall become due and payable, and interest on the Bond or portion thereof called for redemption shall cease to accrue.

**Section 5.06 Cancellation.** All Bonds which have been redeemed shall be cancelled and either maintained or destroyed by the City or the Trustee, as applicable, and shall not be reissued. A counterpart of the certificate of destruction evidencing the destruction shall be furnished by the Trustee to the City upon the request of the City.

**Section 5.07 Purchase of Bonds.** The Trustee shall, if and to the extent practicable, endeavor to purchase Bonds or portions of Bonds at the written direction of the City at the time, in the manner, and at the price as may be specified by the City but in no event greater than the call price first to become available or then prevailing. The Trustee may so purchase Bonds with any moneys then held by the Trustee and available for the redemption or purchase of Bonds; provided that any limitations or restrictions on redemption or purchases contained in this Bond Ordinance shall be complied with. The expenses of purchase shall be deemed an expense of the Trustee. The Trustee shall incur no liability for any purchase made in accordance with this Section 5.07 or for its inability to purchase Bonds in excess of the redemption price thereof.

[End of Article V]

**ARTICLE VI - ESTABLISHMENT OF FUNDS; PAYMENTS THEREFROM; INVESTMENT OF  
MONEYS; SECURITY FOR THE BONDS**

**Section 6.01 Listing of Funds and Accounts.** The following are the funds and accounts established by this Bond Ordinance and, as applicable, a Series Ordinance:

- (a) the Revenue Fund, and an Accommodations Account and a Hospitality Account therein;
- (b) the Debt Service Funds; and
- (c) the Debt Service Reserve Funds.

Payments from the Revenue Fund shall be made in the order of priority established by the provisions of Article VII hereof.

Except as otherwise provided in this Bond Ordinance, all funds and accounts established by this Bond Ordinance will be held by the City. So long as the City establishes, from an accounting standpoint, proper records of receipts and disbursements, the Hospitality Fund, established at Section 4 of the Hospitality Fee Ordinance, and the Accommodations Fund, established at Section 4 of the Accommodations Fee Ordinance, may be used as the Accommodations Account and the Hospitality Account for purposes of this Bond Ordinance.

It is intended by this Bond Ordinance that the funds referred to in this Article VI (other than the Construction Fund) shall remain in existence for so long a time as any sum remains due and payable by way of principal of and interest on the Bonds, and that deposits and withdrawals therefrom be made in the manner herein prescribed and in the order of priority hereinafter set forth in this Article VI.

**Section 6.02 Revenue Fund; Security for Bonds.**

There has been established and shall be maintained a fund or account designated as the Revenue Fund. The Revenue Fund shall be maintained by the City, or a Custodian appointed by the City pursuant to Section 8.12 hereof. Moneys in the Revenue Fund shall be withdrawn, and allocation and use therefrom shall be made at the direction of the City. All Revenues (except that money the disposition of which is controlled by other provisions of this Bond Ordinance) are declared to be a part of the Revenue Fund and shall from time to time be promptly deposited in a bank or depository in an account which will reflect the fact that they are a part of the Revenue Fund.

**Section 6.03 Debt Service Funds.**

(a) There shall be established and maintained a Debt Service Fund for each Series of Bonds Outstanding. The Debt Service Funds are intended to provide for the ratable payment of the principal of, redemption premium, if any, and interest on the Bonds of the respective Series as the same respectively fall due. Payments into these funds shall be made in the manner prescribed by this Bond Ordinance, and, except as herein provided, all money in each Debt Service Fund shall be used solely to pay the principal of and interest on the Bonds of the respective Series, and for no other purpose.

(b) Each Debt Service Fund shall be kept in the complete custody and control of the City, or if appointed, the Trustee and withdrawals from each Debt Service Fund shall be made only by the party having custody and control, who shall transmit to each Bondholder, at such times as may be appropriate, the sums required to pay the principal of, redemption premium, if any, and interest on the Bonds of that respective Series.

(c) Moneys in any Debt Service Fund shall be invested and reinvested by the City, or, if appointed, Trustee at the written direction of the Finance Director or his designee, in Authorized Investments, maturing not later than the date on which such money is required to pay the principal of, premium, if any, and interest on the next occurring maturity of the Bonds. The Trustee shall have no responsibility for the investment of money in any Debt Service Fund that is not held by the Trustee. Unless otherwise provided in a Series Ordinance, all earnings from such investments shall be added to and become a part of the Debt Service Fund in which such investments are held, but shall be credited against payments that would otherwise be made to such fund pursuant to the provisions of Section 6.03 hereof.

Section 6.04 Debt Service Reserve Funds.

(a) A Debt Service Reserve Fund for each Series of the Bonds may be established. If established, a Debt Service Reserve Fund shall be only for the benefit of the Holders of the Bonds of such Series. Each Debt Service Reserve Fund is intended to insure the timely payment of the principal of, and premium, if any, and interest on the Bonds secured thereby, and to provide for the redemption of such Bonds prior to their respective stated maturities. Each Debt Service Reserve Fund shall be maintained in an amount equal to the respective Debt Service Reserve Fund Requirement. Money in each Debt Service Reserve Fund shall be used for the following purposes, and for no other:

(1) to prevent a default in the payment of the principal of or interest on the applicable Series of Bonds, by reason of the fact that money in the Debt Service Fund securing such issue of Bonds is insufficient for such purposes;

(2) to pay the principal of, interest on, and redemption premium for the Bonds secured thereby in the event that the Bonds be redeemed as a whole; or

(3) to effect partial redemption of the applicable series of Bonds; provided that subsequent to said partial redemption, the market value of the cash and securities in the Debt Service Reserve Fund shall be not less than the Debt Service Reserve Fund Requirement therefor.

(b) Each Debt Service Reserve Fund, if established, shall be kept in the complete custody and control of either the Trustee or the City, if no Trustee has been appointed. For so long as the City has custody and control of a Debt Service Reserve Fund, it may designate a Custodian to maintain the Debt Service Reserve Fund or the South Carolina Pooled Investment Fund established pursuant to the provisions of Title 6, Chapter 6 of the Code of Laws of South Carolina 1976, as amended. Withdrawals therefrom shall be made only by the party in control who shall transmit to the Bondholder, at such times as may be appropriate, the sums required to pay the principal of, redemption premium, if any, and interest on the Bonds secured thereby.

(c) Money in each Debt Service Reserve Fund shall be invested and reinvested at the written direction of the City Manager in Investment Obligations. Subject to the remaining provisions of this paragraph (c), the earnings from such investments shall be added to and become a part of such Debt Service Reserve Fund. If as of any date of calculation, the value of the securities and money in each Debt Service Reserve Fund shall exceed the respective Debt Service Reserve Fund Requirement therefor, such excess shall either be used to effect partial redemption of the Bonds of that Series, or shall be removed from that Debt Service Reserve Fund and transferred into the Debt Service Fund associated therewith (as directed by the City Manager).

(d) Notwithstanding anything in this Bond Ordinance to the contrary, the City, in lieu of the deposit of moneys into a Debt Service Reserve Fund, may satisfy the Debt Service Reserve Fund Requirement by causing to be so credited an irrevocable and unconditional surety bond or insurance policy

payable to the Trustee for the benefit of the Holders of the Bonds of a Series or an irrevocable and unconditional letter of credit in an amount, which together with other moneys on deposit in such Debt Service Reserve Fund, equal to the Debt Service Reserve Fund Requirement therefor, all in accordance with the terms set forth in the applicable Series Ordinance.

(e) In the event the amount on deposit in, or credited to, a Debt Service Reserve Fund, in addition to the amount available under the surety bond, insurance policy or letter of credit in question (the "Original Funding Instrument") includes amounts available under another surety bond, line of credit, insurance policy or letter of credit (the "Additional Funding Instrument"), draws in the Original Funding Instrument and the Additional Funding Instrument shall be made on a pro rata basis to fund any insufficiency in the Debt Service Fund. In the event a Debt Service Reserve Fund is funded with both monies and a surety bond, line of credit, insurance policy or letter of credit, (1) any withdrawals from such Debt Service Reserve Fund shall be made first from such monies (or the liquidation of investments made therewith) and second from such surety bond, line of credit, insurance policy or letter of credit, and (2) deposits to such Debt Service Reserve Fund shall be used first to reinstate the surety bond, line of credit, insurance policy or letter of credit and second to restore the cash balance. The surety bond, line of credit, insurance policy or letter of credit shall be payable (upon the giving of notice as required thereunder) on any bond payment date on which moneys will be required to be withdrawn from such Debt Service Reserve Fund and applied to the payment of the principal of or interest on the Outstanding Series of Bonds to which such surety bond, line of credit, insurance policy or letter of credit relates when such payments cannot be made by amounts otherwise credited to such Debt Service Reserve Fund.

Section 6.05 Establishment of Construction Fund. There shall be created by each Series Ordinance (unless the sole purpose of the Bonds issued thereunder is to refund other obligations as further provided in Section 3.04 herein) and established with the City, or, at the option of the City, the Trustee or a Custodian, a Construction Fund, the moneys in which shall be used to defray Project Costs.

Section 6.06 Deposits into Construction Fund. On the occasion of the delivery of any Series of Bonds, other than refunding Bonds, such proceeds, as specified in a Series Ordinance, shall be paid into the Construction Fund established for that Series as set forth in a Series Ordinance authorizing their issue.

Section 6.07 Withdrawals from Construction Fund. Withdrawals from the Construction Fund shall not be made except as provided in the Series Ordinance establishing the Construction Fund.

Section 6.08 Transfer of Surplus Construction Fund Moneys. All funds remaining in any Construction Fund established under a Series Ordinance upon completion of the Projects intended to be financed thereby shall be transferred as directed in writing by the City Manager.

Section 6.09 Investment of Funds.

(a) Any moneys held as part of any fund or account created under this Bond Ordinance shall, at the written direction of and as specified by the City Manager, be invested and reinvested by the City, Trustee or the Custodian, as the case may be and as applicable, in Investment Obligations to the extent practicable. Any investments shall be held by or under the control of the City, the Trustee or the Custodian, as the case may be, and shall be deemed at all times a part of those funds and the interest accruing thereon and any profit realized from investments shall be credited to the fund, and any loss resulting from investments shall be charged to the fund. The Trustee or the Custodian of the fund, as the case may be, is directed to sell and reduce to cash funds a sufficient amount of investments whenever the cash balance in the fund is insufficient to make any necessary transfers or withdrawals from the fund.

(b) No Investment Obligation in any fund or account may mature beyond the latest maturity date of any Bonds Outstanding at the time the Investment Obligation is deposited.

(c) The City Manager may at any time give to the Trustee or the Custodian of the fund, as the case may be, written directions respecting the investment of any moneys required to be invested hereunder subject however to the provisions of this Section 6.09 and the Trustee or the Custodian of the fund, as the case may be, shall then invest the money under this Section 6.09 as so directed by the City Manager. The Trustee or the Custodian of a fund, as the case may be, may request in writing direction or authorization of the City Manager with respect to the proposed investment of money under the provisions of this Bond Ordinance. Upon receipt of any request accompanied by a memorandum setting forth details of any proposed investment, the City Manager will either approve the proposed investment or will give written directions to the Trustee or the Custodian of the fund, as the case may be, respecting the investment of the money and in the case of the directions, the Trustee or the Custodian of the fund, as the case may be, shall then, subject to the provisions of this Section 6.09, invest the money in accordance with the directions.

(d) The City Manager may enter into or direct the Trustee to enter into financial product agreements with respect to the Construction Fund, the Debt Service Fund, and the Debt Service Reserve Fund provided the proceeds thereof are used for Project Costs; and provided, such financial product agreements must be in form and content acceptable to the Trustee or the Custodian, if any, in its sole discretion and the Trustee or the Custodian may charge reasonable additional legal fees in connection therewith.

Section 6.10 Trustee's and Custodian's Own Bond Department. The Trustee and any Custodian may make any and all investments permitted under Section 6.09 through their respective bond departments.

Section 6.11 Trustee's and Custodian's Right to Rely. The Trustee and any Custodian may conclusively rely upon any investment directions given by the City Manager within the limitations set forth hereinabove received pursuant to this Article VI and shall not be liable or responsible for (a) any diminution in the value of any investments made pursuant to this Article VI or for any loss arising from any sale or other disposition thereof, (b) any violation of any statute or of any policy or rules or regulations of or applicable to the City or of the Internal Revenue Service with respect to "arbitrage bonds," or (c) any requirement to rebate excess earnings earned on any funds established hereunder as provided under the Code.

Section 6.12 Pooled Investment of Moneys Held in Funds. The moneys in the funds established under this Bond Ordinance may be pooled with each other for investment purposes.

Section 6.13 Valuation.

(a) For the purpose of determining the amount on deposit in any fund or account, Investment Obligations, in which money in the fund or account is invested, shall be calculated based on usual and customary sources of pricing information.

(b) The City, the Trustee or the Custodian, as applicable, shall value the Investment Obligations in the funds and accounts held by such Person, established under this Bond Ordinance as of each June 30, within 45 days of that date. In addition, the Investment Obligations held by the Trustee or the Custodian shall be valued by such Person at any time requested by the City on reasonable notice thereto; provided, however, no Person shall not be required to value the Investment Obligations more than once in any calendar quarter.

(c) Notwithstanding the above provisions of this Section 6.13 and as provided in Section 7.03 herein, Investment Obligations on deposit in the Debt Service Reserve Fund shall be valued on the beginning of each calendar quarter at the market value thereof and no less than 45 days prior to each bond payment date, or at such other frequency as provided in the applicable Series Ordinance.

(d) For purposes of any valuation hereunder, the value of any surety bond, insurance policy, or letter of credit credited to the Debt Service Reserve Fund shall be the amount available to the Trustee or other beneficiary under the instrument as of the time of the calculation.

Section 6.14 Tax Covenant. No investment shall be made by the City of any of the funds set forth above which would cause any Bond issued as an obligation, the interest on which is exempt from taxation as gross income for federal income tax purposes, to be an “arbitrage bond” within the meaning of Section 148 of the Code; provided, however, that this Section 6.14 shall not prohibit the issuance of Bonds the interest on which is subject to federal income taxation upon their original issuance.

