

Walterboro City Council  
Virtual Regular Meeting (Using Zoom)  
February 2, 2021

**MINUTES**

A Phone/Video Conference Virtual Meeting using Zoom was held by Walterboro City Council at City Hall on Tuesday, February 2, 2021 at 6:00 P.M., with Mayor Bill Young presiding.

**PRESENT WERE:** Joined in the meeting were: Mayor Bill Young, Councilmembers: Paul Siegel, Greg Pryor, Judy Bridge, James Broderick, Carl Brown, and Ladson Fishburne. City Manager Jeff Molinari, Assistant City Manager Hank Amundson, Finance Director Amy Risher, City Clerk Callie Seals, Attorney George Cone, Attorney Brown McLeod, Utilities Director Wayne Crosby and Revenue Bond Counsel Lawrence Flynn, III were also present.

**CALL TO ORDER:**

With all Councilmembers present, the Mayor called the meeting to order, and invited everyone to join in as he gave the invocation. Councilmember Broderick led the pledge of allegiance to our flag.

**PUBLIC INPUT ON AGENDA ITEMS:**

The Mayor stated public input on agenda items had been distributed to Council by email.

**PRESENTATIONS:**

1. Carol Black expressed concerns again as to the City's lack of enforcement of the mask ordinance, stating her mother had recently contracted Covid-19 and was hospitalized. She reiterated her belief that more tickets should be issued, not warnings, and asking what more could be done to publicize the ordinance. She made mention of a Palmetto Priority program wherein restaurants can do more to comply with cleaning and safety measures, etc. She stated that twelve Walterboro restaurants were currently part of the program and that she would like the City to take a look at this program and help other businesses to more so comply with it.

**NEW BUSINESS:**

1. **Ordinance # 2021-02, (renumber to Ordinance #2021-01) AN EMERGENCY ORDINANCE TO PERMIT AND ALLOW FOR ELECTRONIC MEETINGS; AND OTHER MATTERS RELATED THERETO (Introduction and Final Reading).**

Motion: Councilmember Pryor; Second: Councilmember Bridge

Discussion: None.

Carried: All ayes.

2. **Ordinance # 2021-01, (renumbered to Ordinance #2021-02) A SERIES ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM IMPROVEMENT REVENUE BONDS OF THE CITY OF WALTERBORO, SOUTH CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING SEVEN MILLION DOLLARS (\$7,000,000); AND OTHER MATTERS RELATING THERETO (Introduction and First Reading).**

Revenue Bond Attorney Flynn stated to City Manager Molinari that it would be best to renumber Ordinance 2021-01 to Ordinance 2021-02, and have Ordinance 2021-02 renumbered to Ordinance 2020-01. It was agreed that this would be best by all Councilmembers and City Manager. Attorney Flynn then gave a presentation on the proposed Revenue Bond and the basis of it stating that this was the City's funded portion of a larger grant that is being received. The City has engaged PFM Financial Advisors LLC out of Orlando, FL to serve as Financial Advisor and they have solicited bids from the local banking market. The plan is go up to 20 years for a term which basically the upper limits of what the banks will lend but knowing the size of this loan and the sufficiency of the credit we feel pretty comfortable that we're going to get sufficient bids. We should have the rate in place and a clearer understanding of where we stand by the time we come in for second reading. What you have in front of you is a series ordinance. It is simply authorizing that next series of bonds under your master bond to be issued on a parody basis with the outstanding three water and sewer bonds that you currently have outstanding and allows the Mayor and City Clerk to sign the bond upon approval which will likely happen in the late March 2021 timeframe.

Motion: Councilmember Broderick: Second: Councilmember Siegel  
Discussion: None.  
Carried: All ayes.

**CITY MANAGER'S REPORT:**

1. Request to authorize retaining Pope Flynn Group for their services as Bond Counsel in connection with the issuance of the Revenue Bond, Series 2021 in the amount of \$35,000, plus expenses (Engagement Letter attached).

Motion: Councilmember Siegel: Second: Councilmember Pryor  
Discussion: None.  
Carried: All ayes.

2. Consideration of bids for the construction of an Emergency Generator & Chlorination System for the Mable T. Willis Blvd. Well Project (Memorandum and materials attached).

City Manager Molinari stated the Utility Department accepted bids to install an emergency generator and chlorination system at the Mable T. Willis Blvd. well. On January 19<sup>th</sup> we received bids from four contractors. The low bid was Pinholster Construction out of Savannah, Georgia in the amount of \$223,400. I would like to commend utilities director, Wayne Crosby and our engineer for securing some additional funding for this project. As you are aware, we were also awarded a \$265,000 principal forgiveness loan from the states revolving fund which is essentially a grant that includes \$165,996 for construction as well as \$99,992 for engineering costs. The real impact we'll see is this year's Enterprise Fund Budget we allocated \$277,000 for the project which will reduce the amount that we have to come out of pocket to \$91,101. Staff recommends the selection of Pinholster as the low qualified bidder in the amount of \$223,400 and we have our utilities director Wayne here this evening who would be willing to answer any technical questions you might have.

Motion: Councilmember Bridge: Second: Mayor Young  
Discussion: None.  
Carried: All ayes.

3. Prioritization of 2021 CDBG Funding Requests (Memorandum attached).

As you are aware, Michelle Knight with Lowcountry Council of Government made a presentation last month and the needs are similar to what we had last year. I based it on our most recent retreat but there was an addition that I would like to mention that we have to make that was a requirement because of

the pandemic. We had to include as one of our priorities projects that addressed preparing for, responding to and preventing coronavirus.

Pursuant to the goals and objectives adopted by City Council, I recommend the following CDBG priority needs for the next funding cycle:

1. Public Infrastructure and Facilities
  - Upgrades of water and sewer lines as needed
  - Other projects as identified
2. Community Enrichment
  - Demolition of properties that are attractive nuisances
  - Adaptive reuse of existing structures
  - Others as identified
3. Projects that address preparing for, responding to, and preventing coronavirus.
4. Special Projects as identified.
  - Trail connector for Wildlife Center and Wildlife Sanctuary
  - Other projects as identified
5. Multiple Activity Neighborhood Improvement Projects
  - Neighborhoods as identified
6. Economic Development projects as identified.

Motion: Councilmember Broderick; Second: Councilmember Pryor  
Discussion: None.  
Carried: All ayes.

4. Paperless agendas.

Councilmember Brown addressed going paperless with agenda meetings indicating that he thought it would potentially save time, money, and would be more professional to do so. City Manager Molinari stated he will work on putting together a package to present to Council that consists of individual iPad/laptops for each Councilmember wherein the agendas could be uploaded monthly.

Motion: Councilmember Broderick; Second: Councilmember Pryor  
Discussion: None.  
Carried: All ayes.

**EXECUTIVE SESSION:**

Councilmember Brown then made a motion to enter Executive Session. Councilmember Bridge seconded the motion.

- a) Discussion of matters concerning the provision of services encouraging the location of industries or other businesses – Highway 64 Mega Site.

**OPEN SESSION:**

The meeting returned to Open Session by motion made by Councilmember Broderick, and Councilmember Fishburne. No action was taken.

There being no further business to consider a motion to adjourn was made by Councilmember Pryor, seconded by Councilmember Brown and passed unanimously. The mayor adjourned the meeting at 6:55 P.M. Notice of this meeting, call-in phone number, webinar I.D. and link to view the video were distributed with the agenda packets, to all local media, posted on City Hall bulletin boards and on the City's website at least twenty-four hours prior to meeting time.

Respectfully,

Callie Seals  
City Clerk

**APPROVED: March \_\_\_\_, 2021**

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**ORDINANCE # 2021-02**

**A SERIES ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM IMPROVEMENT REVENUE BONDS OF THE CITY OF WALTERBORO, SOUTH CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING SEVEN MILLION DOLLARS (\$7,000,000); AND OTHER MATTERS RELATING THERETO.**

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2021 SERIES ORDINANCE

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Enacted March 2, 2021

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EXHIBIT A – FORM OF BOND

EXHIBIT B – NOTICE OF PUBLIC HEARING

**NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WALTERBORO, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED, THAT:**

## **ARTICLE I**

### **FINDINGS OF FACT**

#### Section 1.01 Findings.

Incident to the enactment of this series ordinance (this "**2021 Series Ordinance**"), and the issuance of the waterworks and sewer system revenue bonds provided for herein (the "**Series 2021 Bonds**"), 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 the facts set forth in this Article exist and the following statements are in all respects true and correct:

(A) The City Council has made general provision for the issuance from time to time of waterworks and sewer system revenue bonds (the "**Bonds**") of the City by bond ordinance number 2016-09, entitled "AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM REVENUE BONDS OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO" enacted by the City Council on November 1, 2016 (the "**Bond Ordinance**"). Terms with initial capitals and not otherwise defined herein shall have the meanings ascribed thereto in the Bond Ordinance.

(B) It is provided in and by the Bond Ordinance that, upon enactment of a "Series Ordinance," there may be issued one or more Series of Bonds for the purpose of, among other things: (1) obtaining funds for expansions, additions and improvements of the System, including the recoupment of funds already so expended; (2) providing funds for the payment of any bond anticipation notes; (3) refunding Bonds or certain other obligations; (4) providing funds for the payment of interest due on any Bonds; (5) funding a Debt Service Reserve Fund, if any, in an amount equal to the Reserve Requirement; and (6) paying the costs of issuance of Bonds, including any credit enhancement therefor.

(C) The City has the following Series of Bonds currently Outstanding (collectively, the "**Parity Bonds**"):

(1) the \$3,062,830 final principal amount Waterworks and Sewer System Improvement Revenue Bond, Series 2009 (State Water Pollution Control Revolving Fund, Loan Number S1-122-09-441-06), dated August 14, 2009;

(2) the \$1,940,000 original principal amount Waterworks and Sewer System Refunding Revenue Bond, Series 2011B, dated August 30, 2011; and



(3) the \$1,480,000 final principal amount Waterworks and Sewer System Improvement Revenue Bond, Series 2017 (State Water Pollution Control Revolving Fund, Loan Number X1-181-16-441-08), dated January 31, 2017.

(D) The City previously issued its \$1,281,800 original principal amount Tax Increment Revenue Refunding Bond, Series 2011 dated August 30, 2011 (the "**2011 TIF Bond**"). The revenues of the System are also pledged to provide for the payment of the principal of and interest on the 2011 TIF Bond; provided, however, such pledge is inferior to the pledges of the revenues of the System that secure the payment of the Parity Bonds and any bond issued on parity, *inter sese*, hereafter.

(E) Upon the basis of the authority provided in the Bond Ordinance, the City has determined to issue the Series 2021 Bonds to: (1) recoup or defray the costs of expanding, rehabilitating and improving the City's existing wastewater treatment plant and the City's wastewater system (the "**2021 Project**"); (2) fund the 2021 Debt Service Reserve Fund (as defined herein), if any, in an amount equal to the 2021 Reserve Requirement (as defined herein); and (3) pay the costs of issuance of the Series 2021 Bonds, including payment of any premium due on any Municipal Bond Insurance Policy.

(F) Upon the issuance of the Series 2021 Bonds, the Series 2021 Bonds, together with all additional Series of Bonds issued pursuant to the terms of the Bond Ordinance, shall be issued on a parity with the Parity Bonds.

(G) By reason of the foregoing, the City has determined to enact this 2021 Series Ordinance in accordance with the terms and provisions of the Bond Ordinance in order to issue the Series 2021 Bonds for the purposes described in Paragraph (E) above.

Section 1.02     Determinations Required by Section 4.01(B) of the Bond Ordinance.

(A) The City Council hereby specifies and determines that:

(1) the current period of usefulness of the System is as set forth in Article III hereof;

(2) the Date of Issue of the Series 2021 Bonds shall be the date that the Series 2021 Bonds are executed and delivered, or as otherwise determined by an Authorized Officer pursuant to Article V hereof;

(3) the maximum authorized principal amount of the Series 2021 Bonds is set forth at Section 4.01 hereof, and the exact principal amount of the Series 2021 Bonds shall be determined by an Authorized Officer at the closing of the Series 2021 Bonds pursuant to Article V hereof;

(4) the Bond Payment Dates, the Record Dates, and the dates and amounts of maturity of such Series 2021 Bonds, shall be determined by an Authorized Officer at the closing of such Series 2021 Bonds pursuant to Article V hereof, provided, however, no

such Series 2021 Bonds shall mature later than 30 years from the Date of Issue of the initial Series of Series 2021 Bonds;

(5) Series 2021 Bonds are necessary to provide funds to be used and expended for purposes set forth in Section 4.01(A) of the Bond Ordinance, as such purposes are particularly described at Section 4.02 hereof;

(6) the title and designation of the Series 2021 Bonds shall be as set forth at Section 4.01 hereof or as otherwise determined by an Authorized Officer pursuant to Article V hereof;

(7) Series 2021 Bonds shall be sold in accordance with Article VIII hereof in the manner determined by an Authorized Officer as authorized by Article V hereof;

(8) Series 2021 Bonds shall bear interest at rates as determined by an Authorized Officer through the sale procedures of Article VIII hereof, and the City, acting through an Authorized Officer, may enter into an interest rate swap or similar transaction with respect to the Series 2021 Bonds if such arrangement is determined and certified by the Financial Advisor (as defined herein) to be financially advantageous to the City;

(9) Series 2021 Bonds may be issued as either Serial Bonds or Term Bonds (with appropriate mandatory redemption provisions), but not as Capital Appreciation Bonds, as determined by an Authorized Officer pursuant to Article V hereof;

(10) the Redemption Prices and dates applicable to any Series of Series 2021 Bonds shall be as determined by an Authorized Officer at the closing of such Series 2021 Bonds pursuant to Article V hereof;

(11) The Bank of New York Mellon Trust Company, N.A. (the "*Trustee*") shall serve as Trustee, Paying Agent, and Registrar for the Series 2021 Bonds;

(12) Series 2021 Bonds shall be in the form as provided at Section 4.09 hereof and Exhibit A hereto, with such revisions as may be approved by an Authorized Officer pursuant to Article V hereof upon the advice of Bond Counsel, the execution thereof being conclusive evidence of such approval;

(13) The initial maturity of each Series of Series 2021 Bonds shall be numbered R-1 thereafter shall be sequentially numbered "R-" thereafter and shall be issued in denominations of \$5,000 or any integral multiple thereof; provided, however, that Series 2021 Bonds sold to a Direct Placement Purchaser shall be issued as single, typewritten bonds in the denomination of the principal amount of such Series of Series 2021 Bonds;

(14) Series 2021 Bonds may be issued in book-entry form as permitted by Section 4.20 of the Bond Ordinance determined by an Authorized Officer at the closing of such Series 2021 Bonds pursuant to Article V hereof;

(15) The Reserve Requirement has been met, as may be applicable to the Parity Bonds; no 2021 Debt Service Reserve Fund is contemplated to be established in

connection with the Series 2021 Bonds, and thus no Series Reserve Requirement is anticipated to be established. however if the Authorized Officer determines that a Series Debt Service Reserve Fund shall assist the City in obtaining more advantageous terms. he may establish both a Series Debt Service Reserve Fund and establish a Series Reserve Requirement;

(16) the proceeds of Series 2021 Bonds shall be applied as set forth at Article VII hereof; and

(17) the 2021 Debt Service Fund is established pursuant to Section 4.06 hereof; the 2021 Project Fund and 2021 COI Account are established pursuant to Section 7.02 hereof.

