



**WALTERBORO CITY COUNCIL
RESCHEDULED REGULAR MEETING
NOVEMBER 14, 2023
CITY HALL
6:15 P.M.**

REVISED AGENDA

I. Call to Order:

1. Invocation
2. Pledge of Allegiance

II. Public Input on Agenda Items:

III. Public Hearing:

1. **Ordinance # 2023-13**, AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY'S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO (Second and Final Reading).

IV. Approval of Minutes:

1. August 17, 2023 - Work Session Meeting
2. September 5, 2023 - Regular Meeting
3. October 3, 2023 - Regular Meeting

V. Old Business:

1. **Ordinance # 2023-13**, AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY'S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO (Second and Final Reading).

VI. New Business:

1. **Ordinance # 2023-14**, AN ORDINANCE AMENDING THE BUSINESS LICENSE ORDINANCE OF THE CITY OF WALTERBORO TO UPDATE THE CLASS SCHEDULE AS REQUIRED BY ACT 176 OF 2020 (Introduction and First Reading).
2. **Ordinance # 2023-15**, AN ORDINANCE TO AMEND CHAPTER 8 – BUSINESS AND BUSINESS REGULATIONS, ARTICLES III – SOLICITING; PEDDLERS, SOLICITORS, AND TRANSIENT MERCHANTS AS REQUIRED BY ACT 176 OF 2020 (Introduction and First Reading).

3. **Ordinance # 2023-16**, AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA, AMENDING THE COMPREHENSIVE FEE SCHEDULE FOR THE UTILITY SUPPORT DEPARTMENT (Introduction and First Reading).
4. **Ordinance # 2023-17**, AN ORDINANCE AMENDING THAT CERTAIN AMENDED AND RESTATED BOND 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 ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO (Introduction and First Reading).
5. **Ordinance # 2023-18**, 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 THIRTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$13,500,000); OR THE MAXIMUM CREDIT AMOUNT, AS APPLICABLE; AND OTHER MATTERS RELATING THERETO (Introduction and First Reading).
6. **Resolution # 2023-R-05**, A RESOLUTION TO CERTIFY THE RESULTS OF THE NOVEMBER 7, 2023, MUNICIPAL GENERAL ELECTION. (Resolution attached).
7. A Proclamation to declare November 16, 2023, as World Pancreatic Cancer Day (Proclamation attached).
8. Consideration of a parade request from Herman Bright – Martin Luther King, Jr. Parade, January 14, 2024, at 2:30 PM (Parade request attached).
9. Consideration of a request from the Pharaohs of the Lowcountry Eastern Truck Division to use the former Ford property at 114 North Walter Street to hold a car show and Christmas Toy Drive, Saturday December 9, 2023, 12:00 – 3:00 PM (Letter attached).
10. Consideration of a request to close streets for the Annual Christmas Parade to be held on Sunday, December 3, 2023 at 6:30 PM.
11. Election of Councilmember James Broderick as Voting Delegate at the 2023 National League of Cities City Summit.

VII. City Manager’s Report:

1. Consideration of financing proposals – wastewater treatment plant expansion line of credit (Memo and term sheet attached).
2. Consideration of funding recommendations from the Accommodations Tax Advisory Committee (Memo attached).
3. Introduction of Karen Williams, Main Street Manager-Tourism Director.

VIII. Executive Session:

1. The provision of water and sewer service to Northwest Walterboro.
2. Personnel Matter: Planning and Development Department.

IX. Open Session:

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

X. Adjournment

ORDINANCE #2023-13

AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY'S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO

NOW THEREFORE, be it ordained by the City Council of the City of Walterboro (the "**Council**"), the governing body of the City of Walterboro, South Carolina ("**City**"), as follows:

Section 1 Findings. The Council hereby makes the following findings of fact in connection with the enactment of this ordinance (this "**Ordinance**") and the imposition of the Capacity Fees (as defined this Ordinance):

(a) The City is a body politic and corporate located in Colleton County, South Carolina, entitled to exercise all the powers and privileges provided to municipal corporations in the State of South Carolina (the "**State**").

(b) The City possesses, maintains, and operates a combined waterworks and sewer system (the "**System**") that was established in compliance with the constitutional and statutory provisions of the State.

(c) The City and surrounding area anticipate substantial residential growth; to accommodate this anticipated growth, the System requires significant capital improvements.

(d) With the assistance of certain rate and engineering consultants, the City previously developed a capital improvements plan for the System (the "**Capital Improvement Plan**"), a copy of which is attached hereto as Exhibit A.

(e) The City wants to avoid placing the burden of serving new growth on its ancestral customers, and wishes to establish certain fees on new customers to accommodate its growth and certain improvements identified in the Capital Improvement Plan.