[End of Article VI]

## ARTICLE VII - DISPOSITION OF REVENUES

### Section 7.01 Deposits to Revenue Fund; Dispositions Therefrom.

All Hospitality Fee Revenues and Accommodations Fee Revenues (except that money the disposition of which is controlled by other provisions of this Bond Ordinance) shall from time to time be promptly deposited in the Accommodations Account and the Hospitality Account, respectively, of the Revenue Fund. Payments from the Revenue Fund shall be made in the order of priority established by the sequence of the remaining Sections of this Article.

### Section 7.02 Payments for The Bonds.

Provision shall be made for the payment of principal of, premium, if any, and interest on the Bonds without priority of any Bonds over any other Bonds. To that end:

(A) By the Record Date, there shall be deposited into each Debt Service Fund the aggregate amount of interest to become due on the Bonds on the next ensuing interest payment dates.

(B) By the Record Date, there shall be deposited into each Debt Service Fund the Principal Installment of the Bonds next becoming due and payable, so that on each principal maturity date, the amount of principal to be paid shall have been accumulated and be on hand.

(C) If, on the occasion when the deposits required by paragraphs (A) and (B) of this Section, are to be made, the sum total of the deposits required thereby plus any excess monies accruing to such account will be greater than the sum required to effect the payment of the next succeeding installments of either principal or interest, or both on the Bonds, the amounts required to be deposited under paragraphs (A) and (B) shall be correspondingly reduced.

### Section 7.03 Deposits for the Debt Service Reserve Fund - Valuation.

If a Debt Service Reserve Fund is established, deposits shall next be made in the amounts required by this Section 7.03 into the respective Debt Service Reserve Fund. The market value of the cash and securities in each Debt Service Reserve Fund shall be calculated on or as of each bond payment date (such calculation to be made within forty-five days after such bond payment date) in order to determine if the respective Debt Service Reserve Fund contains the respective Debt Service Reserve Fund Requirement therefor, and the extent to which payments therefor or withdrawals must be made therefrom, and the timing thereof, pursuant to this Bond Ordinance. Unless each Debt Service Reserve Fund then contains in cash and securities an amount at least equal to the respective Debt Service Reserve Fund Requirement therefor, there shall be paid into each such Debt Service Reserve Fund on the last business day of each of the twenty-four months following a determination of a deficiency in each such Debt Service Reserve Fund one twenty-fourth (1/24) of the amount necessary to re-establish in each such Debt Service Reserve Fund the respective Debt Service Reserve Fund Requirement therefor; provided, however, nothing herein shall preclude the City from fully re-establishing such Debt Service Reserve Fund Requirement in a more timely fashion than as so prescribed. The value of any Investment Obligations in each Debt Service Reserve Fund shall be calculated based on usual and customary sources of pricing information.

### Section 7.04 Payments for Junior Bonds.

Provision shall then be made for the payment of any other indebtedness which is junior and subordinate to the Bonds in the order of priority contemplated by the proceedings authorizing their issuance.



**Section 7.05    Use of Surplus Money.**

All money remaining after making the payments required by Sections 7.02 to 7.04, shall be disposed of for any lawful and authorized purpose in such manner as the City Council shall from time to time determine.

[End of Article VII]

## ARTICLE VIII - TRUSTEE AND CUSTODIANS

Section 8.01 Appointment of Trustee; Security of Funds. Until such time as the City shall determine to appoint a Trustee, no Trustee is required to be appointed hereunder. The City may in its discretion appoint a Trustee by adoption of a resolution or as otherwise may be necessary to comply with the terms hereof.

(a) Upon the appointment of a Trustee, the Trustee shall signify its acceptance of the powers, duties, and obligations conferred and imposed upon it by this Bond Ordinance, by executing and delivering to the City a written acceptance thereof.

(b) The Trustee, including any successor Trustee shall, at the time of appointment, be a bank or trust company which is a member of the Federal Reserve System with a capital stock, surplus and undivided profits aggregating in excess of \$500,000,000.

(c) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law or by this Bond Ordinance. Unless the same be secured as trust funds in the manner provided by the regulations of the Comptroller of the Currency as from time to time in effect, all funds or securities in the custody of the Trustee, in excess of the amount of such deposit insured by the Federal Deposit Insurance Corporation, shall be secured and kept secured by direct obligations of the United States of a market value at least equal to the sum on deposit and not insured as aforesaid by the Federal Deposit Insurance Corporation.

(d) All securities which shall be given to secure any fund as required by the provisions of this Article shall be placed in the custody of a duly chartered bank, other than the Trustee, which is a member of the Federal Deposit Insurance Corporation. Such other bank shall have a capital stock, surplus and undivided profits aggregating in excess of \$100,000,000.

Section 8.02 Duties and Obligations of the Trustee. Prior to the occurrence of any Event of Default and after the curing of all such Events of Default that may have occurred, the Trustee shall perform such duties and only such duties of the Trustee as are specifically set forth in this Bond Ordinance and no implied covenants or obligations shall be read into this Bond Ordinance against the Trustee. The duties and obligations of the Trustee are further subject to the following terms and conditions:

(a) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers, or employees, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay reasonable compensation to all attorneys, agents, receivers, and employees as may be reasonably employed in connection with the trusts hereof. The Trustee shall not be responsible for any misconduct or negligence of any agent or attorney appointed with due care by the Trustee. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the City) except that with respect to matters involving the exemption from federal income taxes of the interest on the Bonds, any attorneys shall be nationally recognized bond attorneys. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon the opinion or advice.

(b) The recitals of fact made in this Bond Ordinance and in the Bonds shall be taken as statements of the City, and the Trustee shall not be deemed to have made any representation as to the correctness of the same, nor shall the Trustee be deemed to have made any representation whatsoever as to the validity or sufficiency of this Bond Ordinance or of the Bonds issued hereunder except with respect to the authentication of any Bonds. Nor shall the Trustee be under responsibility or duty with respect to the issuance of said Bonds, or the application of the proceeds thereof, except to the extent provided for herein.

Nor shall the Trustee be liable in connection with the performance of its duties hereunder, except for its own negligence or default.

(c) The Trustee may become the owner of Bonds secured hereby with the same rights which it would have were it not Trustee. The Trustee may also engage in or be interested in any financial or other transaction with the City.

(d) The Trustee shall be protected in acting under this Bond Ordinance upon any notice, request, consent, certificate, order, affidavit, letter, telegram, or other paper or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Bond Ordinance upon the request or authority or consent of any person who at the time of making the request or giving the authority or consent is the Holder of any Bond, shall be conclusive and binding upon all future Holders of the same Bond and of Bonds issued in exchange therefor or in place thereof, regardless of whether or not any notation of making the request or giving the authority or consent is made on the Bond.

(e) As to the existence or non-existence of any act or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the City by the Authorized Representative as sufficient evidence of the facts therein contained and prior to the occurrence of a Default of which the Trustee has been notified as provided in subsection (f) of this Section 8.02, or of which by that subsection it is deemed to have notice, may also accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may, at its discretion, obtain any further evidence deemed necessary or advisable, but shall in no case be bound to obtain it. The Trustee may accept a certificate of the Clerk under the seal of the City to the effect that an ordinance in the form therein set forth has been enacted by City Council as conclusive evidence that the ordinance has been duly enacted and is in full force and effect.

(f) The Trustee shall not be required to take notice or be deemed to have notice of any Default hereunder except failure by the City to cause to be made any of the payments to the Trustee required to be made by Article VIII hereof, unless the Trustee shall be specifically notified in writing of the Default by the City, or by the Holders of at least 25% in aggregate principal amount of all Bonds then Outstanding and all notices or other instruments required by this Bond Ordinance to be delivered to the Trustee, must, in order to be effective, be delivered at the principal corporate trust office of the Trustee or at any other address as set forth in a Series Ordinance, and in the absence of notice delivered, the Trustee may conclusively assume there is no Default except as aforesaid.

(g) The Trustee shall not be required to give any bond or surety in respect to the execution of the trusts and powers or otherwise in respect of the premises.

(h) Before taking any action hereunder (with the exception of any required acceleration of Bonds pursuant to Section 11.02 hereof and any notice required to be given pursuant to Section 8.04 hereof), the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful default by reason of any action so taken.

(i) The Trustee is not liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Bondholders under any provision of this Bond Ordinance relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Bond Ordinance.

(j) Whenever in the administration of this Bond Ordinance the Trustee deems it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee

(unless other evidence thereof is specifically prescribed) may, in the absence of bad faith on its part, rely upon a certificate of an Authorized Representative.

(k) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Bond Ordinance shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and right to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Bond Ordinance and final payment of the Bonds.

Section 8.03 Fees, Charges, and Expenses of Trustee. The Trustee shall be entitled to payment or reimbursement for reasonable fees for its services rendered hereunder, and all advances, counsel fees, and other expenses reasonably and necessarily made or incurred by the Trustee in connection with its services and, in the event that it should become necessary that the Trustee perform extraordinary services, it shall be entitled to reasonable extra compensation therefor, and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided, that if extraordinary services or extraordinary expenses are occasioned by the willful neglect or default of the Trustee, it shall not be entitled to compensation or reimbursement therefor.

Section 8.04 Notice to Bondholders if Default Occurs. If a Default occurs of which the Trustee is by Section 8.02(f) hereof required to take notice or if notice of Default be given as in Section 8.02(f) provided, then the Trustee shall give such notice to the City and the Trustee may give written notice thereof by first class mail to the last known Holders of all Bonds then Outstanding shown by the Books of Registry.

Section 8.05 Merger or Consolidation of Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any conversion, sale, merger, consolidation, or transfer to which it is a party, ipso facto, subject to the approval of the City, shall be and become successor Trustee hereunder and vested with all powers, discretions, immunities, privileges, and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed, or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.06 Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving 90 days written notice to the City, and by first class mail to each Holder of Bonds then Outstanding shown by the Books of Registry, and the resignation shall take effect upon the appointment of a successor Trustee or successor temporary Trustee by the Bondholders or by the City. The notice to the City may be served personally or sent by registered or certified mail.

Section 8.07 Removal of the Trustee. The Trustee may be removed at any time after 30 days' notice either (a) by an instrument or concurrent instruments in writing delivered to the Trustee and to the City and signed by the Holders of a majority in aggregate principal amount of all Bonds then Outstanding, or (b) unless a Default has occurred and is continuing, by written direction of an Authorized Representative delivered to the Trustee.

Section 8.08 Appointment of Successor Trustee by the City or the Bondholders. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed (a) by the City so long as the Bonds are not in Default, or (b) by the Holders of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by the Holders, or by their attorneys in fact, duly authorized. Every Trustee appointed pursuant to the provisions of this Section 8.08 must meet all the requirements of Section 8.01 hereof.

**Section 8.09 Concerning Any Successor Trustee.**

(a) Upon acceptance of appointment by the successor Trustee as provided in this Section 8.09, the City shall give notice of the succession of the Trustee to the trusts hereunder by first class mail to the Holders at the addresses shown on the Books of Registry. Each Trustee appointed hereunder shall signify its acceptance of the duties and obligations imposed upon it by this Bond Ordinance as Trustee by executing and delivering to the City a written acceptance of its duties and obligations.

(b) Every successor Trustee appointed hereunder shall execute, acknowledge, and deliver to its predecessor and also to the City an instrument in writing accepting appointment hereunder, and thereupon the successor, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties, and obligations of its predecessor; but the predecessor shall, nevertheless, on the written request of the City, or of its successor, and upon payment of all amounts due the predecessor pursuant to Section 8.03 hereof, execute and deliver an instrument transferring to the successor Trustee all the estates, properties, rights, powers, and trusts of the predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the City be required by any successor Trustee for more fully and certainly vesting in the successor the estate, rights, powers, and duties hereby vested or intended to be vested in the predecessor, any instruments in writing, shall, on request, be executed, acknowledged, and delivered by the City. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article VIII, shall be filed or recorded by the successor Trustee in each recording office where this Bond Ordinance shall have been filed or recorded.

**Section 8.10 Trustee Protected in Relying upon Ordinances, Etc.** The ordinances, resolutions, opinions, certificates, and other instruments provided for in this Bond Ordinance may be accepted by the Trustee as conclusive evidence of the acts and conclusions stated therein and shall be full warrant, protection, and authority to the Trustee for the release of property, the withdrawal of cash, and the taking or refusing to take any other action hereunder.

**Section 8.11 Successor Trustee as Trustee of Funds, Paying Agent, and Bond Registrar.** In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or has been removed shall cease to be trustee of the fund of which it is trustee and paying agent for principal of and interest and premium, if any, on the Bonds and bond registrar. The successor Trustee shall become such trustee, paying agent, and registrar, as the case may be.

**Section 8.12 Appointment of Custodians.** City Council may appoint a bank, trust company, national banking association, or national association as Custodian of any fund or account created hereunder, and the Custodian shall signify its acceptance of the powers, duties, and obligations conferred and imposed upon it by this Bond Ordinance by executing and delivering to the City a written acceptance thereof. Additionally, and if applicable under the terms hereof, the City may appoint a Custodian for any other purpose necessitated by the terms of this Bond Ordinance.

**Section 8.13 Duties and Obligations of Custodians.** The recitals of fact made in this Bond Ordinance and in the Bonds shall be taken as statements of the City, and no Custodian shall be deemed to have made any representation as to their correctness, nor shall any Custodian be deemed to have made any representation whatsoever as to the validity or sufficiency of this Bond Ordinance or of the Bonds issued hereunder, nor shall any Custodian be under any responsibility or duty with respect to the issuance of the Bonds or the application of the proceeds thereof, except to the extent provided for herein, nor shall any Custodian be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in response to this Bond Ordinance, or the Bonds issued hereunder, or to advance any of its own moneys, unless properly indemnified to its satisfaction, nor shall any Custodian be

liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

**Section 8.14 Custodians Protected in Relying Upon Ordinances, Etc.** All Custodians shall at all times be protected in acting upon any action, ordinance, request, consent, order, certificate, statement, opinion, bond, or other paper or document believed to be genuine and to have been signed by the proper party or parties.

**Section 8.15 Resignation of Custodians.** Any Custodian may at any time resign and be discharged of its duties and obligations hereunder by giving to the City written notice of such resignation, specifying a date (not less than 90 days after the notice) when the resignation shall take effect, and by written notice thereof to the Trustee. The resignation shall take effect upon the date specified in the notice unless previously a successor shall have been appointed, as hereinafter provided, in which event, the resignation shall take effect immediately upon the appointment and qualification of the successor.