[End of Article I]

## ARTICLE II

### DEFINITIONS AND CONSTRUCTION

#### Section 2.01    Definitions.

(A) Except as provided in subsection (B) below, all capitalized terms which are defined in Section 2.02 of the Bond Ordinance shall have the meanings given the same in this 2021 Series Ordinance.

(B) As used in this 2021 Series Ordinance, unless the context shall otherwise require, the following terms shall have the following respective meanings:

“**2021 COI Account**” shall mean that account created within the 2021 Project Fund pursuant to Section 7.02 hereof.

“**2021 Debt Service Fund**” shall mean the fund of that name established by this 2021 Series Ordinance pursuant to Section 7.03 of the Bond Ordinance.

“**2021 Debt Service Reserve Fund**” shall mean the fund of that name authorized to be established by this 2021 Series Ordinance pursuant to Section 7.04 of the Bond Ordinance.

“**2021 Project**” shall mean the project defined at Section 1.01(E) hereof.

“**2021 Project Fund**” shall mean the fund created at Section 7.02 hereof.

“**2021 Reserve Requirement**” if any, shall mean an amount determined by the Authorized Officer in compliance with the provisions and requirements of the Code.

“**2021 Series Ordinance**” shall mean this ordinance of the City Council.

“**Authorized Officer**” shall have the meaning ascribed thereto in the Bond Ordinance, but for purposes of making the determinations provided for under Article V of this 2021 Series Ordinance, the City Manager shall constitute the sole Authorized Officer.

“**Book-Entry System**” shall mean, with respect to the Series 2021 Bonds, if applicable, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Series 2021 Bonds may be transferred only through a book-entry, and (ii) physical Series 2021 Bonds in fully registered form are registered only in the name of a Securities Depository or its Securities Depository Nominee. The book-entry maintained by the Securities Depository is the record that identifies the owners of participatory interests in the Series 2021 Bonds, when subject to the Book-Entry System.

“**Date of Issue**” shall mean, with respect to a Series of Series 2021 Bonds, the date determined under Article V in accordance with Section 4.03 hereof.

“**DTC**” means The Depository Trust Company, New York, New York.

“**Governmental Unit**” means a state or local governmental unit within the meaning of Section 141(b) of the Code.

“**Nongovernmental Person**” means any Person other than a Governmental Unit.

“**Person**” means an individual, a partnership, a corporation, a trust, a trustee, an unincorporated organization, or a government or an agency or political subdivision thereof.

“**Securities Depository**” shall mean DTC, or another recognized securities depository selected by the City Council, which securities depository maintains a Book-Entry System in respect of the Series 2021 Bonds, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

“**Securities Depository Nominee**” shall mean, as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration books maintained by the Registrar the Series 2021 Bond certificates to be delivered to and immobilized at such Securities Depository during the continuation with such Securities Depository of participation in its Book-Entry System. Cede & Co. shall serve as the initial Securities Depository Nominee hereunder.

“**Serial Bonds**” shall mean any Series of the 2021 Bonds which are stated to mature in installments and for which there are no mandatory sinking fund provisions.

“**Series 2021 Bonds**” shall mean the one or more Series of Bonds authorized and designated by Section 4.01 of this 2021 Series Ordinance.

“**Taxable Bonds**” has the meaning given such term in Section 9.01(F) hereof.

“**Term Bonds**” shall mean any of the Series 2021 Bonds which are stated to mature in a single year and which are subject to mandatory sinking fund redemption prior to the stated maturity date.

“**Trustee**” shall mean The Bank of New York Mellon Trust Company, N.A., its successors and assigns.

Section 2.02 Authority for this 2021 Series Ordinance.

This 2021 Series Ordinance is enacted pursuant to the provisions of the Bond Ordinance.

[End of Article II]

## **ARTICLE III - USEFUL LIFE**

### **Section 3.01    Determination of the Useful Life of the System.**

The period of usefulness of the System is hereby determined to be not less than 40 years from the date of enactment of this 2021 Series Ordinance.

[End of Article III]

## ARTICLE IV

### AUTHORIZATION AND TERMS OF THE SERIES 2021 BONDS

#### Section 4.01 Principal Amount; Designation of Series 2021 Bonds.

(A) Pursuant to the provisions of the Bond Ordinance, one or more Series of Bonds of the City entitled to the benefits, protection, and security of the provisions of the Bond Ordinance is hereby authorized in the aggregate principal amount of not exceeding Seven Million Dollars (\$7,000,000); such Series of Bonds so authorized shall be designated as the "City of Walterboro, South Carolina, Waterworks and Sewer System Improvement Revenue Bond[s], Series 2021" (the "**Series 2021 Bonds**") and shall bear a numeric or alphanumeric Series designation as may be necessary to distinguish them from the Bonds of every other Series, and shall designate the year in which the Series is issued. The Series 2021 Bonds may be sold as a single Series or from time to time as multiple Series bearing any such designation as appropriate. References herein to the Series 2021 Bonds shall include all Series of Bonds authorized by this 2021 Series Ordinance. As authorized by Section 9.01(F) hereof, any Series of the Series 2021 Bonds may be issued as Taxable Bonds, and in such event, it shall bear an appropriate designation so as to distinguish its tax status.

(B) Should the Series 2021 Bond not be issued in calendar year 2021, the designation for the Series 2021 Bond and all other references to "2021" recited herein shall be changed to appropriately reflect the year of such actual issuance. References herein to the Series 2021 Bond shall include all Series of Bonds.

#### Section 4.02 Purposes of the Series 2021 Bonds.

The Series 2021 Bonds are authorized for the principal purposes of:

- (1) Defraying all or a portion of the cost of the 2021 Project, including the recoupment of costs previously paid or incurred in connection with the 2021 Project;
- (2) Funding the 2021 Debt Service Reserve Fund, if any, in an amount equal to the 2021 Reserve Requirement in a manner permitted by the Bond Ordinance; and
- (3) Paying certain costs and expenses relating to the issuance of the Series 2021 Bonds, including payment of any premium due on any Municipal Bond Insurance Policy or other credit enhancement.

#### Section 4.03 Date of Issue; Interest Rates; Maturity; Redemption.

(A) The Date of Issue of each Series of Series 2021 Bonds shall be the date of delivery thereof, subject to an alternative designation by the Authorized Officer. Series 2021 Bonds shall mature in such principal amounts and shall bear interest at such rates as may be determined by an Authorized Officer pursuant to Article V hereof provided that the final maturity of the Series 2021 Bonds shall not extend beyond 30 years from the Date of Issue of the initial Series of Series 2021

Bonds issued hereunder. Series 2021 Bonds shall mature as Serial Bonds or Term Bonds, with such mandatory sinking fund installments as are set forth in a schedule approved by the Authorized Officer prior to or simultaneously with the issuance of such Series 2021 Bonds.

(B) Interest on any Series of Series 2021 Bonds shall be payable on such Bond Payment Dates as are determined by the Authorized Officer pursuant to Article V hereof. Such interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months. Consistent with the terms of the Bond Ordinance, the Record Dates for the payment of interest on Series 2021 Bonds shall be the 15th day of the month prior to each Bond Payment Date.

(C) Series 2021 Bonds may be subject to redemption prior to maturity, upon such terms and conditions, and at such redemption prices, as may be established by an Authorized Officer pursuant to Article V hereof prior to or simultaneously with the issuance of the applicable Series of Series 2021 Bonds.

Section 4.04 Authentication: Payment of Series 2021 Bonds.

(A) The Series 2021 Bonds shall be authenticated by the Registrar on or before such date as they shall, in each case, be delivered. Each of the Series 2021 Bonds shall bear interest from its respective Date of Issue if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of authentication of such Series 2021 Bonds.

(B) The interest on the Series 2021 Bonds shall be paid by check or draft mailed from the office of the Trustee to the person in whose name each of the Series 2021 Bonds is registered at the close of business on the Record Date; provided, however, that any Holder of such Series 2021 Bonds in the aggregate principal amount of \$1,000,000 or more may request (in writing at least 20 days prior to the respective Bond Payment Date, delivered to the paying agent), that interest payments be made by wire transfer to such Holder at an account maintained by a financial institution located in the continental United States specified in such request.

(C) Presentment of the Series 2021 Bonds for payment shall not be required, except for the final payment of the principal and interest thereon (whether at maturity or by redemption, tender or otherwise) or upon such other condition or indicia of satisfaction as may be mutually agreed-upon by the City and the Holder of such Series 2021 Bonds.

Section 4.05 Denomination of the Series 2021 Bonds.

Series 2021 Bonds shall be issued either (i) in denominations of \$5,000 or any integral multiple thereof, or (ii) as single, typewritten bond or bonds in the aggregate principal amount of such Series of Series 2021 Bonds. Each Series 2021 Bond shall be numbered by the Trustee in such a fashion as to reflect the fact that it is one of the Series 2021 Bonds, and to identify the owner thereof on the books kept by the Registrar. The initial maturity of each Series of Series 2021 Bonds shall be numbered R-1, and thereafter sequentially "R-" numbered for identification.



Section 4.06     Establishment of 2021 Debt Service Fund.

In accordance with Section 7.03 of the Bond Ordinance, the 2021 Debt Service Fund is hereby directed to be established by the Trustee on the Date of Issue of the Series 2021 Bonds for the benefit of the Holders of the Series 2021 Bonds. In the event that more than one Series of Bonds is issued pursuant to the terms of this 2021 Series Ordinance, a separate Debt Service Fund shall be established for each such Series.

Section 4.07     2021 Debt Service Reserve Fund.

In accordance with Section 7.04 of the Bond Ordinance and the terms of this 2021 Series Ordinance, if the Authorized Officer determines that the 2021 Debt Service Reserve Fund is necessary and desirable, he shall direct the Trustee in writing to establish such 2021 Debt Service Reserve Fund. If established, the 2021 Debt Service Reserve Fund shall be maintained by the Trustee in accordance with the provisions of the Bond Ordinance in an amount equal to the 2021 Reserve Requirement, as may be determined in accordance with Article V hereof. The 2021 Debt Service Reserve Fund, if established, may be funded by cash or another method permitted by Section 7.04(D) of the Bond Ordinance, such method of funding to be determined by an Authorized Officer.

Section 4.08     Appointment of Trustee, Paying Agent, and Registrar.

The Bank of New York Mellon Trust Company, N.A. is hereby appointed as Trustee, Paying Agent, and Registrar under the Bond Ordinance and this 2021 Series Ordinance. The Trustee shall signify its acceptance of the duties of Trustee, Paying Agent and Registrar upon delivery of the Series 2021 Bonds. The City shall pay to the Trustee from time-to-time reasonable compensation based on the then-standard fee schedule of such parties for all services rendered under the Bond Ordinance and this 2021 Series Ordinance, and also all reasonable expenses, charges, counsel fees, costs and expenses, and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Bond Ordinance and this 2021 Series Ordinance. As necessary to confirm the duties, roles and responsibilities of the Trustee for the Series 2021 Bonds, the Authorized Officer shall be authorized to execute and deliver all documentation reasonably requested by the Trustee.

The Series 2021 Bonds shall be presented for registration of transfers and exchanges, and notices and demands to or upon the Trustee and the City in respect of the Series 2021 Bonds may be served, at the corporate trust office of the Trustee.

The Trustee shall be a member of the Federal Deposit Insurance Corporation (the "**FDIC**") and shall remain such a member throughout the period during which it shall act as Trustee, Paying Agent, and Registrar. The Trustee, in its capacity as Trustee, Paying Agent, and Registrar, shall accept its appointment by a written instrument embodying its agreement to remain a member of the FDIC. Unless the same be secured as trust funds in the manner provided by the applicable regulations of the Comptroller of the Currency of the United States of America, and unless otherwise provided for in the Bond Ordinance and in this 2021 Series Ordinance, all un-invested moneys in the custody of the Trustee in excess of the amount of such deposit insured by the FDIC,

shall be secured by Government Obligations at least equal to the sum on deposit and not insured by the FDIC.

Section 4.09    Form of Series 2021 Bond.