**Section 8.16 Removal of Custodians.** Any Custodian may be removed at any time by the City or by the Holders of not less than a majority in principal amount of the Bonds at that time Outstanding. In the event any Custodian is removed pursuant to the provisions of this Section 8.16, notice thereof shall be given by the City to the Trustee.

**Section 8.17 Appointment of Successor Custodians.**

(a) In case any Custodian shall resign or be removed or become incapable of acting, or be adjudged bankrupt or insolvent, or a receiver of its property shall be appointed, or any public officer shall take charge or control of its property or affairs, a successor thereto shall be promptly appointed by the City. The successor shall, in all instances, be a bank, trust company, national banking association, or a national association, and shall have a combined capital and surplus of not less than \$100,000,000.

(b) Immediately following the appointment, the City shall give written notice of the appointment to the Trustee.

(c) If, in a proper case, no appointment of a successor Custodian shall be promptly made pursuant to paragraph (a) above, any Bondholder may make application to any court of competent jurisdiction for the appointment of a successor and the court may thereupon, after any notice as the court may prescribe, appoint a successor.

**Section 8.18 Concerning Any Successor Custodians.** Any successor Custodian appointed as provided hereunder shall execute and deliver to its predecessor, the Trustee and the City a written acceptance of appointment and, thereupon, the successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and obligations of its predecessor hereunder, with the same effect as if originally named as Custodian, and its predecessor shall be obligated to pay over, transfer, assign, and deliver all moneys, securities, or other property held by it to its successor, and, on the written request of the City, the Trustee, or the successor, shall execute, acknowledge, and deliver all instruments of conveyance and further assurance and do all other things as may be reasonably required for the vesting and confirming in the successor all the right, title, and interest of the predecessor in and to any property held by it.

**Section 8.19 Merger of Custodians.** Any bank or trust company into which any Custodian may be merged or with which it may be consolidated, or any bank or trust company resulting from any merger or consolidation to which it shall be a party, or any bank or trust company to which any Custodian may sell or transfer all or substantially all of its business, if the City approves, shall become the successor without the execution or filing of any paper or the performance of any other act.

**[End of Article VIII]**

## ARTICLE IX - COVENANTS

### Section 9.01 Condition of City's Obligation; Payment of Principal and Interest.

The Revenues are hereby pledged and a contractual lien upon the Revenue Fund is hereby granted for the equal and ratable payment of the Bonds and shall be used for no other purposes than to pay the principal of, premium, if any, and interest on the Bonds, except as may be otherwise expressly authorized in this Bond Ordinance.

### Section 9.02 Rate Covenant.

(a) Unless otherwise limited, suspended or terminated by the General Assembly, the City covenants and agrees that it shall not at any time, during the term that Bonds are Outstanding under this Bond Ordinance, repeal the Hospitality Fee Ordinance or Accommodations Fee Ordinance, or otherwise reduce the percentage of (i) the Hospitality Fee below one percent (1%) of the gross proceeds of sales of prepared meals and beverages sold in establishments within the City, and (ii) the Accommodations Fee below one and one-half percent (1 1/2%) of the gross proceeds derived from rental or charges for accommodations furnished to transients for consideration within the City.

(b) The City covenants to enforce the collection of the Hospitality Fees and Accommodations Fees and do all things legally authorized by the terms of the Hospitality Fee Ordinance and the Accommodations Fee Ordinance and the laws of the State to ensure the proper collection thereof.

Section 9.03 Performance of Covenants; Authority of the City. The City covenants that it will faithfully perform at all times all covenants, undertakings, stipulations and provisions contained in the Enabling Act, in this Bond Ordinance, in the Bonds executed, authenticated, and delivered hereunder, and in all proceedings pertaining thereto. The City covenants that it is duly authorized under the Constitution and laws of the State to issue the Bonds authorized hereby, to enact this Bond Ordinance, and to pledge the Revenues in the manner and to the extent herein set forth; that all action on its part for the issuance of the Bonds and the enactment of this Bond Ordinance has been duly and effectively taken; and that the Bonds in the hands of the Holders thereof are and will be valid and enforceable obligations of the City.

Section 9.04 Fiscal Year. Until changed to a different 12-month period by City Council or by law, the City shall be operated on the basis of a Fiscal Year, which commences on the first day of July of each year and ends on the 30th day of June of the following year.

Section 9.05 Annual Audited Financial Statements and Certificates. The City shall provide the Trustee or the Bondholders, if no Trustee has been appointed, within 210 days after the close of the Fiscal Year a copy of its audited financial statements for such Fiscal Year.

[End of Article IX]



## ARTICLE X - DEFEASANCE OF BONDS

### Section 10.01 Defeasance of Bonds.

(a) If all of the Bonds issued pursuant to this Bond Ordinance shall have been paid and discharged, then the obligations of the City under this Bond Ordinance, the pledge of the Revenues and the contractual lien upon the Revenue Fund made hereby, and all other rights granted hereby shall cease and determine. Bonds shall be deemed to have been paid and discharged within the meaning of this Article X under each of the following circumstances:

(i) If the Trustee, or a Custodian, if no Trustee has been appointed, shall hold, at the stated maturities of the Bonds, in trust and irrevocably appropriated thereto, moneys for the full payment thereof; or

(ii) If default in the payment of the principal of the Bonds or the interest thereon shall have occurred, and thereafter tender of payment shall have been made, and the Trustee or a Custodian, if no Trustee has been appointed, shall hold, in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of the payment; or

(iii) If there shall have been deposited with the Trustee, or a Custodian maintaining corporate trust powers (if no Trustee has been appointed) either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America, or of the State or its political subdivisions, the principal of and interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay, when due, the principal and interest due and to become due on the Bonds on the maturity thereof, or if the City has irrevocably elected to redeem Bonds, on and prior to the redemption date of such Bonds.

(b) In addition to the above requirements of paragraphs (i), (ii), or (iii) of subsection (a), in order for this Bond Ordinance to be discharged, all other fees, expenses, and charges of the Trustee or Custodian have been paid in full at that time.

Section 10.02 Deposit of Moneys. Any moneys which at any time shall be deposited with the Trustee or Custodian by or on behalf of the City for the purpose of paying and discharging any Bonds shall be and are hereby assigned, transferred, and set over to the Trustee or the Custodian in trust for the respective Holders of the Bonds, and the moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. If, through lapse of time or otherwise, the Holders of the Bonds shall no longer be entitled to enforce payment of their obligations, then, in that event, such monies shall be returned to the City.

Section 10.03 Election to Redeem Bonds. The City covenants and agrees that any moneys which it shall deposit with the Trustee or Custodian shall be deemed to be deposited in accordance with, and subject to, the applicable provisions of this Article X, and whenever it shall have elected to redeem Bonds, it will irrevocably bind and obligate itself to give notice of redemption thereof, and will further authorize and empower the Trustee, if any, to cause notice of redemption to be given in its name and on its behalf.

[End of Article X]

## ARTICLE XI - DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 11.01 Events of Default. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "Event of Default" or "Default:"

- (a) Failure to pay when due any interest on any Bond or Bonds; or
- (b) Failure to pay when due the principal of any Bond or Bonds (or premium, if any), whether at the stated maturity thereof, or upon proceedings for redemption thereof, or upon any mandatory redemption date; or
- (c) Subject to the provisions of Section 11.08, failure in the performance or observance of any other of the covenants, agreements, or conditions on the part of the City in this Bond Ordinance or in the Bonds contained; or
- (d) If a court having jurisdiction shall enter a decree or order for relief in respect of the City in an involuntary case under any applicable bankruptcy, insolvency, reorganization, or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator, or similar official of the City or for any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the decree or order shall remain unstayed and in effect for a period of 90 consecutive days; or
- (e) If the City shall commence a voluntary case under any applicable bankruptcy, insolvency, reorganization, or other similar law now or hereafter in effect, shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator, or similar official of the City or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, shall admit in writing its inability to pay its debts that become due, or shall take any action in furtherance of any of the foregoing; or
- (f) Such other events of default as may be specified in a Supplemental Ordinance.

### Section 11.02 Acceleration; Annulment of Acceleration.

Upon the occurrence of an Event of Default, the Trustee shall, upon the written request of the Holders of not less than a majority in aggregate principal amount of Bonds then Outstanding, subject to notice in writing to the City, declare all Bonds then outstanding immediately due and payable, and the principal and interest shall thereupon become and be immediately due and payable. Upon the occurrence of an Event of Default, if no Trustee has been appointed, the Bonds may be declared immediately due and payable by the Holders of not less than a majority in aggregate principal amount of Bonds then Outstanding and such Bonds shall become and be immediately due and payable.

### Section 11.03 Additional Remedies and Enforcement of Remedies.

Upon the occurrence and continuance of any Event of Default, the Holders of not less than 51% of the Outstanding Bonds, if no Trustee has been appointed, and if a Trustee has been appointed, the Trustee, upon the request of the Holders of not less than a majority of the Outstanding Bonds, shall proceed forthwith, subject to the provisions of Section 11.05 hereof, to protect and enforce its rights and the rights of the other Bondholders under this Bond Ordinance by such suits, actions or proceedings, including but not limited to:

- (a) Requiring the City to carry out its duties and obligations under the terms of this Bond Ordinance and under the Enabling Act;
- (b) Suit upon all or any part of the Bonds;
- (c) Civil action to require the City to account as if it were the trustee of an express trust for the Holders of Bonds;
- (d) Civil action to enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Bonds; and
- (e) Enforcement of any other right of the Bondholders conferred by law or by this Bond Ordinance.

**Section 11.04 Application of Revenues and Other Moneys After Default.**

(a) The City covenants that if an Event of Default shall happen and shall not have been remedied, the City shall pay or cause to be paid over to the Trustee or the Bondholders, if no Trustee has been appointed:

(1) Forthwith, all moneys and securities then held by the City which is credited to any fund under this Bond Ordinance; and

(2) As promptly as practicable after receipt thereof, all Revenues and other funds on deposit in the Revenue Fund.

(b) During the continuance of an Event of Default, the Trustee or the Bondholders, as applicable, shall apply all Revenues in its possession, for income therefrom and all moneys accruing to the Revenue Fund, as follows:

(1) Unless the principal of all of the Bonds shall have become or has been declared due and payable,

(i) First: To the payment of the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the persons entitled thereto, without any discrimination or preference; and

(ii) Second: To the payment to the persons entitled thereto of the unpaid principal installments (and redemption premiums, if any) of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal (plus redemption premium, if any) due on such date, to the persons entitled thereto, without any discrimination or preference.

(2) If the principal of all of the Bonds shall have become or has been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bonds over any other Bonds, ratably,

according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any differences as to the respective rates of interest specified in the Bonds; and

(c) To the payment of the amounts required by Section 7.04, ratably, according to the amounts due thereon to the persons entitled thereto.

Section 11.05 Remedies Not Exclusive.

No remedy by the terms of this Bond Ordinance conferred upon or reserved to the Trustee or Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Bond Ordinance or existing at law or in equity or by statute (including the Enabling Act) on or after the date hereof.

Section 11.06 Individual Bondholder Action Restricted.

Unless all of the Bonds are held by a single Holder or upon the consent of the Holders of all Bonds then Outstanding, no one or more Holders of Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the security of this Bond Ordinance or to enforce any right hereunder except in the manner herein provided and for the equal benefit of the Holders of all Bonds Outstanding.

Section 11.07 Termination of Proceedings.

In case any proceeding taken by any Bondholders on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Bondholders, the City and the Bondholders shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Bondholders shall continue as if no such proceeding had been taken.

Section 11.08 Waiver and Non-Waiver of Event of Default.

(a) No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Article XI to the Trustee and the Holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

(b) Notwithstanding anything contained in this Bond Ordinance to the contrary, the Trustee shall, upon the written request of the Holders of at least a majority of the aggregate principal amount of all Bonds then Outstanding (including, if more than one series of Bonds shall at the time be outstanding, the Holders of a majority in principal amount of all Bonds then outstanding of each such series), or in the event no Trustee has been appointed, the Holders of at least a majority of the aggregate principal amount of all Bonds then Outstanding may, waive any Event of Default hereunder and its consequences.

In case of any waiver of an Event of Default hereunder, the City and the Bondholders shall be restored to their former positions and rights under this Bond Ordinance, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

[End of Article XI]

**ARTICLE XII - AMENDING AND SUPPLEMENTING OF ORDINANCE**

**Section 12.01 Amending and Supplementing of Ordinance Without Consent of Holders of Bonds.**

(a) City Council, from time to time and at any time and without the consent or concurrence of any Holder of any Bond, may enact a Supplemental Ordinance, provided the provisions thereof shall not materially adversely affect the rights of the Holders of the Bonds then Outstanding, for any one or more of the following purposes:

(1) To make any changes or corrections in this Bond Ordinance as to which the City and the Trustee, if such has been appointed, shall have been advised by counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provision or omission or mistake or manifest error contained in this Bond Ordinance, or to insert in this Bond Ordinance provisions clarifying matters or questions arising under this Bond Ordinance as are necessary or desirable;

(2) To add additional covenants and agreements of the City for the purpose of further securing the payment of the Bonds;

(3) To surrender any right, power, or privilege reserved to or conferred upon the City by the terms of this Bond Ordinance;

(4) To confirm as further assurance any lien, pledge, or charge or the subjection of the Hospitality Fee Revenues or the Accommodations Fee Reveues to any lien, pledge, or charge, created or to be created by the provisions of this Bond Ordinance;

(5) To grant or confer upon the Bondholders any additional right, remedies, powers, authority, or security that lawfully may be granted to or conferred upon them, or to grant to or to confer upon the Trustee for the benefit of the Holders of the Bonds any additional rights, duties, remedies, powers, authority, or security;

(6) To modify any of the provisions of this Bond Ordinance in any other respects provided that the modification shall not be effective until after the Bonds Outstanding at the time the Supplemental Ordinance is enacted shall cease to be Outstanding, or until the Holders thereof consent thereto pursuant to Section 12.02 hereof, and any Bonds issued subsequent to any modification shall contain a specific reference to the modifications contained in the Supplemental Ordinance; and

(7) To make such additions, deletions or modifications as may be necessary to assure compliance with Section 148(f) of the Code relating to required rebate to the United States of America or otherwise as may be necessary to assure exemption from federal income taxation of interest on the Bonds.