The Series 2021 Bonds, together with the certificate of authentication, certificate of assignment and/or statement of insurance, if any, are to be in substantially the form attached hereto as Exhibit A with such necessary and appropriate variations, omissions and insertions as permitted or required upon advice of Bond Counsel and as determined by an Authorized Officer, or as otherwise authorized by the Bond Ordinance or this 2021 Series Ordinance. The execution of the Series 2021 Bonds shall constitute conclusive evidence of the approval of any changes to the form of any Series 2021 Bond.

Section 4.10    Book-Entry System.

Pursuant to Section 4.20 of the Bond Ordinance, if any Series of Series 2021 Bonds are sold as a public offering, such Series 2021 Bonds may be held under a Book-Entry System of a securities depository as determined pursuant to Article V hereof.

(A) Notwithstanding anything to the contrary herein, so long as the Series 2021 Bonds are being held under a Book-Entry System of a securities depository, transfers of beneficial ownership of the Series 2021 Bonds will be effected pursuant to rules and procedures established by such securities depository. If held under a Book-Entry System, the initial securities depository for the Series 2021 Bonds will be DTC, DTC and Cede & Co., and any-successor securities depositories and successor securities depository nominees, are hereinafter referred to as the "Securities Depository" and "Securities Depository Nominees" respectively.

(B) As long as a Book-Entry System is in effect for the Series 2021 Bonds, the Securities Depository Nominee will be recognized as the Holder of the Series 2021 Bonds for the purposes of: (i) paying the Principal Installments, interest, and Redemption Price, if any, on such Series 2021 Bonds, (ii) selecting the portions of such Series 2021 Bonds to be redeemed, if Series 2021 Bonds are to be redeemed in part, (iii) giving any notice permitted or required to be given to Bondholders under this 2021 Series Ordinance, (iv) registering the transfer of Series 2021 Bonds, and (v) requesting any consent or other action to be taken by the Holders of such Series 2021 Bonds, and for all other purposes whatsoever, and the Issuer shall not be affected by any notice to the contrary.

(C) The City shall not have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in any Series 2021 Bonds which are registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as Holder of such Series 2021 Bonds.

(D) The Paying Agent shall pay all Principal Installments, interest and redemption price, if any, on Series 2021 Bonds issued under a Book-Entry System, only to the Securities Depository or the Securities Depository Nominee, as the case may be, for such Series 2021 Bonds,

and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the Principal Installments of, interest on, and redemption price, if any, of such Series 2021 Bonds.

(E) In the event that the City determines that it is in the best interest of the City to discontinue the Book-Entry System of transfer for the Series 2021 Bonds, or that the interests of the beneficial owners of the Series 2021 Bonds may be adversely affected if the Book-Entry System is continued, then the City shall notify the Securities Depository of such determination. In such event, the Registrar shall authenticate, register and deliver physical certificates for the Series 2021 Bonds in exchange for the Series 2021 Bonds registered in the name of the Securities Depository Nominee. Prior to any transfer of the Series 2021 Bonds outside of the Book-Entry System (including, but not limited to, the initial transfer outside the Book-Entry System) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

(F) In the event that the Securities Depository for the Series 2021 Bonds discontinues providing its services, the City shall either engage the services of another Securities Depository or arrange with a Registrar for the delivery of physical certificates in the manner described in subsection (E) above.

(G) In connection with any notice or other communication to be provided to the Holders of Series 2021 Bonds by the Issuer or by the Registrar with respect to any consent or other action to be taken by the Holders of Series 2021 Bonds, the City or the Registrar, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than 15 days in advance of such record date to the extent possible.

(H) At the closing of any Series 2021 Bonds and the delivery of the same to the purchaser thereof through the facilities of DTC, the Registrar may maintain custody of Bond certificates on behalf of DTC in accordance with DTC's "FAST" closing procedures.

[End of Article IV]

## ARTICLE V

### CERTAIN DELEGATIONS AND AUTHORIZATIONS

#### Section 5.01    Certain Delegations.

The City Council hereby expressly delegates to an Authorized Officer the authority, with respect to the Series 2021 Bonds, to determine, in connection with any Series of Series 2021 Bonds issued hereunder:

(A) whether to issue the Series 2021 Bonds as a single Series or from time to time in several Series;

(B) the manner of sale of such Series 2021 Bonds in accordance with Article VIII hereof;

(C) whether to create and distribute preliminary and final Official Statements in connection with the issuance of such Series 2021 Bonds;

(D) the award, or selection of underwriter, of such Series 2021 Bonds in accordance with Article VIII hereof;

(E) the final form of such Series 2021 Bonds, whether to modify the Series designation in accordance with Section 4.01 hereof, and the exact principal amount of such Series 2021 Bonds, not to exceed \$7,000,000 in the aggregate together with any other Series of Series 2021 Bonds;

(F) whether and the extent to which such Series of Series 2021 Bonds shall be issued as Serial Bonds or Term Bonds;

(G) the Date of Issue (if other than the date of delivery), Bond Payment Dates, rate or rates of interest obtained using the sale procedures of Article VIII hereof, maturity schedule, and the final maturity of each Series of Series 2021 Bonds, not to exceed 30 years from the Date of Issue of the initial Series of Series 2021 Bonds issued hereunder;

(H) whether such Series 2021 Bonds shall be subject to optional or mandatory redemption prior to maturity, and if so, the Redemption Prices applicable thereto;

(I) whether such Series 2021 Bonds shall be issued in book-entry form and held under a Book-Entry System as permitted by Section 4.20 of the Bond Ordinance and as further described in Section 4.10 hereof;

(J) whether to use bond insurance, and if so, to make appropriate arrangements to procure any Municipal Bond Insurance Policy;

(K) whether to establish a 2021 Reserve Requirement for such Series 2021 Bonds and to establish a 2021 Debt Service Reserve Fund in accordance with Section 4.07 hereof;

(L) whether such Series 2021 Bonds will be designated as “qualified tax-exempt obligations” pursuant to the Code;

(M) whether such Series 2021 Bond (or any Series thereof) shall be issued on a taxable basis;

(N) the form of any agreement relating to, and manner of provision of, any continuing financial and operating disclosures as described at Sections 8.04 and 9.02 hereof; and

(O) such other matters regarding the Series 2021 Bonds as are necessary or appropriate.

[End of Article V]

## ARTICLE VI

### EXECUTION; NO RECOURSE

#### Section 6.01 Execution of the Series 2021 Bonds.

The Series 2021 Bonds shall be executed and attested by the Mayor and the Clerk, respectively, in accordance with the applicable provisions of the Bond Ordinance; however, in the absence of the Mayor or the Clerk for any reason, an Authorized Officer shall be authorized to either execute the Series 2021 Bonds or attest to the execution of the Series 2021 Bonds on behalf of the absent party; however, in no event shall the same Authorized Officer be permitted to both execute and attest to the Series 2021 Bonds. If acting on behalf of an absent person, such Authorized Officer shall be authorized to execute, sign, certify or attest any documentation otherwise required of the Mayor or Clerk respecting the issuance and delivery of the Series 2021 Bonds.

Facsimiles or electronic signatures by the Mayor, the Clerk or any Authorized Officer are expressly authorized and permitted with respect to the Series 2021 Bonds and all closing documents and certificates associated therewith.

#### Section 6.02 No Recourse on the Series 2021 Bonds.

All covenants, stipulations, promises, agreements and obligations of the City contained in the Bond Ordinance or in this 2021 Series Ordinance shall be deemed to be the covenants, stipulation, promises, agreements and obligations of the City and not those of any officer or employee of the City in his or her individual capacity, and no recourse shall be had for the payment of the principal or redemption price of or interest on the Series 2021 Bonds or for any claim based thereon or on the Bond Ordinance or on this 2021 Series Ordinance, either jointly or severally, against any officer or employee of the City or any person executing the Series 2021 Bonds.

[End of Article VI]

## ARTICLE VII

### APPLICATION OF BOND PROCEEDS

#### Section 7.01 Use and Disposition of Bond Proceeds.

Upon the delivery of any Series 2021 Bonds and receipt of the proceeds thereof, net of underwriter's discount or premium or any other fees of the lender, such funds shall be applied as follows:

- (1) if an Authorized Officer determines to fund the 2021 Debt Service Reserve Fund, the sum or instrument equal to the 2021 Reserve Requirement, whether in cash or through a funding instrument permitted under Section 7.04(D) of the Bond Ordinance, shall be deposited into, or applied to, the 2021 Debt Service Reserve Fund; and
- (2) all remaining funds shall be deposited with the Trustee in the 2021 Project Fund and used to defray the costs of the 2021 Project and the costs of issuance of the Series 2021 Bonds. Amounts representing the costs of issuance of the Series 2021 Bonds shall be kept in the 2021 COI Account within the 2021 Project Fund.

#### Section 7.02 Establishment of 2021 Project Fund and 2021 COI Account.

(A) There is hereby established, in accordance with Sections 4.01(B)(17) of the Bond Ordinance, the "2021 Project Fund," and the "2021 COI Account" within the 2021 Project Fund. There shall be paid into the 2021 Project Fund the sums prescribed by Section 7.01 hereof. The 2021 Project Fund shall be held and controlled by the Trustee, unless otherwise determined by the Authorized Officer at the closing of the Series 2021 Bond.

(B) Should the Trustee hold the 2021 Project Fund, requisitions for the payment of costs of issuance from the 2021 COI Account or funds to pay or reimburse costs of the 2021 Project from the 2021 Project Fund shall be made upon written request by an Authorized Officer to the Trustee. The Trustee shall be fully protected in releasing moneys from the 2021 COI Account and 2021 Project Fund based upon such written orders of the City.

(C) Should the City hold the 2021 Project Fund, disbursements therefrom shall be made by or at the direction of an Authorized Officer.

(D) Subject to Section 15.13 of the Bond Ordinance, moneys in the 2021 Project Fund shall be invested and reinvested at the written direction of the City in Authorized Investments. Upon written notification from the City by any Authorized Officer that the payment of all costs of issuance for the Series 2021 Bonds have been paid, the remaining sums therein shall be transferred by the Trustee and applied to the 2021 Debt Service Fund. If there are any funds remaining in the 2021 Project Fund upon completion of the 2021 Project, such funds shall be transferred to the 2021 Debt Service Fund and used to pay principal of and interest on the Series 2021 Bonds as the same come due.

[End of Article VII]

## ARTICLE VIII

### SALE OF BONDS

#### Section 8.01    Sale of Bonds.

The Series 2021 Bonds may be sold on a competitive basis as set forth at Section 8.02 hereof, or on a negotiated basis as set forth at Section 8.03 hereof, as determined by an Authorized Officer.

#### Section 8.02    Competitive Sale.

The Series 2021 Bonds may be sold at a date and time certain after public notice thereof. Bids may be received at such time and date and in such manner as determined by an Authorized Officer. Unless all bids are rejected, the award of the Series 2021 Bonds may be made by an Authorized Officer to the bidder offering the most advantageous terms to the City, with the basis of such award and the date and time certain for opening bids to be set forth in a request for proposals used in connection with the sale of the Series 2021 Bonds (the “*RFP*”).

Any Series of Series 2021 Bonds sold on a competitive sale basis may be sold pursuant to either of the following methods as determined by an Authorized Officer:

- (A) *Competitive Direct Placement.* Any Series 2021 Bonds may be sold to an institution or institutions as a single instrument as a means of making a commercial loan (a “*Direct Placement Purchaser*”). The City Council authorizes an Authorized Officer to distribute the RFP to prospective purchasers of Series 2021 Bonds and award such Series 2021 Bonds to a Direct Placement Purchaser on the basis of the terms and conditions contained therein. To the extent the RFP has been distributed, or the award to any Direct Placement Purchaser has been made, prior to the enactment of this 2021 Series Ordinance, all such actions are ratified, approved and confirmed. Such Series 2021 Bonds shall be issued as a single Bond (or separate single Bonds if the Series 2021 Bonds are sold in multiple Series), without CUSIP identification (unless otherwise agreed by the Direct Placement Purchaser and an Authorized Officer on behalf of the City), shall not be issued in book-entry-only form, and no official statement shall be prepared in connection with the sale of such Series 2021 Bonds. The Direct Placement Purchaser of any such Series 2021 Bonds shall execute an investor letter to the City acknowledging its purchase of such Bonds as a means of making a commercial loan.
- (B) *Competitive Public Offering.* Any Series 2021 Bonds may be sold in the public capital markets to an underwriter for the purpose of reselling such Series 2021 Bonds. In such case, the City Council hereby authorizes an Authorized Officer to prepare, or cause to be prepared, a preliminary official statement and distribute the preliminary official statement and the RFP (or official notice of sale) to prospective purchasers of Series 2021 Bonds. The City Council authorizes an Authorized Officer to designate the preliminary official statement as “final” for purposes of Rule 15c2-12 of the United States Securities and Exchange Commission under the



Securities Exchange Act of 1934, as amended (“*Rule 15c2-12*”). The Authorized Officer is further authorized to see to the completion of the final form of the official statement upon the sale of such Series 2021 Bonds so that it may be provided to the underwriter of such Series 2021 Bonds. The execution and delivery of the final official statement by an Authorized Officer shall constitute conclusive evidence of the City’s approval thereof. In connection with any Competitive Public Offering, an Authorized Officer is authorized to perform all actions necessary to comply with Rule 15c2-12 and any other applicable securities laws.

Section 8.03     Negotiated Sale.

Any Series 2021 Bonds sold on a negotiated basis may be sold pursuant to either of the following methods as determined by an Authorized Officer.