(b) The City shall not enact any Supplemental Ordinance authorized by the foregoing provisions of this Section 12.01 unless there is delivered an opinion of legal counsel addressed to the City and the Trustee, if one is appointed, (which opinion may be combined with the opinion required by Section 12.04 hereof) that the enactment of the Supplemental Ordinance is permitted by the foregoing provisions of this Section 12.01 and the provisions of the Supplemental Ordinance do not adversely affect the rights of the Holders of the Bonds then Outstanding and will not affect the tax status of any Bonds then Outstanding, the interest on which is not subject to federal or State income taxation.

Section 12.02 Amending and Supplementing of Ordinance with Consent of Holders of Bonds.

(a) With the consent of the Holders of not less than a majority in principal amount of the Bonds then Outstanding, City Council from time to time and at any time may enact a Supplemental Ordinance or the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Bond Ordinance, or modifying or amending the rights and obligations of the City under this Bond Ordinance, or modifying or amending in any manner the rights of the Holders of the Bonds then Outstanding; provided, however, that, without the specific consent of the Holder of each Bond which would be affected thereby, no Supplemental Ordinance amending or supplementing the provisions hereof or thereof shall: (i) except for refunding Bonds, change the fixed maturity date of any Bond or the dates for the payment of interest thereon or the terms of the redemption thereof, or reduce the principal amount of any Bond or the rate of interest thereon or the redemption price (or the redemption premium) payable upon the redemption or prepayment thereof; (ii) reduce the aforesaid percentage of Bonds, the Holders of which are required to consent to any Supplemental Ordinance amending or supplementing the provisions of this Bond Ordinance; (iii) give to any Bond or Bonds any preference over any other Bond or Bonds secured hereby other than authorized Series with respect to Junior Bonds; (iv) authorize the creation of any pledge of the Revenues or contractual lien upon the Revenue Fund, prior, superior, or equal to the pledge of and lien and charge thereon created herein for the payment of the Bonds; or (v) deprive any Holder of the Bonds of the lien on the Revenues and the Revenues Fund afforded by this Bond Ordinance. Nothing in this paragraph contained, however, shall be construed as making necessary the approval of the Holders of the Bonds of the enactment of any Supplemental Ordinance authorized by the provisions of Section 12.01 hereof.

(b) It shall not be necessary that the consents of the Holders of the Bonds approve the particular form of wording of the proposed amendment or supplement or of the Supplemental Ordinance effecting the amending or supplementing hereof pursuant to this Section 12.02. The City shall mail a notice at least once, not more than 30 days after the effective date of any amendment or supplement, of the amendment or supplement postage prepaid, to each Holder of Bonds then Outstanding at his address appearing upon the Books of Registry and to the Trustee, but failure to mail copies of the notice to any of the Holders shall not affect the validity of the Supplemental Ordinance effecting the amendments or supplements or the consents thereto. Nothing in this paragraph contained, however, shall be construed as requiring the giving of notice of any amendment or supplement of this Bond Ordinance authorized by Section 12.01 hereof. No action or proceeding to set aside or invalidate any Supplemental Ordinance or any of the proceedings for its enactment shall be instituted or maintained unless the action or proceeding is commenced within 60 days after the mailing of the notice required by this paragraph.

(c) The City shall not enact any Supplemental Ordinance authorized by the foregoing provisions of this Section 12.02 unless in qualified legal counsel delivers an opinion addressed to the Trustee, if any, and the City (which opinion may be combined with the opinion required by Section 12.04 hereof) that the enactment of the Supplemental Ordinance is permitted by the foregoing provisions of this Section 12.02 and the provisions of the Supplemental Ordinance do not adversely affect the rights of the Holders of the Bonds then Outstanding and will not affect the tax status of any Bonds then Outstanding, the interest on which is not subject to federal or State income taxation.

Section 12.03 Notation Upon Bonds; New Bonds Issued Upon Amendments. Bonds delivered after the effective date of any action taken as provided in this Article XII may bear a notation as to the action, by endorsement or otherwise and in form approved by the City. In that case, upon demand of the Holder of any Bond Outstanding after the effective date and upon the presentation of the Bond for that purpose at the office of the Trustee, or if no Trustee is appointed, the Clerk, and at any additional offices as the City may select and designate for that purpose, a suitable notation shall be made on the Bond. If the City shall determine, new Bonds, modified as in the opinion of the City upon the advice of counsel to conform to the amendments or supplements made pursuant to this Article XII, shall be prepared, executed,

authenticated and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged without cost to the Holder for Bonds then Outstanding, upon surrender of the Outstanding Bonds.

Section 12.04 Effectiveness of Supplemental Ordinance. Upon the enactment (pursuant to this Article XII and applicable law) by City Council of any Supplemental Ordinance amending or supplementing the provisions of this Bond Ordinance and the delivery to the Trustee, if any, and the City of an opinion of legal counsel that the Supplemental Ordinance is in due form and has been duly enacted in accordance with the provisions hereof and applicable law and that the provisions thereof are valid and binding upon the City, or upon any later date as may be specified in the Supplemental Ordinance, (a) this Bond Ordinance and the Bonds shall be modified and amended in accordance with the Supplemental Ordinance, (b) the respective rights, limitations of rights, obligations, duties, and immunities under this Bond Ordinance of the City, the Trustee, and the Holders of the Bonds shall thereafter be determined, exercised, and enforced under this Bond Ordinance subject in all respects to the modifications and amendments, and (c) all of the terms and conditions of any Supplemental Ordinance shall be a part of the terms and conditions of the Bonds and of this Bond Ordinance for all purposes.

[End of Article XII]

ARTICLE XIII – TERMS OF SERIES 2011 BOND

Section 13.01 Series 2011 Bond.

A specimen Series 2011 Bond is attached to this Bond Ordinance as Exhibit A. Upon the enactment of this Bond Ordinance and the execution and consent of BB&T under Section 13.02 below, the Series 2011 Bond shall constitute a “Bond” for all purposes of this Bond Ordinance. The 2011 Debt Service Fund shall be continued as a Debt Service Fund hereunder, and there shall be no Debt Service Reserve Fund for the Series 2011 Bond. The Clerk shall act as Registrar for the Series 2011 Bond until such time as a Trustee is appointed to act instead of the Clerk. The Series 2011 Bond shall continue to have the interest payment and Record Dates, interest rate, Principal Installment payment dates and redemption provisions as set forth therein.

Section 13.02 Consent.

In accordance with Section 11.02 of the Original Bond Ordinance, the City has requested the consent of BB&T, as holder of the Series 2011 Bond, for the approval and implementation of this Bond Ordinance.

A consent certificate, the form of which is attached hereto as Exhibit B will be provided to BB&T. Upon the due execution thereof, this Bond Ordinance shall be considered immediately effective and all provisions hereof shall be applicable to the Series 2011 Bond.

[End of Article XIII]



## ARTICLE XIV - MISCELLANEOUS

Section 14.01 Benefits of Bond Ordinance Limited to the City, the Trustee, and Holders of the Bonds. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Ordinance or the Bonds is intended or should be construed to confer upon or give to any person other than the City, the Trustee, and the Holders of the Bonds, any legal or equitable right, remedy, or claim under or by reason of or in respect to this Bond Ordinance or any covenant, condition, stipulation, promise, agreement, or provision herein contained. This Bond Ordinance and all of the covenants, conditions, stipulations, promises, agreements, and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the City, the Trustee, if any, and the Holders from time to time of the Bonds as herein and therein provided.

Section 14.02 Bond Ordinance Binding Upon Successors or Assigns of the City. All the terms, provisions, conditions, covenants, warranties, and agreements contained in this Bond Ordinance shall be binding upon the successors and assigns of the City and shall inure to the benefit of the Trustee, its successors or substitutes in trust and assigns, and the Holders of the Bonds.

Section 14.03 No Personal Liability. No recourse shall be had for the enforcement of any obligation, covenant, promise, or agreement of the City contained in this Bond Ordinance or the Bonds, against any member of City Council, any officer or employee, in his individual capacity, past, present, or future, of the City, either directly or through the City, whether by virtue of any constitutional provision, statute, or rule of law, or by the enforcement of any assessment or penalty or otherwise; it being expressly agreed and understood that this Bond Ordinance and the Bonds are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer, or employee, past, present, or future, of the City, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the City and the Trustee, if any, or the Bondholder or to be implied therefrom as being supplemental hereto or thereto; and that all personal liability of that character against every member, officer, and employee is, by the enactment of this Bond Ordinance and the execution of the Bonds, and as a condition of, and as a part of the consideration for, the enactment of this Bond Ordinance and the execution of the Bonds, expressly waived and released. The immunity of members, officers, and employees of the City under the provisions contained in this Section 14.03 shall survive the completion of any Project and the termination of this Bond Ordinance and any Series Ordinance.

Section 14.04 Effect of Saturdays, Sundays and Legal Holidays. Whenever this Bond Ordinance requires any action to be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the Trustee is located, the action shall be taken on the first business day occurring thereafter. Whenever in this Bond Ordinance the time within which any action is required to be taken or within which any right will lapse or expire shall terminate on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the Trustee is located, the time shall continue to run until midnight on the next succeeding business day.

Section 14.05 Partial Invalidity.

(a) If any one or more of the covenants or agreements or portions thereof provided in this Bond Ordinance on the part of the City, the Trustee, the Custodian or any paying agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, then the covenant or covenants, or the agreement or agreements, or the portions thereof, shall be deemed severable from the remaining covenants and agreements or portions thereof provided in this Bond Ordinance and the invalidity thereof shall in no way affect the validity of the other provisions of this Bond Ordinance or of the Bonds, but the Holders of the Bonds shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

(b) If any provisions of this Bond Ordinance shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any constitution or statute or rule of public policy, or for any other reason, those circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstance, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 14.06 Law and Place of Enforcement of this Bond Ordinance. This Bond Ordinance shall be construed and interpreted in accordance with the laws of the State and all suits and actions arising out of this Bond Ordinance shall be instituted in a court of competent jurisdiction in the State.

Section 14.07 Effect of Article and Section Headings and Table of Contents. The heading or titles of the several Articles and Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation, or effect of this Bond Ordinance.

Section 14.08 Repeal of Inconsistent Ordinances and Resolutions. All ordinances and resolutions of the City, and any part of any ordinance or resolution, inconsistent with this Bond Ordinance are hereby repealed to the extent of the inconsistency.

Section 14.09 Amendment and Restatement. This Bond Ordinance, upon its enactment and the receipt of the written consent of BB&T, amends and restates the Original Bond Ordinance in its entirety. Absent the receipt of consent from BB&T, all Bonds issued under the provisions of this Bond Ordinance shall be junior and subordinate to the Series 2011 Bond.

Section 14.10 Effectiveness of this Bond Ordinance. This Bond Ordinance shall become effective upon its enactment.

[End of Article XIV]

DONE, RATIFIED AND ENACTED THIS 5th day of June 2018.

**CITY OF WALTERBORO, SOUTH CAROLINA**

[SEAL]

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Mayor

Attest:

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City Clerk

First Reading:        May 1, 2018  
Second Reading:     June 5, 2018

EXHIBIT A

SPECIMEN SERIES 2011 BOND

**CITY OF WALTERBORO, SOUTH CAROLINA  
HOSPITALITY TAX REVENUE BOND, SERIES 2011**

No. 1

\$1,145,000

CITY OF WALTERBORO, SOUTH CAROLINA (the "City"), acknowledges itself indebted and for value received hereby promises to pay, solely from the sources and as hereinafter provided, to Branch Banking and Trust Company, or its registered assigns, the principal amount of ONE MILLION ONE HUNDRED FORTY-FIVE THOUSAND DOLLARS (\$1,145,000), in the manner provided below, with interest thereon from the date hereof at the rate of two and sixty-four hundredths percent (2.64%) per annum (calculated on the basis of a 360-day year of twelve 30 day months). This Bond shall be payable in equal amortized payments of principal and interest in the amount of \$11,196.14 on the 1<sup>st</sup> day of each month (each, a "Bond Payment Date"), beginning October 1, 2011, until this Bond matures on May 1, 2021, the maturity date of this Bond.

Principal of and interest on this Bond shall be payable in any coin or currency of the United States, which at the time of payment is legal tender for the payment of public and private debts. The principal and interest so payable will be paid to the person in whose name the Bond is registered at the close of business on the 15<sup>th</sup> day immediately preceding the Bond Payment Date (the "Record Date").

The principal of and interest on this Bond shall be paid by check, draft or wire transfer by each Record Date from the office of the Director of Finance and Administration of the City (the "Finance Director"), to the person in whose name this Bond is registered on the Record Date at the address shown on the registration books, provided that the final payment of principal of and interest on this Bond shall be made upon the presentment of the Bond at the office of the Finance Director.

This Bond is issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina (the "State"), including particularly Act No. 284 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 2010, now codified at S.C. Code Ann. Section 6-1-760 of the Code of Laws of South Carolina, 1976, as amended, Chapter 17, Title 6 of the Code of Laws of South Carolina, 1976, as amended, a Hospitality Tax Ordinance duly enacted by the City Council of the City (the "City Council"), the governing body of the City, on April 4, 2006 (the "Hospitality Tax Ordinance") and a Bond Ordinance duly enacted by the City Council on August 9, 2011 (the "Ordinance"). Certain capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the Clerk of Court for Colleton County, South Carolina. The Bond is issued for the principal purposes of (a) obtaining funds to pay all remaining amounts due on a lease-purchase obligation of the City dated May 1, 2006, and (b) paying costs of issuance of this Bond.

Both the principal of and interest on this Bond, as the same shall become due, are payable solely from the Hospitality Taxes imposed and collected pursuant to the Hospitality Tax Ordinance (the "Hospitality Taxes"). This Bond shall not in any event constitute an indebtedness of the City within the meaning of any provision, limitation or restriction of the Constitution or statutes of the State of South Carolina. The City is not obligated to pay this Bond, or the interest

hereon, save and except from Hospitality Taxes. The Ordinance authorizes the issuance of Additional Bonds on a parity with the pledge and a lien given to secure this Bond which, when issued in accordance with the provisions of the Bond Ordinance, will rank equally and be on a parity therewith (the Bond and all bonds heretofore or hereafter issued on a parity therewith are hereinafter referred to as the "Bonds").

The City has covenanted that it shall not at any time, during the term that this Bond is Outstanding, reduce the amounts assessed for the Hospitality Tax to a level not sufficient to permit the City to discharge its obligations hereunder.

For the payment of the principal of and interest on this Bond, there are hereby irrevocably pledged the Hospitality Taxes; and a lien upon the receipts of all Hospitality Taxes has been granted to the Holder of this Bond. The Ordinance provides that, in addition to other remedies, upon a default thereunder, the Holder of the Bond may declare the Bond immediately due and payable.

This Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

This Bond is transferable, as provided in the Ordinance, only upon the registration books of the City kept for that purpose and maintained by the Registrar, by the Holder hereof in person or by his duly authorized attorney, upon (a) surrender of this Bond and an assignment with a written instrument of transfer with signature guaranteed by a member firm of STAMP, SEMP or MSP signature guaranty medallion program, duly executed by the Holder hereof or its duly authorized attorney and (b) payment of the charges, if any, prescribed in the Ordinance. Thereupon a new Bond of the then outstanding principal amount, but of like Principal Installments and interest rate, shall be issued to the transferee in exchange therefor as provided in the Bond Ordinance. The City may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of this Bond, the City may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

This Bond is subject to redemption at the option of the City, in whole, but not in part, on any Bond Payment Date at 101% of the outstanding principal amount of this Bond, plus accrued interest to the date of redemption.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by such Constitution or statutes.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Registrar.



**IN WITNESS WHEREOF**, the City has caused this Bond to be executed by the Mayor of the City and attested to by the City Clerk of the City and its corporate seal to be impressed hereon, all as of the 30th day of August, 2011.

(SEAL)

**CITY OF WALTERBORO, SOUTH CAROLINA**

By: \_\_\_\_\_  
Mayor

**Attest:**

\_\_\_\_\_  
City Clerk  
City of Walterboro, South Carolina

SPECIMEN

**CERTIFICATE OF AUTHENTICATION**

This is the Bond described in the within mentioned Ordinance.

\_\_\_\_\_  
City Clerk, as Registrar  
City of Walterboro, South Carolina

Date of Authentication: August 30, 2011

**[FORM OF ASSIGNMENT]**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Name and Address of Transferee)  
\_\_\_\_\_  
(Social Security  
Number or Other Identifying Information) the within bond and does hereby irrevocably constitute  
and appoint \_\_\_\_\_ attorney to transfer the within bond  
on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature Guaranteed

\_\_\_\_\_  
(Authorized Officer)

(Signature(s) must be guaranteed by  
participant in STAMP, SEMP or MSP  
signature guaranty medallion program)

Notice: The signature to the assignment a  
must correspond with the name of the Agent  
registered owner as it appears upon the  
face of the within bond in every particular,  
without alteration or enlargement or any  
change whatever.

**EXHIBIT B**

**CONSENT OF BRANCH BANKING AND TRUST COMPANY**

The undersigned hereby certifies that he is authorized to execute and deliver this Consent on behalf of Branch Banking and Trust Company (the "Bank") as holder of the \$1,145,000 original principal amount Hospitality Tax Revenue Bond, Series 2011 of the City of Walterboro, South Carolina, dated August 30, 2011 (the "Series 2011 Bond").

The Bank hereby consents to the execution and delivery of "AN AMENDED AND RESTATED ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF HOSPITALITY AND ACCOMMODATIONS FEE REVENUE BONDS OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO" dated June 5, 2018 (the "Amended Bond Ordinance").

By granting this Consent, the Bank expressly authorizes the Series 2011 Bond to be governed by the terms of the Amended Bond Ordinance. Further, the Bank expresses no opinion as to whether the consent of any other person is required for such amendment.

**BRANCH BANKING AND TRUST COMPANY**

By: \_\_\_\_\_  
Its: \_\_\_\_\_

Dated: June 5, 2018



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**ORDINANCE # 2018-08**

**2018 SERIES ORDINANCE**

**AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT EXCEEDING TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000) HOSPITALITY AND ACCOMMODATIONS FEE REVENUE BONDS, SERIES 2018 OF THE CITY OF WALTERBORO, SOUTH CAROLINA; PROVIDING FOR THE ISSUANCE OF BOND ANTICIPATION NOTES; AND OTHER MATTERS RELATING THERETO.**

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**Dated June 5, 2018**

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BE IT ORDAINED by the City Council of the City of Walterboro (the "City Council"), the governing body of the City of Walterboro, South Carolina (the "City"):

**Section 1. Findings of Fact.** As an incident to the enactment of this ordinance (this "2018 Series Ordinance"), and the issuance of the indebtedness provided for herein, the City Council finds that the facts set forth in this Section 1 exist and the following statements are in all respects true and correct:

(a) The City Council recognizes that tourism is an effective way of redistributing wealth in a community. Vibrant tourism provides: (a) economic benefits by providing jobs, increased spending, economic diversification and infrastructure redevelopment; (b) social benefits by creating community identity and pride; and (c) environmental benefits through financial support or in-kind support of local environmental and natural resources.

(b) On the date hereof, the City Council enacted an Amended and Restated General Bond Ordinance (the "Bond Ordinance") providing for the issuance of Hospitality and Accommodations Fee Revenue Bonds as described in Section 3.01 therein. Terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Ordinance.

(c) City Council has now determined that it is in the best interest of the City to renovate, improve and equip the Walterboro Wildlife Discovery Center (the "Project").

(d) Upon completion, the Project is expected to attract tourists (as such term is used in Act No. 284), promote tourism in and to the City and optimize the economic, social and environmental benefits discussed above. The Project is further expected to: (a) encourage visitors to the City; (b) showcase the City's existing assets; (c) allow for community events and cross-promotional endeavors; (d) expand regional and intergovernmental cooperation; (e) stimulate spending in the City; and (f) serve as an inducement to economic development and private investment within the City.

(e) For these and other reasons, the Project constitutes [both a "tourism-related cultural...facility" and a "tourism-related ... recreational...facility"] as provided at Section 6-1-530 of the Accommodations Fee Act and Section 6-1-730 of the Hospitality Fee Act.

(f) Pending the issuance and delivery of the Series 2018 Bond, the City, acting through the City Manager as an Authorized Representative, may determine to issue one or more hospitality fee and accommodations revenue bond anticipation notes in the principal amount of not exceeding \$2,500,000 (the "BAN" or "BANs") in accordance with the provisions of Title 11, Chapter 17 of the Code of Laws of South Carolina 1976, as amended (the "BAN Act").

(g) The City has determined to issue its Series 2018 Bond to (1) provide for the redemption in full of the City's originally issued \$1,145,000 Hospitality Tax Revenue Bond, Series 2011 (the "Series 2011 Bond"); (2) provide for the redemption in full of any BAN or BANs; (3) defray the costs of the Project, including the recoupment of funds previously expended; and (4) to pay the costs of issuance of the Series 2018 Bond.

(h) By reason of the foregoing, the City has determined to adopt this 2018 Series Ordinance in accordance with the terms and provisions of the Bond Ordinance in order to provide for the issuance of the Series 2018 Bond under the terms hereof.

**Section 2. Definitions.** The terms defined above and in this Section 2 and all words and terms defined in the Bond Ordinance (except as herein otherwise expressly provided or unless the context otherwise

requires), shall for all purposes of this 2018 Series Ordinance have the respective meanings given to them in the Bond Ordinance and in this Section 2.

“2018 Debt Service Fund” shall mean that fund established pursuant to Section 6.03(a) of the Bond Ordinance and Section 5(a) of this 2018 Series Ordinance.

“2018 Debt Service Reserve Fund” shall mean the fund, if any, established pursuant to Section 6.04 of the Bond Ordinance and Section 5(c) of this 2018 Series Ordinance.

“2018 Series Ordinance” shall mean this series ordinance.

“City Manager” shall mean the City Manager of the City.

“Purchaser” means the banking institution that purchases the Series 2018 Bond.

Section 3      Authorization of Series 2018 Bond, Maturity and Interest Rate.

(a)      The Date of Issue of the Series 2018 Bond shall be the date of its original delivery. The Series 2018 Bond shall be issued as a single typewritten, fully registered bond in the denomination of the principal amount thereof, and shall bear interest at the rate determined in accordance with the provisions contained herein (calculated per annum on the basis of a 360-day year of twelve 30-day months).

The Series 2018 Bond shall be in substantially the form attached hereto as Exhibit A, with any necessary or appropriate variations, omissions, and insertions as are incidental to the series, number, denomination, maturity, interest rate, redemption provisions, and other details thereof or as are otherwise permitted or required by law or by the Bond Ordinance, including this 2018 Series Ordinance.

(b)      Interest on the Series 2018 Bond shall be determined pursuant to the sale provisions provided in Section 8 hereof. Interest on the Series 2018 Bond shall be payable on such dates as determined by the City Manager. The Record Dates for the payment of interest on the Series 2018 Bond shall be determined by the City Manager.

(c)      The Series 2018 Bond shall mature on such date as to be determined by the City Manager.

(d)      As determined by the City Manager, the Series 2018 Bond may be sold in multiple series bearing any such designation as appropriate. Should the Series 2018 Bond not be issued in calendar year 2018, the designation for the Series 2018 Bond and all other references to “2018” recited herein shall be changed to appropriately reflect the year of such actual issuance. References herein to the Series 2018 Bond or Bonds shall include all Series of Bonds.

Section 4.      Redemption Provisions. The Series 2018 Bond shall be subject to redemption prior to maturity, at the option of the City upon the terms agreed to by and between the City Manager and the Purchaser.

Section 5.      Establishment of Funds.

(a)      In accordance with Section 6.03 of the Bond Ordinance, there is hereby established the 2018 Debt Service Fund. The 2018 Debt Service Fund shall be held in the complete control and custody of the City. Deposits thereto shall be made in accordance with the provisions of the Bond Ordinance.

(b) In accordance with Section 6.05 of the Bond Ordinance, there is hereby established the Series 2018 Construction Fund. Upon delivery of the Series 2018 Bond, the proceeds thereof shall be deposited into the Series 2018 Construction Fund. Disbursements shall be made from the Series 2018 Construction Fund to defray the costs of the Project and costs of issuance of the Series 2018 Bond. To the extent the City, acting through the City Manager, determines to redeem the Series 2011 Bond or is required to redeem the BANs, such amounts shall be disbursed from the Series 2018 Construction Fund. The Series 2018 Construction Fund shall be held, maintained and controlled by the City or as the City otherwise directs.

(c) In accordance with Section 6.04 of the Bond Ordinance, a 2018 Debt Service Reserve Fund may be established, if required by the Purchaser.

(d) As permitted by the Bond Ordinance, the City shall maintain the Hospitality Fund and the Accommodations Fund.

**Section 6. Certain Findings and Determinations.** The City finds and determines:

(a) This 2018 Series Ordinance supplements the Bond Ordinance, constitutes and is a "Series Ordinance" within the meaning of the quoted term as defined and used in the Bond Ordinance, and is enacted under and pursuant to the Bond Ordinance.

(b) The Series 2018 Bond constitutes and is a "Bond" within the meaning of the quoted word as defined and used in the Bond Ordinance.

(c) The Hospitality Fee Revenues and Accommodations Fee Revenues pledged under the Bond Ordinance are not encumbered by any lien or charge thereon or pledge thereof other than as permitted under the Bond Ordinance.

(d) There does not exist an Event of Default, nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute an Event of Default under the Bond Ordinance.

(e) The Series 2018 Bond is being issued for the purposes described in Section 1(g) of this 2018 Series Ordinance.

(f) In accordance with Section 4.10 of the Bond Ordinance, no Trustee has been appointed under this Series Ordinance and the Clerk shall serve as Registrar for the Series 2018 Bond.

**Section 7. Continuing Disclosure.** Pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, the City covenants to file with a central repository for availability in the secondary bond market, when requested, an annual independent audit, within 30 days of its receipt of the audit; and event specific information within 30 days of an event adversely affecting more than 5% of its revenue or tax base. The only remedy for failure by the City to comply with the covenant in this Section 7 shall be an action for specific performance of this covenant. The City specifically reserves the right to amend this covenant to reflect any change in or repeal of such Section 11-1-85, without the consent of any Purchaser.

**Section 8. Sale of Series 2018 Bond.**

(a) The City Manager is authorized to engage the services of a qualified municipal advisor to assist the City with the sale of the Series 2018 Bond.

(b) The City Manager is hereby authorized to solicit bids from such banking institutions and upon such terms as he shall determine for the purchase of the Series 2018 Bond and he is authorized to

award the sale of the Series 2018 Bond to the banking or financial institution that provides the most favorable terms, including the rate of interest the Series 2018 Bond shall bear, for the payment of the Series 2018 Bond. Alternatively, the City Manager, with the assistance of the City's municipal advisor, if any, is authorized to negotiate the sale of the Series 2018 Bond directly with such banking institutions as he shall determine.

(c) A copy of this 2018 Series Ordinance shall be filed with the minutes of this meeting.

(d) The City Council hereby authorizes and directs all of the officers and employees of the City to carry out or cause to be carried out all obligations of the City under the Bond Ordinance and this 2018 Series Ordinance and to perform all other actions as they shall consider necessary or advisable in connection with the issuance, sale, and delivery of the Series 2018 Bond.

Section 9. Tax Status of Series 2018 Bond. The City hereby represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest on the Series 2018 Bond to become includable in the gross income of the Purchaser thereof for federal income tax purposes pursuant to the provisions of the Code and the United States Treasury Regulations (the "Regulations"). For purposes of this Section 9, all references to the Series 2018 Bond shall apply equally to the BAN, *mutatis mutandis*. Without limiting the generality of the foregoing, the City represents and covenants that:

(a) All property financed or refinanced with the net proceeds of the Series 2018 Bond will be owned by the City for federal income tax purposes.