- (A) *Negotiated Direct Placement.* Any Series 2021 Bonds may be sold to a Direct Placement Purchaser as a means of making a commercial loan pursuant to negotiation, with or without providing for distribution of an RFP. In such case, the City Council authorizes an Authorized Officer to obtain financing proposals from one or more prospective purchasers of Series 2021 Bonds and award the Series 2021 Bonds after negotiation with prospective purchaser. Such Series 2021 Bonds shall be issued as a single Series (or separate single Bonds if the Series 2021 Bonds are sold in multiple Series), without CUSIP identification (unless otherwise agreed by the Direct Placement Purchaser and an Authorized Officer on behalf of the City). The Direct Placement Purchaser of such Series 2021 Bonds shall execute an investor letter to the City acknowledging its purchase of the Series 2021 Bonds as a means of making a commercial loan.
  
- (B) *Negotiated Public Offering.* Any Series 2021 Bonds may be sold to an underwriter pursuant to the terms of a bond purchase agreement for resale in the public capital markets. The underwriter shall be selected by the Authorized Officer upon the advice of the Financial Advisor (as defined herein) and the bond purchase agreement shall be executed by an Authorized Officer upon advice of Bond Counsel and the Financial Advisor. The execution of the bond purchase agreement by such Authorized Officer shall constitute conclusive evidence of his or her approval thereof. In such case, the City Council hereby authorizes an Authorized Officer to prepare, or cause to be prepared, a preliminary official statement and authorize the distribution of the preliminary official statement by the underwriter. The City Council authorizes an Authorized Officer to designate the preliminary official statement as “final” for purposes of Rule 15c2-12. Such Authorized Officer is further authorized to see to the completion of the final form of the official statement upon the sale of such Series 2021 Bonds so that it may be provided to the underwriter. The execution and delivery of the final official statement by an Authorized Officer shall constitute conclusive evidence of the City’s approval thereof. In connection with any Negotiated Public Offering, an Authorized Officer is authorized to perform all actions necessary to comply with Rule 15c2-12 and any other applicable securities laws.

[End of Article VIII]

## ARTICLE IX

### TAX AND DISCLOSURE COVENANTS

#### Section 9.01 Tax Covenants.

(A) *General Tax Covenant.* The City will comply with all requirements of the Code in order to preserve the tax-exempt status of the Series 2021 Bonds, including without limitation, (i) the requirement to file Form 8038-G, *Information Return for Tax-Exempt Government Obligations*, with the Internal Revenue Service, and (ii) the requirement to rebate certain arbitrage earnings to the United States Government pursuant to Section 148(f) of the Code. In this connection, the City covenants to execute any and all agreements or other documentation as it may be advised by Bond Counsel will enable it to comply with this Section 9.01, including its certification on reasonable grounds that the Series 2021 Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code.

(B) *Tax Representations.* 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 2021 Bonds to become includable in the gross income of the Holders thereof for federal income tax purposes pursuant to the provisions of the Code and the United States Treasury Regulations (the "*Regulations*"). Without limiting the generality of the foregoing, the City represents and covenants that:

(1) All property financed or refinanced with the proceeds of the Series 2021 Bonds will be owned by the City or another political subdivision of the State so long as the Series 2021 Bonds are Outstanding in accordance with the rules governing the ownership of property for federal income tax purposes.

(2) The City shall not use, and will not permit any party to use, the proceeds of the Series 2021 Bonds, or any bonds refunded thereby, in any manner that would result in (i) 10% or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any Nongovernmental Person, (ii) 5% or more of such proceeds being considered as having been used directly or indirectly in any trade or business of any Nongovernmental Person that is either "unrelated" or "disproportionate" to the governmental use of the financed facility by the City or by any other Governmental Unit (as the terms "unrelated" and "disproportionate" are defined for purposes of Section 141(b)(3) of the Code) or (iii) 5% or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any Nongovernmental Person.

(3) The City is not a party to, and will not enter into or permit any other party to enter into, any contract with any person involving the management of any facility financed or refinanced with the proceeds of the Series 2021 Bonds or by notes paid by the Series 2021 Bonds that does not conform to the guidelines set forth in Revenue Procedure 2017-13, or a successor revenue procedure, Code provision or Regulations.

(4) The City will not sell, or permit any other party to sell, any property financed or refinanced with the Series 2021 Bonds to any person unless it obtains an

opinion of nationally recognized bond counsel that such sale will not affect the tax-exempt status of the Series 2021 Bonds.

(5) The Series 2021 Bonds will not be “federally guaranteed” within the meaning of Section 149(b) of the Code. The City shall not enter into, or permit any other party to enter into, any leases or sales or service contract with any federal government agency with respect to any facility financed or refinanced with the proceeds of the Series 2021 Bonds and will not enter into any such leases or contracts unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax-exempt status of the Series 2021 Bonds.

(C) *Arbitrage Bonds, Rebate.* The City covenants that no use of the proceeds of the sale of the Series 2021 Bonds shall be made which, if such use had been reasonably expected on the Date of Issue of such Series 2021 Bonds would have caused the Series 2021 Bonds to be “arbitrage bonds” as defined in the Code, and to that end the City shall:

(1) comply with the applicable regulations of the Treasury Department previously promulgated under Section 103 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated under the Code, so long as the Series 2021 Bonds are Outstanding;

(2) 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 and Regulations relating to required rebate of certain amounts to the United States Government;

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

(4) take such other action as may be required to assure that the tax-exempt status of the Series 2021 Bonds will not be impaired.

(D) *Tax Certificate.* An Authorized Officer is hereby authorized and directed to execute, at or prior to delivery of any Series of Bonds, a certificate or certificates specifying actions taken or to be taken by the City, and the reasonable expectations of such officials, with respect to such Series of Bonds, the proceeds thereof, or the City.

(E) *Bank Qualified.* Series 2021 Bonds may be designated by an Authorized Officer pursuant to Article V hereof as “qualified tax-exempt obligations” in accordance with Section 265(b)(3)(B) of the Code.

(F) *Taxable Bonds.* Prior to or upon the issuance of any Series 2021 Bonds, an Authorized Officer may, pursuant to Article V hereof, in consultation with Bond Counsel, designate a Series of Series 2021 Bonds as taxable under the Code (“**Taxable Bonds**”). The election to issue a Series of Taxable Bonds shall be clearly indicated by including the phrase “Taxable Series,” or words to that effect, in the series designation of such Taxable Bonds. The above provisions of this Section 9.01 shall not be applicable to any Series of Taxable Bonds.

Section 9.02     Disclosure Covenants.

(A) The City hereby covenants and agrees that it will comply with and carry out all of the provisions of any continuing disclosure certificate or agreement, executed by an Authorized Officer and dated the date of delivery of the Series 2021 Bonds, which will meet the requirements, as applicable, of Section 11-1-85 of the South Carolina Code, which may require, among other things, that the City file with a central repository, when requested:

- (1) a copy of its annual independent audit within 30 days of its receipt and acceptance, and
- (2) event-specific information, within 30 days of an event adversely affecting more than five percent of its revenues or five percent of its tax base.

The only remedy for failure by the City to comply with the covenants in this Section 9.02 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 Section 11-1-85 of the South Carolina Code, without the consent of any Bondholder.

(B) The City hereby covenants and agrees that it will comply with and carry out all of the provisions of any continuing disclosure certificate, executed by an Authorized Officer and dated the date of delivery of the Series 2021 Bonds, which will meet the requirements, as applicable, of Rule 15c2-12 (the “*Continuing Disclosure Undertaking*”). Notwithstanding any other provision of this 2021 Series Ordinance, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an event of default hereunder; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Section. The execution of the Continuing Disclosure Undertaking shall constitute conclusive evidence of the approval by the person executing the same of any and all modifications and amendments thereto. Additionally, an Authorized Officer is authorized to contract with a dissemination agent for certain dissemination services associated with the execution and delivery of the Continuing Disclosure Undertaking. In the event the Series 2021 Bonds are sold to a Direct Placement Purchaser, no Continuing Disclosure Undertaking shall be required.

(C) As requested by a Direct Placement Purchaser of the Series 2021 Bonds, the City may furnish, or agree or arrange to provide, financial information related to or affecting the System as the Direct Placement Purchaser may reasonably request or require, and as may be agreed upon between such Direct Placement Purchaser and the City. Upon reasonable notice, the City shall permit the any Holder of the Series 2021 Bonds, or its agents and representatives, to inspect during regular business hours the City’s books and records relating to or affecting the System and to make extractions therefrom. Any such covenant or agreement shall be enforceable solely by an action for specific performance and shall not constitute a default hereunder or under any Series 2021 Bond.

[End of Article IX]

## ARTICLE X

### MISCELLANEOUS

#### Section 10.01 Severability.

If any one or more of the covenants or agreements provided in this 2021 Series Ordinance on the part of the City or any fiduciary to be performed should be contrary to 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 2021 Series Ordinance.

#### Section 10.02 Further Action.

The City Council authorizes the Authorized Officers to execute and sign all other documents, certificates, and agreements necessary or convenient to effect the purchase and sale of the Series 2021 Bonds.

#### Section 10.03 Professional Services.

The City Council hereby authorizes, approves or ratifies, as applicable, the engagement of Public Financial Management to act as Financial Advisor (the "*Financial Advisor*") and Pope Flynn, LLC to act as Bond Counsel and Disclosure Counsel (if applicable) in connection with the issuance of the Series 2021 Bonds and authorizes (or ratifies, as applicable) an Authorized Officer to engage the services of such other professionals and institutions of a type and in a manner customary in connection with the issuance of municipal bonds, including, but not limited to, contractual arrangements with other professionals, rating agencies, verification agents, financial and trust institutions, printers and the suppliers of other goods and services in connection with the sale, execution and delivery of the Series 2021 Bonds, as is necessary and desirable.

#### Section 10.04 Table of Contents and Section Headings Not Controlling.

The Table of Contents and the headings of the several articles and sections of this 2021 Series Ordinance have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this 2021 Series Ordinance.

#### Section 10.05 Ordinance to Constitute Contract.

In consideration of the purchase and acceptance of Series 2021 Bonds by those who shall purchase and hold the same from time to time, the provisions of this 2021 Series Ordinance shall be deemed to be and shall constitute a contract between the City and the Holder from time to time of the Series 2021 Bonds, and such provisions are covenants and agreements with such Holder which the City hereby determines to be necessary and desirable for the security and payment thereof. The pledge hereof and the provisions, covenants and agreements herein set forth to be performed on behalf of the City shall be for the benefit, protection and security of the Holder of the Series 2021 Bonds.

Section 10.06 Ratification of Prior Action.

All prior actions of Authorized Officers in furtherance of the purposes of this 2021 Series Ordinance (including, but not limited to, any negotiated sale of Series 2021 Bonds, the submission of the RFP and any the award of the Series 2021 Bonds to a Direct Placement Purchaser under Article VIII hereof) are hereby approved, ratified and confirmed.

Section 10.07 Review by City Attorney; Public Hearing.

(A) This 2021 Series Ordinance has been reviewed by the City Attorney as to legality and form.

(B) By the terms of the City's code of ordinances, a public hearing shall be held prior to issuance of the Series 2021 Bonds. Notice of the public hearing(s) shall be in substantially the form set forth in Exhibit B attached hereto, and shall be published in a newspaper of general circulation in the City at least 15 days prior to such public hearing or as may otherwise permitted by Section 15-29-40 of the Code of Laws of South Carolina 1976, as amended.

[End of Article X]

**DONE AND ORDAINED IN MEETING DULY ASSEMBLED**, this 2nd day of March 2021.

**CITY OF WALTERBORO,  
SOUTH CAROLINA**

(SEAL)

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

Attest:

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

|                          |                  |
|--------------------------|------------------|
| 1 <sup>st</sup> Reading: | February 2, 2021 |
| Public Hearing:          | March 2, 2021    |
| 2 <sup>nd</sup> Reading: | March 2, 2021    |

**EXHIBIT A  
FORM OF BOND**

**[WITH THE CONSENT OF THE PURCHASER, AND NOTWITHSTANDING ANY CONTRARY PROVISION CONTAINED IN THE 2021 SERIES ORDINANCE, THIS SERIES 2021 BOND 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 THIS SERIES 2021 BOND. SUCH RESTRICTION SHALL BE COMPLIED WITH BY EACH TRANSFEREE OF THIS SERIES 2021 BOND.]**

**CITY OF WALTERBORO  
STATE OF SOUTH CAROLINA  
WATERWORKS AND SEWER SYSTEM  
IMPROVEMENT REVENUE BONDS  
SERIES 2021**

No. R-1

\$ \_\_\_\_\_

**THE 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 \_\_\_\_\_, or registered assigns (the "**Purchaser**"), as purchaser of this Waterworks and Sewer System Improvement Revenue Bond, Series 2021 (this "**Series 2021 Bond**"). the principal amount of \_\_\_\_\_ DOLLARS AND 00/100 (\$ \_\_\_\_\_). at the corporate trust offices of The Bank of New York Mellon Trust Company, N.A. (the "**Trustee**") in the manner provided below. This Series 2021 Bond shall be dated and bear interest from \_\_\_\_\_, the date of delivery hereof, and at the rate of \_\_\_\_\_ per centum (\_\_\_\_%) per annum (computed on the basis of a 360-day year consisting of twelve 30-day months). Interest on this Series 2021 Bond is initially payable on \_\_\_\_\_, and thereafter on each \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year (each a "**Bond Payment Date**") until \_\_\_\_\_, the final maturity date hereof ("**Final Maturity**") in accordance with the schedule set forth at Appendix A attached hereto and which is incorporated herein by reference. The payments of principal, interest, or both, payable on a Bond Payment Date shall be payable to the person in whose name this Series 2021 Bond is registered at the close of business on the \_\_\_\_\_ 15 or \_\_\_\_\_ 15 immediately preceding such Bond Payment Date (each a "**Record Date**"). [The City and the Purchaser have mutually agreed to waive all requirements for presentation and surrender of this Series 2021 Bond in connection with the payment thereof except upon final payment (whether at maturity or by redemption, tender or otherwise) (the "**Final Payment**"). Upon the Final Payment of this Series 2021 Bond and absent some other indicia of satisfaction acceptable to the City and the Purchaser, the Purchaser will present and surrender this Series 2021 Bond to the Trustee and execute and deliver a certificate to the City and the Trustee certifying that (i) such payment represents the final payment due on this Series 2021 Bond and (ii) the City owes no further obligation to the Purchaser respecting this Series 2021 Bond.] This Series 2021 Bond shall not be valid or



obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Trustee, as Registrar.