(b) The City shall ensure that (i) not in excess of 10% of the amount actually or constructively received from the sale of the Series 2018 Bond, together with the investment earnings thereon ("Net Proceeds"), is used directly or indirectly in a trade or business carried on by a natural person or in any activity carried on by a person other than a natural person, excluding, however, use by a state or local governmental unit and use as a member of the general public but not use by the federal government of the United States of America or any agency or instrumentality thereof ("Private Business Use"), if, in addition, the payment of more than ten percent of the principal or ten percent of the interest due on the Series 2018 Bond during the term thereof is, under the terms thereof or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for a Private Business Use or in payments in respect of property used or to be used for a Private Business Use or is to be derived from payments, whether or not to the State, in respect of property or borrowed money used or to be used for a Private Business Use; and (ii) in the event that both (a) in excess of 5% of the Net Proceeds are used for a Private Business Use, and (b) an amount in excess of 5% of the principal or 5% of the interest due on the Series 2018 Bond during the term thereof is, under the terms thereof or any underlying arrangement, directly or indirectly, secured by any interest in property used or to be used for said Private Business Use or in payments in respect of property used or to be used for said Private Business Use or is to be derived from payments, whether or not to the State, in respect of property or borrowed money used or to be used for said Private Business Use, then said excess over said 5% of Net Proceeds used for a Private Business Use shall be used for a Private Business Use related to the governmental use of a portion of the facilities financed with the proceeds of the Series 2018 Bond and shall not exceed the proceeds used for the governmental use of the portion of the undertaking to which such Private Business Use is related.

(c) The City is not a party to and will not enter into or permit any other party to enter into, any contracts with any entity involving the management of any property provided with the proceeds of the Series 2018 Bond that do not conform to the guidelines set forth in Revenue Procedure 2017-13, or a successor provision of the Regulations.

(d) The City will not sell or lease or permit any other party to sell or lease, any property financed or refinanced with the proceeds of the Series 2018 Bond to any person unless it obtains the opinion of nationally recognized bond counsel that such lease, sale or other disposition will not adversely affect the tax exemption of the Series 2018 Bond.

(e) The Series 2018 Bond will not be “federally guaranteed” within the meaning of Section 149(b) of the Code. The City shall not enter into any leases or sales or service contracts with any federal government agency unless it obtains the opinion of nationally recognized bond counsel that such action will not adversely affect the tax exemption of the Series 2018 Bond.

(f) The City will, so long as the Series 2018 Bond is Outstanding, furnish a copy of its audited financial statements to the Purchaser, which audited financial statements will be prepared in accordance with Section 9.05 of the Bond Ordinance.

**Section 10. Arbitrage Bonds.** The City hereby covenants and agrees with the Purchaser that no use of the proceeds of the Series 2018 Bond shall be made which, if such use had been reasonably expected on the date of issue of the Series 2018 Bond, would have caused the Series 2018 Bond to be an “arbitrage bond,” as defined in the Code, and to that end the City hereby shall:

(a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any Regulations so long as the Series 2018 Bond is Outstanding;

(b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States Government;

(c) make such reports of such information at the time and places required by the Code; and

(d) take such other action as may be required to assure that the tax-exempt status of the Series 2018 Bond will not be impaired.

**Section 11. Qualified Tax-Exempt Obligation - Designation.**

The City expects to issue no tax-exempt obligations in calendar year 2018 which, along with the Series 2018 Bond, would aggregate more than \$10,000,000. Accordingly, the Series 2018 Bond is hereby designated as a “qualified tax-exempt obligation” within the meaning of Section 265(b)(3)(B) of the Code.

**Section 12. Interested Parties.** Nothing in the Bond Ordinance or this 2018 Series Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City and the Purchaser, any right, remedy or claim under or by reason of the Bond Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in the Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the Purchaser.

**Section 13. Additional Provisions.** The Bond Ordinance remains in full force and effect and shall govern the issuance of the Series 2018 Bond.

**Section 14. Additional Documents; Further Authorization.** The City Manager and the City Clerk are fully authorized and empowered to take any further action and to execute and deliver any closing documents as may be necessary and proper to effect the delivery of the Series 2018 Bond in accordance with the terms and conditions hereof. The actions by any of the authorized officers in executing and delivering documents in any

such form as he or she shall approve is hereby fully authorized. Additionally, any actions taken by the above-mentioned officials affecting the delivery of the Series 2018 Bond prior to the enactment of this 2018 Series Ordinance are hereby approved and authorized.

Section 15. Section Headings. The headings and titles of the several sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation, or effect of this 2018 Series Ordinance.

Section 16. Required Publications and Public Hearing. By the terms of the Bond Ordinance and the Enabling Act, the Series 2018 Bond is being issued pursuant to the procedures in Section 4-29-68 of the Code of Laws of South Carolina 1976, as amended ("Section 4-29-68"). As required by Section 4-29-68, a public hearing shall be held prior to enactment of this 2018 Series Ordinance. Notice of such public hearing shall in the form set forth in Exhibit B attached hereto.

Section 17. Severability. If any one or more of the covenants or agreements provided in this 2018 Series Ordinance on the part of the City or the Trustee, if any, to be performed should be contrary to applicable law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this 2018 Series Ordinance.

Section 18. Bond Anticipation Notes.

(a) Pursuant to the BAN Act, and for the purpose of raising moneys to (1) redeem the Series 2011 Bond, (2) defray the costs of the Project, including the recoupment of funds previously expended, and (3) pay costs of issuance associated therewith, the City Council authorizes the City Manager to determine whether and to what extent a BAN shall be issued. The BAN may be as one or more notes, in one or more series in the principal amount of not exceeding \$2,500,000. The BAN shall be issued in anticipation of the issuance of the Series 2018 Bond. The City Manager shall establish the principal amount of each BAN, so long as the aggregate principal amount of the BANs does not exceed \$2,500,000.

(b) The BAN shall be issued and delivered at such times and upon such conditions as determined by the City Manager.

(c) The City Manager shall be authorized to negotiate the sale of the BAN to a financial institution(s) of his choice. In negotiating with such financial institution, the City Manager, acting together with the City's municipal advisor, if any, shall negotiate the sale of the BAN on the terms the City Manager determines to be most advantageous to the City.

(d) Each BAN shall be dated the date of its respective delivery and bear interest on the basis of a 360-day year (consisting of twelve 30-day months), payable at maturity or the earlier redemption of the BAN. Each BAN shall mature on such date or dates as the City Manager shall determine, but in no event shall any BAN mature on a date that is more than one year from the date of its delivery. The BANs shall be subject to optional redemption upon such terms as the City Manager shall determine, consistent with the provisions of this Section 18.

(e) Subject to certain restrictions recited on the face of the obligation, the BAN shall be subject to assignment by the purchaser thereof or any future assignee by an instrument in writing duly executed by the purchaser or any assignee of the payee.

(f) Upon a determination to issue a BAN, the City irrevocably covenants and agrees to effect the issuance of a refunding bond anticipation note or the Series 2018 Bond, the issuance of which has been

authorized herein, on an occasion prior to the maturity of the future BAN and in ample time that the proceeds of said refunding bond anticipation note or the Series 2018 Bond shall be available to effect the payment of the BAN. Additionally, the City shall be authorized to apply the proceeds of any grants or other monies that it receives to the redemption of the BAN.

(g) In the event the BAN is subject to optional redemption and the City shall hereafter determine to issue the Series 2018 Bond on a date which would result in the City receiving proceeds from the issuance of the Series 2018 Bond in an amount sufficient to redeem the BAN, then in such event (and subject to the redemption provisions authorized herein) the City may exercise its option to effect the redemption of the BAN, at such times as the City Manager shall determine, and shall be obligated to give notice of its intention to exercise such right to the payee or to any assignee of the BAN, not less than seven days prior to the date fixed for the redemption of the BAN. In the event that the BAN is not subject to optional redemption prior to its stated maturity, then the principal amount of any refunding bond anticipation note issued prior to the stated maturity of the BAN sufficient to redeem the BAN or any amounts made available from the proceeds of the Series 2018 Bond after the respective delivery thereof and prior to the stated maturity date of the BAN sufficient to redeem the BAN shall be retained by a financial institution chosen by the City Manager; such monies shall be placed in an irrevocable trust and invested in accordance with Section 6-5-10 of the Code of Laws of South Carolina 1976, as amended, pending the maturity of the BAN.

(h) Both the principal of and interest on the BAN shall be payable only in such coin or currency of the United States of America as shall be on the occasion of such payments legal tender for the payment of public and private debts.

(i) The principal sum of the BAN shall bear interest from the date of delivery thereof. Such principal sum, together with such interest as may be due thereon, shall be paid on the stated maturity date or dates of the BAN, or the date of its redemption if the BAN is redeemed prior to the stated maturity thereof, and shall be paid to the named payee thereof; provided, however, if the BAN has been assigned by the named payee, such payment shall be made to the subsequent assignee.

(j) The BAN shall be executed in the name of the City by the manual signature of the Mayor, or in the absence or inability of the Mayor to sign, then by the City Manager, under the seal of the City, which shall be impressed or reproduced thereon, and attested by the manual signature of the City Clerk. The BAN shall be executed by the persons holding such offices when the BAN is ready for delivery or is presented for transfer.

(k) The BAN shall be issued in typewritten form and shall be substantially in the form set forth in Exhibit C attached hereto, with such variations, omissions, and insertions as may be required to complete the BAN properly and as may be approved by the officers executing the BAN, which approval shall be conclusively evidenced by such execution.

(l) For the payment of the principal of and interest on the BAN there shall be, and there is hereby irrevocably pledged a sufficient amount of the proceeds of any refunding bond anticipation note or the Series 2018 Bond in order to provide the moneys necessary to effect the payment thereof, and to that end the City irrevocably obligates and binds itself to effect the issuance of a refunding bond anticipation note or the Series 2018 Bond in order to effect the payment of the principal of and interest on the BAN on the date of its stated maturity or earlier redemption. THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY ARE NOT PLEDGED TO THE PAYMENT OF THE BAN.

(m) Upon delivery of the BAN and the receipt of the proceeds thereof shall be deposited in accordance with the determination of the City Manager in order to accomplish the purposes for issuing the



BAN.

(n) To the extent the City has not issued and does not intend to issue tax-exempt obligations in calendar year 2018 or any subsequent year to which such designation may apply, which together with the BAN do not add up to more than \$10,000,000 in the aggregate, the BAN is hereby accordingly designated a “qualified tax-exempt obligation” in accordance with Section 265(b)(3) of the Code.

Section 19. Effective Date. This 2018 Series Ordinance shall become effective immediately upon its enactment.

DONE, RATIFIED AND ENACTED THIS 5th day of June 2018.

CITY OF WALTERBORO, SOUTH CAROLINA

---

Mayor

Attest:

---

City Clerk  
City of Walterboro, South Carolina

First Reading: May 1, 2018  
Public Hearing: June 5, 2018  
Second Reading: June 5, 2018



4-29-68 of the Code of Laws of South Carolina 1976, as amended, a Hospitality Tax Ordinance duly enacted by the City Council of the City (the "City Council"), the governing body of the City, on April 4, 2006 (the "Hospitality Fee Ordinance"), an Accommodations Tax Ordinance duly enacted by the City Council on June 27, 2006 (the "Accommodations Fee Ordinance"), an Amended and Restated General Bond Ordinance duly enacted by the City Council on June 5, 2018 (the "General Bond Ordinance") and a 2018 Series Ordinance duly enacted by the City Council on June 5, 2018 (the "Series Ordinance" and together with the General Bond Ordinance, the "Ordinance"). Certain capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the Clerk of Court for Colleton County, South Carolina.

[redemption provisions]

Both the principal of and interest on this Bond, as the same shall become due, are payable solely from the Hospitality Fees imposed and collected pursuant to the Hospitality Fee Ordinance (the "Hospitality Fees") and the Accommodations Fees imposed and collected pursuant to the Accommodations Fee Ordinance (the "Accommodations Fees" and, together with the Hospitality Fees, the "Revenues"). This Bond is not secured by, or in any way entitled to, a pledge of the full faith, credit or taxing power of the City and shall not in any event constitute an indebtedness of the City within the meaning of any provision, limitation or restriction of the Constitution or statutes of the State, other than those provisions authorizing indebtedness payable solely from a special source, which source does not involve revenues from any tax or license. This Bond is not a pecuniary liability of the City or a charge against the City's general credit or taxing power. The City is not obligated to pay this Bond, or the interest hereon, save and except from the Revenues.

Unless otherwise limited, suspended or terminated by the General Assembly, the City has covenanted that it shall not at any time, during the term that this Bond is outstanding, reduce the percentage of the Hospitality Fee below one percent (1%) of the gross proceeds of sales of prepared meals and beverages sold in establishments within the City and, unless otherwise limited, suspended or terminated by the General Assembly, the City has covenanted that it shall not at any time, during the term that this Bond is outstanding, reduce the percentage of the Accommodations Fee below one and one-half percent (1.5%) of the gross proceeds derived from rental or charges for accommodations furnished to transients for consideration within the City.

For the payment of the principal of and interest on this Bond, there are hereby irrevocably pledged the Revenues and a contractual lien upon the Revenues (as defined in the Ordinance) has been granted to the Bank. The Ordinance authorizes the issuance of additional Bonds on a parity with the pledge and a lien given to secure this Bond which, when issued in accordance with the provisions of the General Bond Ordinance, will rank equally and be on a parity therewith (this Bond and all bonds heretofore or hereafter issued on a parity therewith are hereinafter referred to as the "Bonds").

The Ordinance provides that, in addition to other remedies, upon a default thereunder, the Bank, under certain circumstances, may declare this Bond immediately due and payable.

This Bond and the interest, if any, hereon are exempt from all State, county, municipal, school City, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

The person in whose name this Bond shall be registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of this Bond shall be made only to or upon the order of the Registered Holder or his legal representative. All payments made in this manner shall be valid and effective to satisfy and discharge the liability of the City upon this Bond to the extent of the sum or sums paid.

No person other than the Registered Holder shall have any right to receive payments, pursue remedies, enforce obligations, or exercise or enjoy any other rights under this Bond against the City.

For every exchange or transfer of this Bond in accordance with the terms of the Ordinance, the City may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by such Constitution or statutes.

Whenever the terms of this Bond require any action be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the trustee or custodian, if then appointed, is located, the action shall be taken on the first business day occurring thereafter.

The Ordinance contains provisions defining terms; sets forth the terms and conditions upon which the covenants, agreements, and other obligations of the City made therein may be discharged at or prior to the maturity of this Bond with provisions for the payment thereof in the manner set forth in the Ordinance; and sets forth the terms and conditions under which the Ordinance may be amended or modified with or without the consent of the Registered Holder of this Bond. Reference is hereby made to the Ordinance, to all the provisions of which any Registered Holder of this Bond by the acceptance hereof thereby assents.

It is hereby certified and recited that all acts, conditions, and things required by the Constitution and laws of the State to exist, to happen, and to be performed precedent to or in the issuance of this Bond exist, have happened, and have been done and performed in regular and due time, form, and manner, and that the amount of this Bond does not exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, THE CITY OF WALTERBORO, SOUTH CAROLINA, has caused this Bond to be executed by the Mayor of the City of Walterboro, South Carolina and attested to by the City Clerk of the City of Walterboro, South Carolina and its corporate seal to be impressed hereon, all as of the \_\_\_ day of \_\_\_\_\_, 2018.

**CITY OF WALTERBORO, SOUTH CAROLINA**

(SEAL)

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Social Security No. or other Identifying Number of Assignee \_\_\_\_\_) the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_ to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_  
Authorized Officer

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

NOTICE OF PUBLIC HEARING

The City Council of the City of Walterboro (the "City Council"), the governing body of the City of Walterboro, South Carolina will hold a public hearing in its chambers on Tuesday, June 5, 2018 at 6:15 p.m. (the "Hearing"). The Hearing will occur during the City Council's regularly scheduled meeting. The City Council's chambers are located on the 2nd floor of City Hall, 242 Hampton Street, Walterboro, South Carolina.

The City Council is considering the enactment of "AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF A NOT EXCEEDING TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000) HOSPITALITY AND ACCOMMODATIONS FEE REVENUE BOND, SERIES 2018 OF THE CITY OF WALTERBORO, SOUTH CAROLINA; PROVIDING FOR THE ISSUANCE OF BOND ANTICIPATION NOTES; AND OTHER MATTERS RELATING THERETO." The Hearing shall be conducted publicly and both proponents and opponents of the proposed action shall be given full opportunity to be heard in person or by counsel.

FORM OF BAN

**WITH THE CONSENT OF THE PURCHASER, AND NOTWITHSTANDING ANY CONTRARY PROVISION CONTAINED IN THE BOND ORDINANCE OR THE 2018 SERIES ORDINANCE, THE BAN MAY BE SOLD OR TRANSFERRED ONLY TO PURCHASERS WHO EXECUTE AN INVESTMENT LETTER DELIVERED TO THE CITY, IN FORM SATISFACTORY TO THE CITY, CONTAINING CERTAIN REPRESENTATIONS, WARRANTIES AND COVENANTS AS TO THE SUITABILITY OF SUCH PURCHASERS TO PURCHASE AND HOLD THE BOND. SUCH RESTRICTION SHALL BE SET FORTH ON THE FACE OF THE BAN AND SHALL BE COMPLIED WITH BY EACH TRANSFEREE OF THE BAN.**

UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
CITY OF WALTERBORO  
HOSPITALITY AND ACCOMMODATIONS FEE REVENUE  
BOND ANTICIPATION NOTE, SERIES 2018  
ISSUED PURSUANT TO TITLE 11, CHAPTER 17,  
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

[\$]

No. 1

The CITY OF WALTERBORO, SOUTH CAROLINA (the "City") hereby acknowledges itself indebted, and for value received, promises to pay to \_\_\_\_\_ the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), \_\_\_\_\_ [days/months] from the date hereof, or on the occasion of the delivery of an issue of a hospitality and accommodations fee revenue refunding bond anticipation note or a Hospitality and Accommodations Fee Revenue Bond (the "Bond"), to pay interest on said principal sum, on the basis of a 360 day year, from the delivery date hereof, at the rate of \_\_\_\_\_ hundredths per centum (\_\_\_\_\_% ) per annum, payable upon the stated maturity or earlier redemption date of this Hospitality and Accommodations Fee Revenue Bond Anticipation Note, Series 2018 (this "Note").

Both the principal of and interest on this Note are payable in any coin or currency of the United States of America, which is, at the time of payment, legal tender for the payment of public and private debts.

This Note is issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina (the "State"), including particularly Title 11, Chapter 17 of the Code of Laws of South Carolina 1976, as amended, Act No. 284 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 2010, now codified at S.C. Code Ann. Section 6-1-760 of the Code of Laws of South Carolina 1976, as amended and including the procedures of Section 4-29-68 of the Code of Laws of South Carolina 1976, as amended, a Hospitality Tax Ordinance duly enacted by the City Council of the City (the "City Council"), the governing body of the City, on April 4, 2006, an Accommodations Tax Ordinance duly enacted by the City Council on June 27, 2006 (the "Accommodations Fee Ordinance"), an Amended and Restated General Bond Ordinance duly enacted by the City Council on June 5, 2018 (the "General Bond Ordinance") and a 2018 Series Ordinance duly enacted by the City Council on June 5, 2018 (and together with the General Bond Ordinance, the "Ordinance"). Certain capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the Clerk of Court for Colleton County, South Carolina.

For the payment of this Note, both principal and interest, the proceeds of the Bond are hereby irrevocably pledged, and the City has irrevocably covenanted and agreed to effect the issuance of the Bond or of a refunding bond anticipation note on or prior to the stated maturity of this Note. **THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY ARE NOT PLEDGED TO THE PAYMENT OF THIS NOTE.**

[In the event this Note is subject to redemption, the following provision shall be applicable to this Note. If by reason of the issuance of a refunding bond anticipation note or the Bonds in anticipation of which this Note is issued, on a date earlier than the stated maturity of this Note, this Note shall be redeemable upon payment of the principal amount due hereon, plus interest hereon to the redemption date, upon written notice of redemption to the payee hereof, seven (7) days prior to the date fixed for redemption.]

This Note is a non-negotiable instrument but may be assigned by the payee hereof, or any assignee of such payee, by an instrument in writing, duly executed by the payee or any assignee of the payee, notice of which shall be given to the City.

This Note and the interest hereon are exempt from all State, municipal, school, city and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer or certain franchise taxes.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen, or to be performed precedent to or in the issuance of this Note, do exist, have happened and have been performed in regular and due time, form and manner, and that the City has irrevocably obligated itself to issue and sell prior to the stated maturity hereof, in the manner prescribed by law, the Bond in anticipation of which this Note is issued.

IN WITNESS WHEREOF, THE CITY OF WALTERBORO, SOUTH CAROLINA, has caused this Note to be executed in its name by the Mayor, and attested to by the City Clerk; the official seal of the City is to be impressed hereon, and this Note shall be dated as of the \_\_\_\_ day of \_\_\_\_, 2018.

**CITY OF WALTERBORO, SOUTH CAROLINA**

(SEAL)

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk



ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Social Security No. or other Identifying Number of Assignee \_\_\_\_\_) the within Note and does hereby irrevocably constitute and appoint \_\_\_\_\_ to transfer the within Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature: \_\_\_\_\_  
Authorized Officer

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

**ORDINANCE # 2018-09**

**AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF WALTERBORO, SOUTH CAROLINA, TO PROVIDE FOR CHANGES IN THE ZONING DISTRICTS OF THE CITY OF WALTERBORO BY CHANGING THE ZONING CLASSIFICATION OF ONE PARCEL OF LAND ON CARN STREET DESIGNATED AS TMS # 163-11-00-058 FROM MEDIUM DENSITY RESIDENTIAL (MDR) DISTRICT TO NEIGHBORHOOD COMMERCIAL DISTRICT (NCD).**

**WHEREAS**, the Planning Commission of the City of Walterboro met on April 17, 2018 to consider a change in zoning classification from Medium Density Residential District (MDR) to Neighborhood Commercial District (NCD) for the above mentioned property,

**WHEREAS**, pursuant to said meeting, the Planning Commission has recommended that the zoning classification of the property aforesaid be changed to the Neighborhood Commercial District (NCD) Zoning District.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and City Council of the City of Walterboro, South Carolina, that the Zoning Map of the City of Walterboro, South Carolina is hereby amended by changing the Zoning District classification of the property located on Carn Street, designated as tax map number 163-11-058 from Medium Density Residential (MDR) District to Neighborhood Commercial District (NCD) as shown on the attached map.

**DONE**, this \_\_\_\_\_ day of June, 2018

\_\_\_\_\_  
William T. Young, Jr  
Mayor

ATTEST:

\_\_\_\_\_  
Betty J. Hudson  
City Clerk

First Reading: \_\_\_\_\_  
Public Hearing: \_\_\_\_\_  
Second Reading: \_\_\_\_\_

300 Carn Re-Zone Map WIDE L



April 25, 2018

— Override 1

— Solid Waste Services

0 0.01 0.03 0.05 0.1 km

— Convenience Center

— Road Centerlines

0 0.03 0.05 0.1 km

2016 Parcel Records (12/31/2016)

— Paved

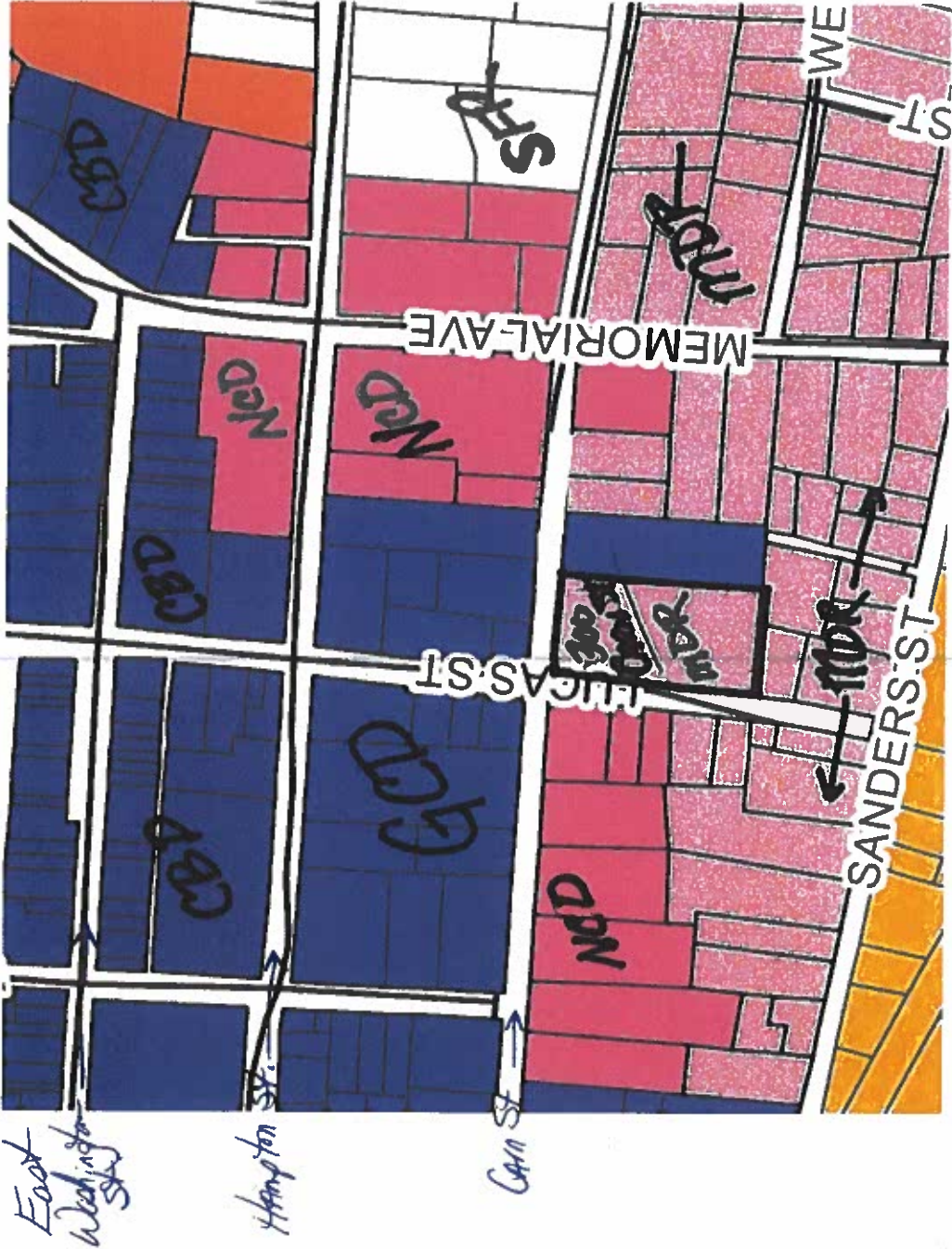
0 0.03 0.05 0.1 km

— Landfill

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

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**RESOLUTION NO. 2018-R-05**

**TO EXPRESS THE INTENTION OF THE CITY COUNCIL OF THE CITY OF WALTERBORO, TO CAUSE THE CITY OF WALTERBORO TO BE REIMBURSED WITH THE PROCEEDS OF OBLIGATIONS FOR CERTAIN COSTS ASSOCIATED WITH THE RENOVATION OF THE WALTERBORO WILDLIFE DISCOVERY CENTER.**

**WHEREAS**, the City of Walterboro, South Carolina (the "City") hereby declares its intention to reimburse itself for a portion of the original expenditures of the renovation of the Walterboro Wildlife Discovery Center (the "Project") with the proceeds of bonds or notes or other obligations of the City (the "Obligations"), in a maximum aggregate principal amount reasonably expected not to exceed \$2,500,000;

**NOW, THEREFORE**, be it resolved by the City Council of the City of Walterboro, and it is hereby determined and declared and resolved by the same, as follows:

(a) no funds from any sources other than the Obligations may be, are, or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside by the City pursuant to the budget or financial policies of the City for the financing of the portion of the costs of acquisition, construction, and equipping of the Project to be funded with the Obligations;

(b) the City reasonably expects that all or a portion of the original expenditures incurred for the Project and the issuance of the Obligations will be paid prior to the date of issuance of the Obligations;

(c) the City intends and reasonably expects to reimburse itself for all such expenditures paid by it with respect to the Project prior to the issuance of the Obligations, from the proceeds of the Obligations, and such intention is consistent with the budgetary and financial circumstances of the City;

(d) the City intends and reasonably expects to reimburse itself for all such expenditures no later than 18 months after the later of (i) the date the original expenditure is paid, or (ii) the date the Project is placed in service or abandoned for federal income tax purposes, but in no event more than 3 years after the original expenditure is paid;

(e) all of the costs to be paid or reimbursed from the proceeds of the Obligations, will be for costs incurred in connection with the issuance of the Obligations or will, at the time of payment thereof, be properly chargeable to the capital account of the Project (or would be so chargeable with a proper election) under general federal income tax principles; and

(f) this Resolution shall constitute a declaration of official intent under United States Department of the Treasury Regulation Section 1.150-2.