Both the principal of and interest on this Series 2021 Bond are payable by check or draft from the designated office of the Trustee to the person in whose name this Series 2021 Bond is registered on the Record Date at the address shown on the registration books. The principal of, redemption premium, if any, and interest on this Series 2021 Bond are payable 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.

This Series 2021 Bond is issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina (the "*State*") including particularly Chapter 21, Title 6, Code of Laws of South Carolina 1976, as amended (the "*South Carolina Code*"), and by an ordinance entitled, "AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM REVENUE BONDS OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO", enacted by the City Council of the City of Walterboro (the "*City Council*"), the governing body of the City, on November 1, 2016 (the "*Bond Ordinance*"), and a series ordinance entitled, "A SERIES ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM IMPROVEMENT REVENUE BONDS, TO BE DESIGNATED SERIES 2021, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING SEVEN MILLION DOLLARS (\$7,000,000), OF THE CITY OF WALTERBORO, SOUTH CAROLINA; AND OTHER MATTERS RELATING THERETO" (the "*2021 Series Ordinance*") duly enacted by the City Council on \_\_\_\_\_. 2021 (the Bond Ordinance and the 2021 Series Ordinance are hereinafter together referred to as the "*Ordinances*").

The Series 2021 Bonds are issued for the principal purposes of obtaining funds to (a) defray the costs of the 2021 Project (as defined in the 2021 Series Ordinance), [(b) fund the 2021 Debt Service Reserve Fund.] and ([b/c]) pay the costs and expenses related to the issuance of the Series 2021 Bonds.

For the payment of the principal of and interest on this Series 2021 Bond issued pursuant to the Bond Ordinance, there are hereby irrevocably pledged the Gross Revenues. As permitted by the Enabling Act, the payment of the principal of and interest on this Series 2021 Bond shall be additionally secured by a statutory lien upon the System. Such pledge securing this Series 2021 Bond shall have priority over all other pledges except those made to secure any Bonds (as defined hereinbelow) as may be currently outstanding or issued from time to time in the future.

**THIS SERIES 2021 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, OTHER THAN THOSE PROVISIONS AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A REVENUE-PRODUCING PROJECT NOT INVOLVING REVENUES FROM ANY TAX OR LICENSE; AND THE FAITH, CREDIT AND TAXING POWER OF THE CITY ARE EXPRESSLY NOT PLEDGED THEREFOR.**

**THE CITY IS NOT OBLIGATED TO PAY THIS SERIES 2021 BOND, OR THE INTEREST HEREON, SAVE AND EXCEPT FROM THE GROSS REVENUES.**

The Bond Ordinance authorizes the issuance of additional bonds on a parity with the Series 2021 Bonds and all outstanding Parity Bonds (as defined in the 2021 Series Ordinance) which, when issued in accordance with the provisions of the Bond Ordinance, will rank equally and be on a parity herewith and therewith ("*Additional Bonds*" and together with this Series 2021 Bond and the Parity Bonds, collectively the "*Bonds*").

The City has covenanted to continuously operate and maintain the System and fix and maintain such rates for the services and facilities furnished by the System as shall at all times be sufficient (1) to maintain the Debt Service Funds and thus provide for the punctual payment of the principal of and interest on all Bonds, (2) to maintain the Debt Service Reserve Funds, if any, in the manner prescribed in the applicable Series Ordinance, (3) to provide for the payment of Operation and Maintenance Expenses, (4) to build and maintain a reserve for depreciation of the System, for contingencies and for improvements, betterments and extensions to the System other than those necessary to maintain the same in good repair and working order, (5) to pay all amounts owing under a reimbursement agreement with any provider of a surety bond, insurance policy or letter of credit as contemplated under Section 7.04(D) of the Bond Ordinance, (6) to provide for the punctual payment of the principal of and interest on all Junior Lien Bonds that may from time to time hereafter be outstanding, and (7) to discharge all obligations imposed by the Enabling Act and by the Bond Ordinance and any applicable Series Ordinance.

The Bond Ordinance provides that, in addition to other remedies, upon a default in payment of principal of or interest on any Bond, the Trustee may, and upon the written request of the Holders of not less than fifty-one percent (51%) in aggregate principal amount of Bonds Outstanding shall, declare all Bonds Outstanding immediately due and payable.

This Series 2021 Bonds 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 Series 2021 Bond is transferable, as provided in the Bond 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 Series 2021 Bond and an assignment with a written instrument of transfer satisfactory to the Trustee or any other Registrar, as the case may be, duly executed by the Holder hereof or his duly authorized attorney and (b) payment of the charges, if any, prescribed in the Ordinances. Thereupon a new Series 2021 Bond of the then outstanding principal amount, then current maturity schedule and interest rate shall be issued to the transferee in exchange therefor as provided in the Bond Ordinance. The City, the Trustee and the Registrar may deem and treat the person in whose name this Series 2021 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 the Series 2021 Bonds, the City or the Trustee or Registrar, as the case may be, 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.

[INSERT REDEMPTION TERMS]

If this Series 2021 Bond is called for redemption, the Trustee will give notice to the Holder of this Series 2021 Bond in the name of the City, of the redemption of such Series 2021 Bonds, or portions thereof. Notice and redemption conditions shall otherwise comply with Section 4.13 of the Bond Ordinance.

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinances (as such term is defined below). Certified copies of the Ordinances are on file in the office of the Trustee and in the offices of the Clerk of Court for Colleton County, South Carolina.

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 Series 2021 Bond, exist, have been performed and have happened, that the amount of this Series 2021 Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by such Constitution or statutes.

**IN WITNESS WHEREOF, THE CITY OF WALTERBORO, SOUTH CAROLINA.**  
has caused this Series 2021 Bond to be signed by the signature of the Mayor of the City, its corporate seal to be reproduced hereon and the same to be attested by the signature of the City Clerk.

**CITY OF WALTERBORO, SOUTH CAROLINA**

(SEAL)

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

Attest:

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

**CERTIFICATE OF AUTHENTICATION**

This Series 2021 Bond is the Series 2021 Bond described in the within mentioned Ordinances.

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Registrar

By: \_\_\_\_\_  
Authorized Officer

Date: \_\_\_\_\_, 2021

**(FORM OF ASSIGNMENT)**

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

---

(please print or type name and address of Transferee and Social Security or other identifying number of Transferee)

the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_  
(Signature Guaranty)

\_\_\_\_\_  
Authorized Individual or Officer

NOTICE: Signature(s) to the assignment must correspond with the name of the registered owner as it appears upon the face of the within bond in every particular, without alteration or any change whatever.

Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP") or similar program enlargement.

Appendix A

Debt Service Schedule for the Bonds

**EXHIBIT B**  
**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 (the "City"), will hold a public hearing on Tuesday, March 2, 2020 at 6:00 p.m. (the "Hearing"). The City Council is considering the enactment of "A SERIES ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF WATERWORKS AND SEWER SYSTEM IMPROVEMENT REVENUE BONDS OF THE CITY OF WALTERBORO, SOUTH CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING SEVEN MILLION DOLLARS (\$7,000,000); AND OTHER MATTERS RELATING THERETO", the provisions of which shall authorize the issuance of the City's not exceeding \$7,000,000 Waterworks and Sewer System Improvement Revenue Bonds, Series 2021.

The Hearing will occur during the City Council's regularly scheduled meeting. Owing to the COVID-19 pandemic, the Hearing shall be held electronically via electronic meeting in accordance with the City Council's emergency procedures for conducting electronic meetings (as authorized by the terms of an emergency ordinance dated February 2, 2021). Further information on the Hearing will be provided in the City's agenda, which shall be publicly available no less than 24-hours in advance of the meeting on March 2, 2020.

Those wishing to provide written public comments for the public hearing should email comments to the City Manager at [jmolinari@walterborosc.org](mailto:jmolinari@walterborosc.org) no later than one hour prior to the time set for the Hearing and comments shall be read aloud during the Hearing. Individuals wishing to speak at the Hearing shall sign up with the City Manager [jmolinari@walterborosc.org](mailto:jmolinari@walterborosc.org) no later than one hour prior to the time set for the Hearing. The City Manager or other designated City official shall contact those who wish to speak at the Hearing and make necessary arrangements for all interested parties to participate in the Hearing. The Hearing shall otherwise be conducted in accordance with all other rules and procedures of the City Council. 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.



February 12, 2021

## Recommendation Memorandum

To: Jeff Molinari, City Manager  
Amy Risher, Finance Director

From: Jeremy Niedfeldt, Director – PFM Financial Advisors LLC

Re: Recommendation Memo – Waterworks and Sewer System Improvement Revenue Bond, Series 2021

PFM Financial Advisors LLC ("PFM") was engaged by the City of Walterboro, South Carolina (the "City") to serve as financial advisor for the City's proposed issuance of a Waterworks and Sewer System Improvement Revenue Bond, Series 2021 (the "2021 Bond") to recoup or defray the costs of expanding the City's existing wastewater treatment plant and related improvements to the City's wastewater system in an amount not to exceed \$7,000,000. Based on the desire to move in an expedited manner to take advantage of historically low interest rates, bank qualified status, reduced cost of issuance and recent aggressive bids received from banks for comparable transactions, PFM recommended the City pursue a privately placed direct bank loan, which in today's market was expected to be an efficient and cost-effective method of financing.

At the City's direction, PFM distributed a request for proposals ("RFP") on January 12, 2021 to a list of local, regional and national financial institutions to identify the qualified financial institution that could provide the City with a fixed rate, bank qualified term loan at the lowest overall borrowing cost, pursuant to certain conditions as determined by the City. Prior to the submittal deadline (12:00 pm on February 10, 2021) the City received four (4) proposals from the following institutions: BankUnited, Truist (formerly BB&T), Key Government Finance, and SouthState. A summary of each proposal is included as **Exhibit A**.

Based on PFM's review and discussions with the City staff and Bond Counsel, it was determined that Truist provided the best combination of interest rate and terms most favorable to the City. Truist offered a 20-year, fixed interest rate of 2.59%, which would be locked for the entire term of the 2021 Bond. The interest rate is held through a closing date on or before March 27, 2021, thus eliminating any risk associated with rising interest rates. Their proposal also includes the ability to prepay the 2021 Bond in whole at any time with a 1% penalty. A copy of Truist's proposal is included as **Exhibit B**.

Based on the 20-year fixed interest rate, flexible prepayment, and acceptable terms and conditions provided in their proposal, PFM recommends selecting Truist as the loan provider for the 2021 Bond. We anticipate bringing the Ordinance to the City Council for 2nd reading at the March 2, 2021 meeting. If you have any questions, please feel free to contact me at (407) 949-2248 or niedfeldtj@pfm.com.





**Exhibit A**  
**Summary of Proposals**



City of Waterboro, SC  
 Waterworks and Sewer System Improvement  
 Revenue Bond, Series 2021  
 RFP Summary

|  | BB&T  | Key Government Finance   | Pinnacle Public Finance  |
|--|---|--|--|
| <b>Contact Information</b>                       | Andy Smith<br>Managing Director<br>(803) 413-4991<br>AGSmith@BBandT.com   | Danny Bid<br>Vice President<br>(720) 904-4262<br>Daniel.Bid@Key.Com  | Blair Swain<br>Senior Vice President<br>(480) 686-4064<br>BSwain@BankUnited.com  |
| <b>Tax-Exempt Bank Qualified Interest Rate</b>   | 2.59%   | 2.66%  | 3.280%   |
| <b>Final Maturity Date</b>                       | 6/1/2040  | 6/1/2035   | 6/1/2040   |
| <b>Interest Rate Fixed or Indicative?</b>        | Fixed   | Fixed  | Fixed  |
| <b>Rate Locked to Closing, or Date to be Set</b> | Rate valid through 3/27/2021  | Rate valid through 3/11/21   | Rate valid through 3/12/21   |
| <b>Prepayment Provisions</b>                     | Option 1) Prepayable in whole at any time at 101%<br>Option 2) Non-callable for 1st half of term and callable at par thereafter   | Prepayable in whole, but not in part<br>Months 1-12: 105%<br>Month 13-Maturity: 100%   | Prepayable in whole or in part on or after 6/1/2031 at 102%  |
| <b>Put Provisions</b>                            | None  | None   | None   |
| <b>Legal/Other Fees</b>                          | \$5,000   | \$0  | \$7,500  |
| <b>Other Conditions &amp; Notes</b>              | A) Debt Service Coverage: 1.20x<br>B) Financial statements due to lender within 270 days after each fiscal year end<br>C) Stated interest rate assumes no more than \$10,000,000 is borrowed in current year and loan is bank qualified | A) Interest rate must be accepted by 2/16/2021<br>B) Borrower responsible for costs of issuance, as well as Lender's legal counsel<br>C) Financial statements due to lender within 270 days of each fiscal year end<br>D) Default Rate: Current Rate + 3%<br>E) ABT & Debt Service Coverage: 1.20x | A) Taxability gross-up if results from City's actions or inactions<br>B) Default Rate: 6% (Subject to negotiation)<br>C) ABT & Rate Covenant: 1.20x (Subject to negotiation)<br>D) Borrower will provide CAFR annually within 210 days of fiscal year end<br>E) Lender has ability to transfer loan<br>F) Complete executed transcript must be presented by noon the day prior to funding<br>G) Borrower responsible for costs of issuance |



City of Walterboro, SC  
 Waterworks and Sewer System Improvement  
 Revenue Bond, Series 2021  
 RFP Summary

| SouthState                                |   |
|---|---|
| Contact Information                       | Ashley L. Zeigler<br>Assistant Vice President<br>(803) 245-2417<br>Ashley.Zeigler@southstatebank.com  |
| Tax-Exempt Bank Qualified Interest Rate   | Option 1) Fixed swap rate at 2.72%<br>Option 2) 2.20%   |
| Final Maturity Date                       | Option 1) 6/1/2040<br>Option 2) 6/1/2031  |
| Interest Rate Fixed or Indicative?        | Option 1) Indicative<br>Option 2) Fixed   |
| Rate Locked to Closing, or Date to be Set | Option 1) Spread locked at closing on 3/11/2021<br>Option 2) Rate valid for duration of term  |
| Prepayment Provisions                     | Option 1) Prepayable beginning 6/1/2028 without penalty<br>Option 2) Prepayable any time at par   |
| Put Provisions                            | If Option 1 selected, Lender has put option beginning 6/1/2028  |
| Legal/Other Fees                          | \$0   |
| Other Conditions & Notes                  | A) Swap rate based on 1-month LIBOR + Spread<br>B) City responsible for costs of issuance<br>C) Debt Service Coverage 1.20x<br>D) If Option 1 selected, put and call subject to Early Unwind Amount, which equals i) the Future Amount (positive or negative), plus ii) the Unpaid Amounts owed by the Borrower to Fixed Rate Provider, minus iii) the Unpaid Amounts owed by Fixed Rate Provider to Borrower |



**Exhibit B**  
**Truist Term Sheet**



**Branch Banking & Trust Company**

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**Governmental Finance**

5130 Parkway Plaza Boulevard  
Charlotte, North Carolina 28217  
Phone (704) 954-1700  
Fax (704) 954-1799

February 10, 2021

Ms. Amy Risher  
City of Walterboro, SC  
300 Hampton St.  
Walterboro, SC 29488

Dear Ms. Risher:

Truist Bank ("Lender") is pleased to offer this proposal for the financing requested by the City of Walterboro, SC ("Borrower").