**DONE, RATIFIED AND ADOPTED**, this 1<sup>st</sup> day of May, 2018.

**CITY OF WALTERBORO,  
SOUTH CAROLINA**

(SEAL)

---

William T. Young, Jr., Mayor

ATTEST:

---

Betty J. Hudson, City Clerk

**RESOLUTION NO. 2018-R-06**

**WHEREAS**, the Mayor and City Council recognize that the prevention of accidental losses affecting employees, property, and the public will enhance the operating efficiency of City of Walpole; and

**WHEREAS**, a pro-active loss control posture requires that sound loss prevention measures are of primary consideration and take precedence over expediency in all operations.

**NOW, THEREFORE, BE IT RESOLVED** that the City will endeavor to provide a work environment free of recognized hazards through the establishment and implementation of loss control policies and procedures, and their subsequent amendments and additions, designed to provide protection to City employees, public and private property, and members of the public, and

**HEREBY ADOPT**, the following policy statements: Organizational Commitment to a Safe Workplace, Safety Policy Statement, Risk Management Policy Statement and the Loss Control Policy Statement which are attached hereto;

**BE IT FURTHER RESOLVED** that the City will support compliance with all Federal and State safety regulations; provide and train employees in the use of personal protective equipment; and insure that all employees are advised of and understand their loss control responsibilities in the performance of their work.

**SIGNED, SEALED AND ADOPTED BY** City Council this 1<sup>st</sup> day of May, 2018.

\_\_\_\_\_  
(Mayor William T. Young, Jr.)

\_\_\_\_\_  
(Mayor Pro Tem Paul N. Siegel)

\_\_\_\_\_  
(Councilmember Robert J. Bonds)

\_\_\_\_\_  
(Councilmember Judy S. Bridge)

\_\_\_\_\_  
(Councilmember James D. Broderick)

\_\_\_\_\_  
(Councilmember Ralph Carlton Brown, Jr.)

\_\_\_\_\_  
(Councilmember Greg Pryor)

ATTEST:

\_\_\_\_\_  
Betty J. Hudson  
City Clerk

## **ORGANIZATIONAL COMMITMENT TO A SAFE WORKPLACE**

The Mayor and City Council of the City of Walterboro hereby establishes a policy that commits the organization to providing employees with a safe and healthful workplace.

Employees must report all accidents, injuries, and unsafe conditions to their supervisors, who are prohibited from retaliation or penalty toward the employee from doing so.

Safety is an organizational priority. The organization will endeavor to provide the resources necessary to achieve and maintain a safe workplace. Management will provide the leadership and discipline to assure safety. Disciplinary procedures will be enforced for willful or repeated violations of workplace safety rules. These procedures will include verbal or written reprimands, as well as termination of employment. All of the organization's employee performance reviews will include an evaluation of safety performance.

Management shall appoint a safety coordinator, and establish and support the work of an on-going safety committee. Safety and loss control will be administered through a team approach and will include at a minimum the following activities:

- The development of an organizational culture, which recognizes safety and health as a key component.
- Safety and health education and training in all departments.
- Establishment of medical assistance procedures.
- Reporting and investigation of all accidents/incidents.
- Maintenance of appropriate record-keeping procedures.
- Routine workplace inspections in all departments.
- Continuous review and updating of safety rules.

This policy statement by the governing body of this organization is an expression of both commitment and support to a safe and healthful workplace. Safety is a condition of employment. All employees will follow and support the safety rules and practices established by the organization.

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Date



## SAFETY POLICY STATEMENT

It is the policy of the City of Walterboro to provide as safe a work place as possible for our employees. In conjunction with this policy, all employees are expected to cooperate in keeping all work areas clean and free of hazards. Our policy includes the following:

1. A responsible employee in a position of authority will be appointed as Safety Coordinator. Angela Roberson has been appointed to fill this position.
2. Managers, supervisors, and employees are responsible for implementing this policy by working in a safe manner.
3. Regularly scheduled safety meetings will be held with all employees.
4. Supervisors will periodically hold 5 minute safety talks with employees.
5. All accidents must be investigated and actions taken to prevent recurrence.
6. Each new employee will be trained in safe working practices for his/her particular job and closely supervised until it is ascertained that he/she is fully capable of performing his/her duties in a safe manner.
7. Each employee will be provided with and required to use appropriate personal protective equipment.
8. Each employee will be required to immediately report any accident of which he/she is aware to the immediate supervisor.
9. Each employee will be required to report any hazard or unsafe work habit of which he is aware to his immediate supervisor.

Accidents are preventable. Let's work together in order to prevent accidents and injuries of any kind. Be constantly aware of the dangers of working around moving machinery and equipment.  
**BE ALERT!**

SIGNED: \_\_\_\_\_

POSITION: \_\_\_\_\_

DATE: \_\_\_\_\_

## RISK MANAGEMENT POLICY STATEMENT

The City of Waltherboro recognizes the need to have a safe and healthful workplace for its employees and its responsibility to manage public funds prudently. It further recognizes that municipal government, with its full range of services, is considered a high-risk operation.

The City of Waltherboro is dedicated to managing the risks of providing services for its citizens and will do all it can to prevent losses. Recognizing that losses will inevitably occur, the City considers no losses acceptable and will make efforts to identify and treat all loss exposures.

To this end a safety/loss control coordinator is appointed with the authority and responsibility to oversee and monitor the safety and loss control efforts of the City of Waltherboro. Further, a risk management committee is to be organized and empowered to analyze, review, and develop policies concerning all operations of the City of Waltherboro that affect the safety and well-being of all employees, elected officials, citizens and the financial well-being of the City of Waltherboro.

Every employee is expected to adhere to the policies and practices established by the risk management committee.

\_\_\_\_\_  
(Mayor William T. Young, Jr.)

\_\_\_\_\_  
(City Manager, Jeffrey P. Molinari)

\_\_\_\_\_  
(Mayor Pro Tem Paul N. Siegel)

\_\_\_\_\_  
(Councilmember Robert J. Bonds)

\_\_\_\_\_  
(Councilmember Judy S. Bridge)

\_\_\_\_\_  
(Councilmember James D. Broderick)

\_\_\_\_\_  
(Councilmember Ralph Carlton Brown, Jr.)

\_\_\_\_\_  
(Councilmember Greg Pryor)

Date of Issuance: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Betty J. Hudson  
City Clerk

**LOSS CONTROL POLICY STATEMENT**

Whereas the City of Walterboro realizes that it has the responsibility to provide a safe work environment for all its employees and a safe service environment for the public it serves,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WALTERBORO AS FOLLOWS:

The City is establishing a safety and loss control program to be implemented and monitored on a continuous basis. As the first component of the City’s program, a safety coordinator will be appointed and assigned the responsibility of organizing and facilitating the overall safety and loss control efforts.

A safety committee will be formed to establish a loss control program, review losses and loss trends, make recommendations for prevention and assign other safety responsibilities as needed. The safety coordinator will chair this committee and its members will include representatives from each department.

Each department head will be responsible for the safety and health of the employees in their department as well as the required maintenance of facilities and equipment in their area of responsibility. Each employee will be responsible for his or her own personal safety and for the safe completion of assigned tasks. The City expects its employees to respond to all planned safety efforts and to perform their assigned job in the safest manner possible.

The City of Walterboro is committed to doing all in its power to make its safety and loss control program a success and expects all employees to assist in this effort by contributing expertise and by following all established rules and procedures.

Signed this 1<sup>st</sup> day of May, 2018, at City of Walterboro, South Carolina.

BY:

ATTEST:

\_\_\_\_\_  
William T. Young, Jr., Mayor

\_\_\_\_\_  
Betty J. Hudson, City Clerk

Council Members:

\_\_\_\_\_  
(Mayor Pro Tem Paul N. Siegel)

\_\_\_\_\_  
(Councilmember Robert J. Bonds)

\_\_\_\_\_  
(Councilmember Judy S. Bridge)

\_\_\_\_\_  
(Councilmember James D. Broderick)

\_\_\_\_\_  
(Councilmember Ralph Carlton Brown, Jr.)

\_\_\_\_\_  
(Councilmember Greg Pryor)

**RESOLUTION NO. 2018-R-07**

**A RESOLUTION TO DECLARE MAY 6 – 12, 2018, AS “MUNICIPAL CLERKS WEEK IN WALTERBORO” TO RECOGNIZE AND HONOR THE VALUABLE CONTRIBUTIONS THAT MUNICIPAL CLERKS MAKE TO CITIES AND TOWNS IN SOUTH CAROLINA AND TO RECOGNIZE THE 40<sup>TH</sup> ANNIVERSARY OF THE MUNICIPAL FINANCE OFFICERS, CLERKS AND TREASURERS ASSOCIATION, AN AFFILIATE OF THE MUNICIPAL ASSOCIATION OF SOUTH CAROLINA.**

**WHEREAS**, the position of municipal clerk is the only municipal staff role that is required by state law, regardless of a municipality’s size or form of government; and

**WHEREAS**, all 271 cities and towns in the state are required to have a municipal clerk; and

**WHEREAS**, Ms. Betty Hudson plays a critical and varied role to support the Mayor, City Council and city staff; and

**WHEREAS**, municipal clerks’ responsibilities under state law include giving notice of meetings to council members and the public, keeping minutes of its proceedings, and performing other duties; and

**WHEREAS**, regardless of city size, municipal clerks have seen their roles and responsibilities expand with changing times; and

**WHEREAS**, with advancements in software and hardware, municipal clerks have become increasingly adept/skilled at using technology to prepare materials for meeting agenda packets, to record meeting minutes and to manage public records; and

**WHEREAS**, municipal clerks get their professional training from the South Carolina Municipal Finance Officers, Clerks and Treasurers Association, an affiliate organization of the Municipal Association of South Carolina, celebrating its 40th anniversary this year; and

**WHEREAS**, the South Carolina General Assembly has declared the week of May 6 – 12, 2018, as Municipal Clerks Week; and

**WHEREAS**, the International Institute of Municipal Clerks has also declared May 6 – 12, 2018, as the 49<sup>th</sup> Annual Municipal Clerks Week,

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of the City of Walterboro declares May 6 – 12, 2018, as “Municipal Clerks Week in Walterboro” to recognize and honor the valuable contributions that Ms. Betty Hudson makes to our City.

**DONE**, this 1<sup>st</sup> day of May, 2018.

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**William T. Young, Jr.**  
**Mayor**

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**Betty J. Hudson**  
**City Clerk**



**MEMORANDUM**

**TO:** Mayor and City Council  
**FROM:** City Manager  
**DATE:** April 26, 2018  
**SUBJECT:** Walterboro Wildlife Sanctuary Discovery Center

On April 17, 2018, the City of Walterboro received six (6) bids for the Walterboro Wildlife Sanctuary Discovery Center as follows:

<u>Contractor</u>	<u>Bid</u>
Branks General Contractors (Johns Island, SC)	\$2,250,000.00
Consensus Construction & Consulting, Inc. (Myrtle Beach, SC)	\$2,398,000.00
Harbor Services, Inc. (Mt. Pleasant, SC)	\$2,094,513.00
IP Builders, Inc. (Walterboro, SC)	\$1,846,990.00
IPW Construction Group, LLC (North Charleston, SC)	\$2,498,719.00
Solid Structures (West Columbia, SC)	\$1,955,000.00

IP Builders, Inc. (Walterboro, SC) meets all of the requirements of the bid and is the lowest bidder. Staff requests authorization to negotiate the contract for services with IP Builders, Inc. Funding for the project will come from the issuance of local hospitality and accommodations tax revenue bonds and a \$200,000 Undiscovered SC grant. City staff asks for Council's favorable consideration of this request. If you have any questions, comments, suggestions or concerns, please do not hesitate to come by City Hall or call me anytime.

Sincerely,

Jeffrey P. Molinari  
City Manager

Attachments



memo

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**Date:** 04.27.2018

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**To:** Jeff Molinari, Hank Amundson, Paulette Myers

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**From:** Nicholas Galizia

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**RE:** Walterboro Discovery Center – Apparent Low Bidder

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**Project Name:** Walterboro Discovery Center

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**Project Number:** 016429.00

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Jeff,

Good morning. Based on the results of the bid opening on April 17<sup>th</sup>, 2018, the apparent low bidder is IP Builders, Inc. with a bid of \$1,846,990.00 and a Unit Price for unsuitable soils at \$35.00/cu.yd. Ms. Myers contacted IP Builders and they have verbally confirmed their bid. Please see the attached pdf of the bid opening results. All bids were correct and complete, with the exception of Solid Structures, who did not provide a unit price for the unsuitable soils. If you have any questions, please let us know.

Thank you,  
Nick

**BID TABULATION**

Bid Opening Date: April 17th, 2018  
 Bid Opening Time: 2:00 PM  
 Bid Opening Location: Waterboro City Hall

Project No: 16325  
 Project Name: Waterboro Discovery Center  
 Construction Budget: \$1.2-1.6 Million  
 Architect/Engineer: McMillan Pazzden Smith

Bid Tabulation Witnessed by: Paulita Myers / Nicholas Galtzie - McMillan Pazzden Smith  
 04.17.2018

Bidder	Addenda 1-4 Received	License Verified	Bid Bonds	P & P Bonds	Base Bid	Unit Price per cubic yard of unavailable soils
Blank General Contractors	x	x	x	x	\$2,250,000.00	\$55.00/cu.yd
Consensus Construction & Consulting, Inc.	x	x	x	x	\$2,398,000.00	\$85.00/cu.yd
Harbor Services, Inc.	x	x	x	x	\$2,094,513.00	\$80.00/cu.yd
IP Builders, Inc.	x	x	x	x	\$1,848,990.00	\$35.00/cu.yd
IPW Construction Group, LLC	x	x	x	x	\$2,498,719.00	\$125.00/cu.yd
Solid Structures	x	x	x	x	\$1,955,000.00	None Provided