**PROJECT:** Waterworks & Sewer System Improvement Revenue Bond, Series 2021

**AMOUNT:** \$7,000,000.00

**MATURITY DATE:** June 1, 2040

**INTEREST RATE:** 2.59%

**TAX STATUS:** Tax Exempt -- Bank Qualified

**PAYMENTS:** Interest: Semi-Annual  
Principal: Annual

**INTEREST RATE CALCULATION:** 30/360

**SECURITY:** Pledge of revenues derived from the Gross Revenue of the Borrower's waterworks and sewer system as well as a statutory lien on the System.

**PREPAYMENT TERMS:** Prepayable in whole at any time with a one percent prepayment penalty. As an alternate redemption provision, the Borrower may elect for the transaction to be non-callable for the first half of the term and callable at par thereafter.

**DEBT SERVICE COVERAGE RATIO:** 1.20x

**RATE EXPIRATION:** March 27, 2021

**DOCUMENTATION/  
LEGAL REVIEW**

**FEE:** \$5,000

**FUNDING:** The financing shall be fully funded at closing and allow for a maximum of four funding disbursements in the form of wires or checks.

**DOCUMENTATION:** It shall be the responsibility of the Borrower to retain and compensate counsel to appropriately structure the financing documents according to Federal and State statutes.

Lender shall require the Borrower to provide an unqualified bond counsel opinion, a no litigation certificate, and evidence of IRS Form 8038 filing. Lender and its counsel reserve the right to review and approve all documentation before closing. Lender will not be required to present the bond for payment.

**REPORTING**

**REQUIREMENTS:** Lender will require financial statements to be delivered within 270 days after the conclusion of each fiscal year-end throughout the term of the financing or in accordance with state requirements.

Lender shall have the right to cancel this offer by notifying the Borrower of its election to do so (whether this offer has previously been accepted by the Borrower) if at any time prior to the closing there is a material adverse change in the Borrower's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the Borrower or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to Lender.

Costs of counsel for the Borrower and any other costs will be the responsibility of the Borrower.

The stated interest rate assumes that the Borrower expects to borrow no more than \$10,000,000 in the current calendar year and that the financing will qualify as qualified tax-exempt financing under the Internal Revenue Code. Lender reserves the right to terminate this bid or to negotiate a mutually acceptable interest rate if the financing is not qualified tax-exempt financing.

We appreciate the opportunity to offer this financing proposal. Please call me at (803) 413-4991 with your questions and comments. We look forward to hearing from you.

Sincerely,

*Truist Bank*



Andrew G. Smith  
Senior Vice President

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City of Walterboro, SC  
Waterworks and Sewer System Improvement Revenue Bond, Series 2021

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Final Numbers  
Lender: Truist  
Interest Rate: 2.59%

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SOURCES AND USES OF FUNDS

City of Walterboro, SC  
Waterworks and Sewer System Improvement Revenue Bond, Series 2021

----  
Final Numbers  
Lender: Truist  
Interest Rate: 2.59%

Sources:

---

|                |              |
|----------------|--------------|
| Bond Proceeds: |              |
| Par Amount     | 7,000,000.00 |
|                | <hr/>        |
|                | 7,000,000.00 |
|                | <hr/> <hr/>  |

Uses:

---

|                         |              |
|-------------------------|--------------|
| Project Fund Deposits:  |              |
| Project Fund            | 6,937,750.00 |
| Delivery Date Expenses: |              |
| Cost of Issuance        | 62,250.00    |
|                         | <hr/>        |
|                         | 7,000,000.00 |
|                         | <hr/> <hr/>  |



BOND SUMMARY STATISTICS

City of Walterboro, SC  
 Waterworks and Sewer System Improvement Revenue Bond, Series 2021

----  
 Final Numbers  
 Lender: Truist  
 Interest Rate: 2.59%

|                                 |              |
|---------------------------------|--------------|
| Dated Date                      | 03/11/2021   |
| Delivery Date                   | 03/11/2021   |
| Last Maturity                   | 06/01/2040   |
| Arbitrage Yield                 | 2.590195%    |
| True Interest Cost (TIC)        | 2.590195%    |
| Net Interest Cost (NIC)         | 2.590000%    |
| All-In TIC                      | 2.675574%    |
| Average Coupon                  | 2.590000%    |
| Average Life (years)            | 12.628       |
| Duration of Issue (years)       | 10.613       |
| Par Amount                      | 7,000,000.00 |
| Bond Proceeds                   | 7,000,000.00 |
| Total Interest                  | 2,289,444.89 |
| Net Interest                    | 2,289,444.89 |
| Total Debt Service              | 9,289,444.89 |
| Maximum Annual Debt Service     | 663,022.50   |
| Average Annual Debt Service     | 483,265.92   |
| Underwriter's Fees (per \$1000) |              |
| Average Takedown                |              |
| Other Fee                       |              |
| Total Underwriter's Discount    |              |
| Bid Price                       | 100.000000   |

| Bond Component | Par Value    | Price   | Average Coupon | Average Life | PV of 1 bp change |
|----------------|--------------|---------|----------------|--------------|-------------------|
| Bond Component | 7,000,000.00 | 100.000 | 2.590%         | 12.628       | 7,301.95          |
|                | 7,000,000.00 |         |                | 12.628       | 7,301.95          |

|                            | TIC          | All-In TIC   | Arbitrage Yield |
|----------------------------|--------------|--------------|-----------------|
| Par Value                  | 7,000,000.00 | 7,000,000.00 | 7,000,000.00    |
| + Accrued Interest         |              |              |                 |
| + Premium (Discount)       |              |              |                 |
| - Underwriter's Discount   |              |              |                 |
| - Cost of Issuance Expense |              | -62,250.00   |                 |
| - Other Amounts            |              |              |                 |
| Target Value               | 7,000,000.00 | 6,937,750.00 | 7,000,000.00    |
| Target Date                | 03/11/2021   | 03/11/2021   | 03/11/2021      |
| Yield                      | 2.590195%    | 2.675574%    | 2.590195%       |

BOND PRICING

City of Walterboro, SC  
 Waterworks and Sewer System Improvement Revenue Bond, Series 2021

----  
 Final Numbers  
 Lender: Truist  
 Interest Rate: 2.59%

| Bond Component  | Maturity Date | Amount    | Rate   | Yield  | Price   |
|-----------------|---------------|-----------|--------|--------|---------|
| Bond Component: |               |           |        |        |         |
|                 | 06/01/2021    | 30,000    | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2023    | 210,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2024    | 215,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2025    | 220,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2026    | 225,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2027    | 235,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2028    | 240,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2029    | 245,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2030    | 250,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2031    | 395,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2032    | 450,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2033    | 465,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2034    | 475,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2035    | 485,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2036    | 500,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2037    | 515,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2038    | 570,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2039    | 630,000   | 2.590% | 2.590% | 100.000 |
|                 | 06/01/2040    | 645,000   | 2.590% | 2.590% | 100.000 |
|                 |               | 7,000,000 |        |        |         |

|                         |              |             |
|-------------------------|--------------|-------------|
| Dated Date              | 03/11/2021   |             |
| Delivery Date           | 03/11/2021   |             |
| First Coupon            | 06/01/2021   |             |
| Par Amount              | 7,000,000.00 |             |
| Original Issue Discount |              |             |
| Production              | 7,000,000.00 | 100.000000% |
| Underwriter's Discount  |              |             |
| Purchase Price          | 7,000,000.00 | 100.000000% |
| Accrued Interest        |              |             |
| Net Proceeds            | 7,000,000.00 |             |

**DETAILED BOND DEBT SERVICE**

City of Walterboro, SC  
Waterworks and Sewer System Improvement Revenue Bond, Series 2021

----

Final Numbers  
Lender: Truist  
Interest Rate: 2.59%

Bond Component

| Period Ending | Principal        | Coupon | Interest            | Debt Service        |
|---------------|------------------|--------|---------------------|---------------------|
| 06/01/2021    | 30,000           | 2.590% | 40,288.89           | 70,288.89           |
| 06/01/2022    |                  |        | 180,523.00          | 180,523.00          |
| 06/01/2023    | 210,000          | 2.590% | 180,523.00          | 390,523.00          |
| 06/01/2024    | 215,000          | 2.590% | 175,084.00          | 390,084.00          |
| 06/01/2025    | 220,000          | 2.590% | 169,515.50          | 389,515.50          |
| 06/01/2026    | 225,000          | 2.590% | 163,817.50          | 388,817.50          |
| 06/01/2027    | 235,000          | 2.590% | 157,990.00          | 392,990.00          |
| 06/01/2028    | 240,000          | 2.590% | 151,903.50          | 391,903.50          |
| 06/01/2029    | 245,000          | 2.590% | 145,687.50          | 390,687.50          |
| 06/01/2030    | 250,000          | 2.590% | 139,342.00          | 389,342.00          |
| 06/01/2031    | 395,000          | 2.590% | 132,867.00          | 527,867.00          |
| 06/01/2032    | 450,000          | 2.590% | 122,636.50          | 572,636.50          |
| 06/01/2033    | 465,000          | 2.590% | 110,981.50          | 575,981.50          |
| 06/01/2034    | 475,000          | 2.590% | 98,938.00           | 573,938.00          |
| 06/01/2035    | 485,000          | 2.590% | 86,635.50           | 571,635.50          |
| 06/01/2036    | 500,000          | 2.590% | 74,074.00           | 574,074.00          |
| 06/01/2037    | 515,000          | 2.590% | 61,124.00           | 576,124.00          |
| 06/01/2038    | 570,000          | 2.590% | 47,785.50           | 617,785.50          |
| 06/01/2039    | 630,000          | 2.590% | 33,022.50           | 663,022.50          |
| 06/01/2040    | 645,000          | 2.590% | 16,705.50           | 661,705.50          |
|               | <b>7,000,000</b> |        | <b>2,289,444.89</b> | <b>9,289,444.89</b> |

**BOND DEBT SERVICE**

City of Walterboro, SC  
Waterworks and Sewer System Improvement Revenue Bond, Series 2021

----  
Final Numbers  
Lender: Truist  
Interest Rate: 2.59%

| Period Ending | Principal | Coupon | Interest     | Debt Service | Annual Debt Service |
|---------------|-----------|--------|--------------|--------------|---------------------|
| 06/01/2021    | 30,000    | 2.590% | 40,288.89    | 70,288.89    | 70,288.89           |
| 12/01/2021    |           |        | 90,261.50    | 90,261.50    |                     |
| 06/01/2022    |           |        | 90,261.50    | 90,261.50    | 180,523.00          |
| 12/01/2022    |           |        | 90,261.50    | 90,261.50    |                     |
| 06/01/2023    | 210,000   | 2.590% | 90,261.50    | 300,261.50   | 390,523.00          |
| 12/01/2023    |           |        | 87,542.00    | 87,542.00    |                     |
| 06/01/2024    | 215,000   | 2.590% | 87,542.00    | 302,542.00   | 390,084.00          |
| 12/01/2024    |           |        | 84,757.75    | 84,757.75    |                     |
| 06/01/2025    | 220,000   | 2.590% | 84,757.75    | 304,757.75   | 389,515.50          |
| 12/01/2025    |           |        | 81,908.75    | 81,908.75    |                     |
| 06/01/2026    | 225,000   | 2.590% | 81,908.75    | 306,908.75   | 388,817.50          |
| 12/01/2026    |           |        | 78,995.00    | 78,995.00    |                     |
| 06/01/2027    | 235,000   | 2.590% | 78,995.00    | 313,995.00   | 392,990.00          |
| 12/01/2027    |           |        | 75,951.75    | 75,951.75    |                     |
| 06/01/2028    | 240,000   | 2.590% | 75,951.75    | 315,951.75   | 391,903.50          |
| 12/01/2028    |           |        | 72,843.75    | 72,843.75    |                     |
| 06/01/2029    | 245,000   | 2.590% | 72,843.75    | 317,843.75   | 390,687.50          |
| 12/01/2029    |           |        | 69,671.00    | 69,671.00    |                     |
| 06/01/2030    | 250,000   | 2.590% | 69,671.00    | 319,671.00   | 389,342.00          |
| 12/01/2030    |           |        | 66,433.50    | 66,433.50    |                     |
| 06/01/2031    | 395,000   | 2.590% | 66,433.50    | 461,433.50   | 527,867.00          |
| 12/01/2031    |           |        | 61,318.25    | 61,318.25    |                     |
| 06/01/2032    | 450,000   | 2.590% | 61,318.25    | 511,318.25   | 572,636.50          |
| 12/01/2032    |           |        | 55,490.75    | 55,490.75    |                     |
| 06/01/2033    | 465,000   | 2.590% | 55,490.75    | 520,490.75   | 575,981.50          |
| 12/01/2033    |           |        | 49,469.00    | 49,469.00    |                     |
| 06/01/2034    | 475,000   | 2.590% | 49,469.00    | 524,469.00   | 573,938.00          |
| 12/01/2034    |           |        | 43,317.75    | 43,317.75    |                     |
| 06/01/2035    | 485,000   | 2.590% | 43,317.75    | 528,317.75   | 571,635.50          |
| 12/01/2035    |           |        | 37,037.00    | 37,037.00    |                     |
| 06/01/2036    | 500,000   | 2.590% | 37,037.00    | 537,037.00   | 574,074.00          |
| 12/01/2036    |           |        | 30,562.00    | 30,562.00    |                     |
| 06/01/2037    | 515,000   | 2.590% | 30,562.00    | 545,562.00   | 576,124.00          |
| 12/01/2037    |           |        | 23,892.75    | 23,892.75    |                     |
| 06/01/2038    | 570,000   | 2.590% | 23,892.75    | 593,892.75   | 617,785.50          |
| 12/01/2038    |           |        | 16,511.25    | 16,511.25    |                     |
| 06/01/2039    | 630,000   | 2.590% | 16,511.25    | 646,511.25   | 663,022.50          |
| 12/01/2039    |           |        | 8,352.75     | 8,352.75     |                     |
| 06/01/2040    | 645,000   | 2.590% | 8,352.75     | 653,352.75   | 661,705.50          |
|               | 7,000,000 |        | 2,289,444.89 | 9,289,444.89 | 9,289,444.89        |

BOND SOLUTION

City of Walterboro, SC  
 Waterworks and Sewer System Improvement Revenue Bond, Series 2021

----  
 Final Numbers  
 Lender: Truist  
 Interest Rate: 2.59%

| Period Ending | Proposed Principal | Proposed Debt Service | Existing Debt Service | Total Adj Debt Service |
|---------------|--------------------|-----------------------|-----------------------|------------------------|
| 06/01/2021    | 30,000             | 70,289                | 121,322               | 191,611                |
| 06/01/2022    |                    | 180,523               | 450,001               | 630,524                |
| 06/01/2023    | 210,000            | 390,523               | 271,675               | 662,198                |
| 06/01/2024    | 215,000            | 390,084               | 271,677               | 661,761                |
| 06/01/2025    | 220,000            | 389,516               | 271,677               | 661,192                |
| 06/01/2026    | 225,000            | 388,818               | 271,676               | 660,493                |
| 06/01/2027    | 235,000            | 392,990               | 271,676               | 664,666                |
| 06/01/2028    | 240,000            | 391,904               | 271,678               | 663,581                |
| 06/01/2029    | 245,000            | 390,688               | 271,675               | 662,363                |
| 06/01/2030    | 250,000            | 389,342               | 271,678               | 661,020                |
| 06/01/2031    | 395,000            | 527,867               | 133,816               | 661,683                |
| 06/01/2032    | 450,000            | 572,637               | 88,284                | 660,921                |
| 06/01/2033    | 465,000            | 575,982               | 88,283                | 664,264                |
| 06/01/2034    | 475,000            | 573,938               | 88,284                | 662,222                |
| 06/01/2035    | 485,000            | 571,636               | 88,283                | 659,919                |
| 06/01/2036    | 500,000            | 574,074               | 88,285                | 662,359                |
| 06/01/2037    | 515,000            | 576,124               | 88,283                | 664,407                |
| 06/01/2038    | 570,000            | 617,786               | 43,945                | 661,730                |
| 06/01/2039    | 630,000            | 663,023               |                       | 663,023                |
| 06/01/2040    | 645,000            | 661,706               |                       | 661,706                |
|               | 7,000,000          | 9,289,445             | 3,452,197             | 12,741,642             |

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COST OF ISSUANCE

City of Walterboro, SC  
Waterworks and Sewer System Improvement Revenue Bond, Series 2021

----  
Final Numbers  
Lender: Truist  
Interest Rate: 2.59%

| Cost of Issuance                   | \$/1000 | Amount    |
|------------------------------------|---------|-----------|
| Bond Counsel Fee                   | 5.00000 | 35,000.00 |
| Bond Counsel Expenses              | 0.21429 | 1,500.00  |
| Financial Advisor Fee              | 2.71429 | 19,000.00 |
| Bank Counsel Fee                   | 0.71429 | 5,000.00  |
| Trustee/Registrar/Paying Agent Fee | 0.25000 | 1,750.00  |
|                                    | 8.89286 | 62,250.00 |

FORM 8038 STATISTICS

City of Walterboro, SC  
Waterworks and Sewer System Improvement Revenue Bond, Series 2021

Final Numbers  
Lender: Truist  
Interest Rate: 2.59%

Dated Date 03/11/2021  
Delivery Date 03/11/2021

| Bond Component  | Date       | Principal    | Coupon | Price   | Issue Price  | Redemption at Maturity |
|-----------------|------------|--------------|--------|---------|--------------|------------------------|
| Bond Component: |            |              |        |         |              |                        |
|                 | 06/01/2021 | 30,000.00    | 2.590% | 100.000 | 30,000.00    | 30,000.00              |
|                 | 06/01/2023 | 210,000.00   | 2.590% | 100.000 | 210,000.00   | 210,000.00             |
|                 | 06/01/2024 | 215,000.00   | 2.590% | 100.000 | 215,000.00   | 215,000.00             |
|                 | 06/01/2025 | 220,000.00   | 2.590% | 100.000 | 220,000.00   | 220,000.00             |
|                 | 06/01/2026 | 225,000.00   | 2.590% | 100.000 | 225,000.00   | 225,000.00             |
|                 | 06/01/2027 | 235,000.00   | 2.590% | 100.000 | 235,000.00   | 235,000.00             |
|                 | 06/01/2028 | 240,000.00   | 2.590% | 100.000 | 240,000.00   | 240,000.00             |
|                 | 06/01/2029 | 245,000.00   | 2.590% | 100.000 | 245,000.00   | 245,000.00             |
|                 | 06/01/2030 | 250,000.00   | 2.590% | 100.000 | 250,000.00   | 250,000.00             |
|                 | 06/01/2031 | 395,000.00   | 2.590% | 100.000 | 395,000.00   | 395,000.00             |
|                 | 06/01/2032 | 450,000.00   | 2.590% | 100.000 | 450,000.00   | 450,000.00             |
|                 | 06/01/2033 | 465,000.00   | 2.590% | 100.000 | 465,000.00   | 465,000.00             |
|                 | 06/01/2034 | 475,000.00   | 2.590% | 100.000 | 475,000.00   | 475,000.00             |
|                 | 06/01/2035 | 485,000.00   | 2.590% | 100.000 | 485,000.00   | 485,000.00             |
|                 | 06/01/2036 | 500,000.00   | 2.590% | 100.000 | 500,000.00   | 500,000.00             |
|                 | 06/01/2037 | 515,000.00   | 2.590% | 100.000 | 515,000.00   | 515,000.00             |
|                 | 06/01/2038 | 570,000.00   | 2.590% | 100.000 | 570,000.00   | 570,000.00             |
|                 | 06/01/2039 | 630,000.00   | 2.590% | 100.000 | 630,000.00   | 630,000.00             |
|                 | 06/01/2040 | 645,000.00   | 2.590% | 100.000 | 645,000.00   | 645,000.00             |
|                 |            | 7,000,000.00 |        |         | 7,000,000.00 | 7,000,000.00           |

|                | Maturity Date | Interest Rate | Issue Price  | Stated Redemption at Maturity | Weighted Average Maturity | Yield   |
|----------------|---------------|---------------|--------------|-------------------------------|---------------------------|---------|
| Final Maturity | 06/01/2040    | 2.590%        | 645,000.00   | 645,000.00                    |                           |         |
| Entire Issue   |               |               | 7,000,000.00 | 7,000,000.00                  | 12.6279                   | 2.5902% |

|  |           |
|--|-----------|
| Proceeds used for accrued interest                                       | 0.00      |
| Proceeds used for bond issuance costs (including underwriters' discount) | 62,250.00 |
| Proceeds used for credit enhancement                                     | 0.00      |
| Proceeds allocated to reasonably required reserve or replacement fund    | 0.00      |

**RESOLUTION NO. 2021-R-01**

**WHEREAS**, the need to address quality of life issues for the City of Walterboro, and addressing the concerns and issues of residents and businesses is a priority for the City, infrastructure improvements have been identified as a priority community need for City of Walterboro, and

**WHEREAS**, the City of Walterboro wishes to address this need by making application to the Federal Emergency Management Agency (FEMA). Hazard Mitigation Grant Program (HMGP) Funds to replace and upgrade the emergency engine-driven power supply system at the Wastewater Treatment Plant (WWTP).

**WHEREAS**, the completion of this project would directly benefit approximately 2,899 properties in the City.

**NOW THEREFORE BE IT RESOLVED** by the City Council of Walterboro, South Carolina, that

1. City Council hereby endorses the Emergency Engine-Drive Power Supply System at the Walterboro Wastewater Treatment Plant because it will greatly improve the quality of life for the residents and businesses of the City.

2. The City Manager shall be and is authorized to prepare and submit a Federal Emergency Management Agency (FEMA). Hazard Mitigation Grant Program (HMGP) Application for the Emergency Engine-Drive Power Supply System at the Walterboro Wastewater Treatment Plant Project and to commit funds in the estimated amount of \$425,962.00 or 25% of the grant request to meet the matching commitment of the HMGP Program.

**ADOPTED, THIS 2<sup>nd</sup> DAY OF MARCH 2021.**

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William T. Young, Jr.  
Mayor

**ATTEST:**

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Callie Seals  
City Clerk



## RESOLUTION NO. 2021-R-02

AUTHORIZING AND APPROVING THE ACCEPTANCE OF CERTAIN LOAN ASSISTANCE MONIES FROM THE SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY; AUTHORIZING THE MAYOR TO EXECUTE THAT CERTAIN LOAN ASSISTANCE AGREEMENT BETWEEN THE CITY OF WALTERBORO AND THE SOUTH CAROLINA WATER QUALITY REVOLVING FUND AUTHORITY; AND OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Walterboro (the "*Project Sponsor*") is a municipal corporation duly created and existing under the laws of the State of South Carolina;

WHEREAS, the Project Sponsor is authorized and empowered by the provisions of Title 48, Chapter 5 of the Code of Laws of South Carolina, 1976, as amended, to receive financial assistance from the South Carolina Water Quality Revolving Fund Authority (the "*Authority*");

WHEREAS, on June 6, 2019, the President signed P.L. 116-20, the Additional Supplemental Appropriations for Disaster Relief Act ("*ASADRA*"), into law appropriating capitalization grant funding to provide States or Territories in EPA Regions 4, 9, and 10 for treatment works impacted by Hurricanes Florence and Michael, Typhoon Yutu and calendar year 2018 wildfires and earthquakes; and

WHEREAS, the funds appropriated under the ASADRA are deposited into the South Carolina Drinking Water Revolving Loan Fund (the "*Fund*")

WHEREAS, P.L. 116-20 requires the Fund to provide additional subsidization (including subsidization which will not accrue interest and the principal of which will be forgiven) for drinking water infrastructure facilities;

WHEREAS, the Project Sponsor previously applied to the South Carolina Department of Health and Environmental Control ("*DHEC*") for certain loan assistance monies (the "*Loan Assistance*") to be made available to the Project Sponsor by the Authority in the form of a subsidization which will not accrue interest and the principal of which will be forgiven;

WHEREAS, the Project Sponsor was selected by DHEC to receive the Loan Assistance contingent upon compliance by the Project Sponsor with all terms, conditions and requirements set forth in the Loan Assistance Agreement, the form of which is attached hereto as Exhibit A (the "*Loan Assistance Agreement*"); and

WHEREAS, based on approvals issued by DHEC, the proceeds of the Loan Assistance are to be used by the Project Sponsor for the Chlorination System & Generator for Mable T. Willis Boulevard Well project described in Appendix A to the Loan Assistance Agreement (the "*Project*").

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Walterboro, South Carolina (the "*Council*"), in a meeting duly assembled:

Section 1. Acceptance of the Loan Assistance; Acknowledgment of Terms of Loan Assistance Agreement.

The Loan Assistance, under the terms, conditions and requirements set forth in the Loan Assistance Agreement, is hereby accepted. The Project Sponsor acknowledges that the receipt of proceeds of the Loan Assistance pursuant to the Loan Assistance Agreement requires the Project Sponsor to comply with all of the terms of the Loan Assistance Agreement, including requiring strict compliance with all state and federal mandates set forth therein by any contractors performing work on the Project who are subject to those mandates. The Project Sponsor further acknowledges that the forgiveness of the principal amount of the Loan Assistance by the Authority is conditional upon the Project Sponsor's complete and satisfactory compliance with the terms of the Loan Assistance Agreement, and that any failure to comply strictly with such terms could result in a requirement that the Project Sponsor repay to the Authority all or a portion of the Loan Assistance. The Project Sponsor has fully reviewed each and every term of the Loan Assistance Agreement.

Section 2. Approvals, Appropriations and Expenditures.

The Project Sponsor certifies that it has taken, or will take, all actions necessary under South Carolina law to approve, appropriate and expend the proceeds of the Loan Assistance.

Section 3. Authorization of the Loan Assistance Agreement.

The Loan Assistance Agreement is hereby approved, and the execution and delivery of the Loan Assistance Agreement on behalf of the Project Sponsor is hereby authorized and directed. The Loan Assistance Agreement shall be executed on behalf of the Project Sponsor by the Mayor and shall be attested to by the City Manager.

Section 4. Miscellaneous.

This Resolution shall be a contract between the Project Sponsor and the Authority, and shall be enforceable as such against the Project Sponsor.

ADOPTED, this 2<sup>nd</sup> day of March 2021.

CITY OF WALTERBORO,  
SOUTH CAROLINA

SEAL

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

Attest:

By: \_\_\_\_\_  
Callie Seals  
City Clerk



## MEMORANDUM

**TO:** Mayor and City Council  
**FROM:** City Manager  
**DATE:** February 22, 2021  
**SUBJECT:** Debris Removal/Cleanup – April 13, 2020 Tornado

In the immediate aftermath of the tornado that hit the City of Walterboro on April 13, 2020, the City utilized Colleton County's debris removal contractor to assist with cleanup and debris removal. FEMA covered 75% of the eligible cleanup costs.

| <u>Expense</u>                                    | <u>Amount</u>       |
|---|---------------------|
| Roads/Parks                                       | \$21,989.51         |
| Gruber Street Park                                | \$219,729.79        |
| Topsoil/Rock/Hydroseed (not reimbursable by FEMA) | <u>\$10,973.10</u>  |
| <b>Total</b>                                      | <b>\$241,171.93</b> |
| Total FEMA-eligible Expenses                      | \$230,746.20        |
| Non-Federal Share (25%)                           | \$57,6867.55        |
| Non-Allowed Costs                                 | <u>\$10,973.10</u>  |
| <b>Total</b>                                      | <b>\$68,659.65</b>  |

This amount is unbudgeted and will be absorbed by the fund balance in the General Fund. City staff asks for Council's favorable consideration in the amount of \$68,659.65. 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

Attachment

INVOICE #2021 - DR4542

# Colleton County Government

PO Box 157 Walterboro SC 29488

843-549-5716

**DATE**

**BILL TO**

City of Walterboro

PO Box 709 Walterboro SC 29488

843-782-10000

**FOR**

Non-federal Share (25%) and non-allowed costs related to debris removal costs on City of Walterboro streets and parks from April 13, 2020 tornadoes.

**Details**

**AMOUNT**

Non-federal share - Roads/City Parks \$57,686.55

Topsoil/Rock/Hydroseeding - Gruber Street Park - non allowed \$10,973.10

TOTAL \$68,659.65

Make all checks payable to Colleton County Government

→.61.1

Applicant: **City of Walterboro**  
 District: **4090**  
 Category: **A**  
 Project #: **14-1707**  
 Cost Allocation by: **McNamee of The Volunteer Org**

| SUMMARY        |                     |            |                    |                     |                    |
|----------------|---------------------|------------|--------------------|---------------------|--------------------|
| Category       | Claimed Costs*      | Comments   | Reimbursable Hours | Reimbursable Costs  | Variance-See notes |
| FAL - Regular  | \$10,937.48         |            | 565.3              | \$10,937.48         |                    |
| FAL - Overtime | \$57.00             |            | 1.5                | \$57.00             |                    |
| FA Equipment   | \$18,590.49         | See note 2 | 351.0              | \$18,283.05         | s (307.44)         |
| Materials      |                     |            |                    | \$0.00              |                    |
| Rentals        |                     |            |                    | \$0.00              |                    |
| Contracts      | \$511,580.45        | See note 2 |                    | \$501,427.80        | s (10,152.65)      |
| DAC            |                     |            |                    | \$0.00              |                    |
| <b>Total</b>   | <b>\$541,165.40</b> |            | <b>917.8</b>       | <b>\$830,708.31</b> | s (10,460.09)      |

\* Claimed Costs based on revised claim received via email - see file labeled Category A Summary of Expenses REVISED 3/18/20.pdf

Notes:

1. Per EEI/claimed cost spreadsheets, Labor/fringe rate for OT = fringe rate for Reg time @ 29.53%.

2. Variances:

Force Account

Equipment tab totals \$18,283.05 for 351 hours. Claim is for \$18,590.49. Wrong rate 4/24 for Haskell equipment code 8822 Variance = (\$307.44)

Contracts

From EEI- Applicant withdrew Ackerman invoice 21613 for \$77,075.76 and added Tetratech invoice 5163384 \$2,453.92. These are omitted from all claimed and reimbursable costs totals above.

Tetra Tech Invoice #51626072.00 total = \$19,516.20. Applicant claim omitted travel costs of \$820.45. DVS used total Invoice amount to include eligible expense.

Variance = \$820.45

From Ackerman Invoice 21687 FEMA removed invoiced grass seed ng and topsoil costs (\$10,973.10) Variance = (\$10,973.10)

CITY OF WALTERBORO

① 21,989.51 - ROADS/PARKS  
 ② 219,729.79 - GRUBER ST PARK  
 (10,973.10) - TOPSOIL/ROCK/HYDROSEED COSTS NOT ALLOWED  


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 230,746.20 - FEMA ALLOWED  
 \* 25% - NON-FEDERAL  


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 57,686.55 - NON-FEMA  
 10,973.10 - NON-ALLOWED COSTS  


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 \* 68,659.65 - DUE BACK



## MEMORANDUM

**TO:** Mayor and City Council  
**FROM:** City Manager  
**DATE:** February 25, 2021  
**SUBJECT:** Reappointment of Board and Commission Members

The following board and commission members have indicated that they would like to continue to serve on their respective boards and commissions:

### Accommodations Tax Committee

Amar S. Patel (3-year term expiring January 1, 2024)  
Viral Patel (3-year term expiring January 1, 2024)

cc: Amy

### Building Board

Cole Crosby (4-year term expiring January 1, 2025)

### Board of Zoning Appeals

Travis J. Godley (3-year term expiring January 1, 2024)  
Dandi Daniels (3-year term expiring January 1, 2024)

cc: Bonnie  
Planning & Codes

### Historic Preservation Commission

Molly Watkins (2-year term expiring January 1, 2023)  
Benjamin Scott Cook (2-year term expiring January 1, 2023)

### Keep Walterboro Beautiful

Dana Chaney (4-year term expiring January 1, 2025)  
Henry Hiott (4-year term expiring January 1, 2025)  
Talika Mock (4-year term expiring January 1, 2025)  
Deborah D. Rodriguez (4-year term expiring January 1, 2025)

### Tree Protection Committee

Michael Ferrari (2-year term expiring January 1, 2023)



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**MEMORANDUM**

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**TO:** Mayor and City Council  
**FROM:** City Manager  
**DATE:** February 24, 2021  
**SUBJECT:** Paperless Agendas - iPads

I have looked at various options for City Council to go to paperless agendas. The most cost-effective option is to purchase iPads instead of a lease. The iPad 8<sup>th</sup> Generation meets all of Council's needs, has 32 GB of memory, a screen size of 10.2" and retails for \$329.00. If Council is interested in an iPad with a larger screen size (12.9"), the iPad Pro 4<sup>th</sup> Generation retails for \$999.99.

If you have any questions, comments, or concerns, please do not hesitate to contact me, or come by City Hall at your convenience.

Sincerely,

Jeffrey P. Molinari  
City Manager



## *Accommodations Tax Advisory Committee*

To: Walterboro City Council  
Cc: Jeffrey P. Molinari, City Manager  
From: Accommodations Tax Advisory Committee  
Date: February 18, 2021  
Re: Approvals at February 2021 meeting

At its regularly scheduled meeting held on February 18, 2021, the Accommodations Tax Advisory Committee approved the following requests:

| <u>Requests for 65% Tourism Fund</u>       | <u>Requested</u> | <u>Approved</u> |
|--|------------------|-----------------|
| Colleton County Arts Council – Spring Sing | \$1,500          | \$1,000         |

Should these requests be approved as submitted, the projected remaining balance for 2020-2021 will be approximately **\$59,922**. The remaining funds will be for consideration at the next scheduled meeting in June 2021. Therefore, the Accommodations Tax Advisory Committee respectfully requests City Council approve these items.





## Application for City of Walterboro Accommodations Tax Funding Request

### Basic Information:

## “Spring Sing”

(Carolinas District, Barbershop Harmony Society, International Qualifier)

Request Amount: \$1500.00

Total Cost of Project: \$11,757.00

Applicant: Colleton County Arts Council EIN:57-0966741  
Heather Larson 843-909-0639  
344 Wichman Street, Walterboro, SC 29488  
843-909-0639, [ccarts@lowcountry.com](mailto:ccarts@lowcountry.com)

### Narrative:

The Arts Council is pleased to bring the Carolinas District of the Barbershop Harmony Society to Walterboro for its 10<sup>th</sup> annual spring convention and international qualifier. Multiple events to be held over the course of the day on May 15, 2021 will culminate in the Quartet Contest Final and Saturday Night Spectacular, which will feature previous district champions. The event will bring many of the best a capella singers from North and South Carolina to compete for the right to represent our district at the International Barbershop convention in Cleveland the week of July 4<sup>th</sup>. As many of the neighboring districts have canceled their own spring qualifiers, the Carolinas District has invited quartets from the “Dixie District”, Sunshine District” and “Mid-Atlantic” districts to also compete. The competition will be held in two rounds beginning at noon divided by a virtual chorus competition, for which choruses will submit videos to be projected on the big screen. The audience will judge the chorus competition, while a panel of judges from across the country will be brought in to judge the international quartet qualifier. A mass group sing is planned as a free event mid-day at the Walterboro Wildlife Center Amphitheater where all barbershop singers are invited to sing and the public are encouraged to come and enjoy for free.

This event is the Carolinas District’s spring convention, bringing members from across the district to participate as competitors, to get coaching and as audience members. The events will also be live-streamed through YouTube and the District

webpage. Members of the Barbershop Harmony Society will be able to register for the convention, contest and show. Television and radio advertizing will target audiences in Walterboro, Charleston and Beaufort. Everyone will be invited to attend all of the contests and Saturday Evening Spectacular as separate ticketed events.

The Spring Sing will bring the following: competitors and family, audience, judges, district and international officials from BHS (Barbershop Harmony Society), to Walterboro from all over the south and across the country. Many of these people will be booking two nights each in local hotels and the district has already made arrangements for judges and officials with Hampton Inn.

Because of the COVID 19 restrictions set by Colleton County Council, seating for contests and shows is currently set at 237 people, but, BHS anticipates that County Council is likely to relax this to 474 by mid-May depending on vaccination rates. The Carolinas district hopes to fill the auditorium of the Colleton County Civic Center to capacity for all of the scheduled events. Typically the District Spring convention seats between 350 – 450 audience members and books a headquarters hotel with a guarantee of 600+ room nights.

COVID 19 restrictions have required the following considerations: the event is going from a two-day to a one-day format, no headquarters hotel will be officially booked and therefore our estimate of room-nights we will conservatively estimate at 200. We hope this estimate will prove to be low.

Estimated Economic Impact/ Room night projection:

|        |     |    |     |   |      |           |        |
|--------|-----|----|-----|---|------|-----------|--------|
| Double | 132 | 90 | (3) | 2 | 1.11 | 25,494.48 | 22968  |
| King   | 132 | 10 | (1) | 2 | 1.11 | 2,637.36  | 2376   |
|        |     |    |     |   |      | 28,131.84 | 25,344 |

The Colleton County Arts council has partnered with the Carolinas District to bring this event to Walterboro. This unique opportunity to introduce both a captive audience (Barbershop Harmony Society members and competitors) from the Carolinas and a general audience from the surrounding counties is unique. Local hotels and restaurants will certainly benefit immediately from an influx of an estimated 250 to 500 people coming to Walterboro for this event.

A bigger goal is to bring this convention back in future years when COVID will not be causing so much uncertainty by making it a success this year. The Arts Council will be providing space, printing services and general support through its volunteers to the Carolinas District in addition to its sponsorship of the event. The Arts Council will showcase the facilities at the Colleton Civic Center, SC Artisan Center and Walterboro Wildlife Center to a wide new audience, and to introduce a unique art form to residents of Colleton County. It is the intention of the Arts Council, that a

successful convention at a beautiful historic facility will bring the Barbershop Harmony Society back to Walterboro in following years and their convention will resume it's normal two-day format.

Hotel reservations will be tracked through conference registrations. The Carolinas District uses Eventbrite for ticketing and registrations and keeps hotel booking information as part of the registration process. Survey Monkey will be used during convention events for peoples' choice scoring and it is the intent to collect geographical and hotel stay statistics in a follow up survey.

Participants will be given coupons to near-by restaurants for a free appetizer. The restaurants will be able to return the coupon to the Carolinas district for reimbursement of \$5 per appetizer sold, which will allow for tracking of impact on service. 100 coupons would be printed and given out to first 100 people through the door for the Saturday night show. A portion of A-tax money in our request is earmarked for this purpose.

Advertizing through regional cable companies would consist of contracts for a 30 second spot, split across multiple channels with a one month run.

| Advertizing - Savannah Market | Advertizing - Charleston Market Effectv (Comcast) | Amenity Reimbursement (Free Appetizer at local restaurants) | Total A-tax request |
|-------------------------------|---|---|---------------------|
| \$500                         | \$500   | \$500   | \$1500              |

The one-day event requires no permits.