(f) Pursuant to Sections 6-1-330 and 6-1-1080 of the Code of Laws of South Carolina 1976, as amended (the "**SC Code**")¹, the City is permitted to impose capital recovery fees on all new customers of the System to recover a proportional share of capital costs incurred to provide service capacity for such new customers (the "**Capacity Fees**").

(g) As a condition to implementing the Capacity Fees, Section 6-1-1080 of the SC Code requires that the City: (a) maintain an existing capital improvement plan; (b) prepare a report to explain the basis, use, calculation and collection method for the Capacity Fees; and (c) authorize the Capacity Fees under the provisions of Title 6, Chapter 1, Article 3 of the SC Code.

¹ Also see *J.K. Const., Inc. v. Western Carolina Regional Sewer Authority*, 336 S.C. 162 (1999).

(h) Consistent with the requirements of Section 6-1-1080 of the SC Code, the City (a) has previously developed and currently maintains the Capital Improvement Plan, a copy of which is attached hereto as Exhibit A, (b) worked with Willdan Financial Services, a utility rate and feasibility consultant, to prepare a report related to the Capacity Fees (the “**Capacity Fee Report**”), a copy of which is attached hereto as Exhibit B; and (c) is enacting this Ordinance in a manner consistent with the requirements of Title 6, Chapter 1, Article 3 of the SC Code.

(i) The City has determined it is in the best interests of the City and the customers of the System to implement the Capacity Fees under the terms of this Ordinance.

(j) As a consequence of the implementation of Capacity Fees hereunder, the City has further determined to amend its fiscal year 2023-24 budget and to undertake certain amendments to the City’s code of ordinances to implement policies regarding collection and expenditure of the Capacity Fees.

Section 2 Approval of the Capital Improvement Plan and Capacity Fee Report. The Council hereby approves, ratifies and confirms the Capital Improvement Plan and the Capacity Fee Report, copies of which are attached hereto as Exhibit A and Exhibit B, respectively.

Section 3 Capacity Fees. In reliance on the Capacity Fee Report, which utilizes a combined cost method for the calculation of the Capacity Fees for the both the water and sewer components of the System, the Council hereby approves the imposition of the Capacity Fees (based upon meter size and utilizing the American Water Works Association’s (AWWA) meter equivalency factors) as set forth in the table herein below. The Capacity Fees shall be charged to all new customers seeking to connect to the System.

| Meter Size | Equivalent Residential Units (ERU) ² | Water Capacity Fees | Sewer Capacity Fees | Total |
|-------------|---|---------------------|---------------------|----------|
| 5/8 or 3/4” | 1.00 | \$ 2,560.00 | \$ 2,450.00 | \$ 5,010 |
| 1” | 2.50 | 6,400.00 | 6,125.00 | 12,525 |
| 1 ½” | 5.00 | 12,800.00 | 12,250.00 | 25,050 |
| 2” | 8.00 | 20,480.00 | 19,600.00 | 40,080 |
| 3” | 16.00 | 40,960.00 | 39,200.00 | 80,160 |
| 4” | 25.00 | 64,000.00 | 61,250.00 | 125,250 |
| 6” | 50.00 | 128,000.00 | 122,500.00 | 250,500 |
| 8” | 80.00 | 204,800.00 | 196,000.00 | 400,800 |

Section 4 Capacity Fee Policies. By and through the enactment of this Ordinance, for the purposes discussed above, the Council hereby implements the following capacity fee policies for the collection and administration of Capacity Fees (the “**Capacity Fee Policies**”). The Capacity Fee Policies shall be implemented and codified by the City at Chapter 34, Article VII, as follows:

² ERUs are based on the meter equivalency factors from AWWA. One ERU assumes usage of 300 gallons per day, which is consistent with regulations promulgated by the South Carolina Department of Health and Environmental Control.

Chapter 34 – UTILITIES

ARTICLE VII – IN GENERAL

Sec. 34-290.-Assessment.

A Capacity Fee shall be assessed on all new development and redevelopment for which a new water and/or sewer service is requested or for which additional water and/or sewer usage is requested, except for the following:

- (1) Rebuilding or replacing a structure (residential or commercial) on a parcel of land that contains an existing water and/or sewer service of sufficient size and capacity to meet the requirements of the new use;
- (2) Remodeling or repairing a structure with the same land use that does not result in an increase in the number of service units or place additional water and/or sewer demand on the City's facilities and equipment;
- (3) Construction of an addition to a structure on a parcel of land that contains an existing water and/or sewer service (residential or commercial) that does not increase the amount of water and/or usage; or
- (4) Changing or adding uses or equipment on a parcel of land that contains an existing water and/or sewer service, unless it is clearly demonstrated that the use creates new or increased water and/or sewer demand for the City's facilities and equipment.

Sec. 34-291.-Calculation.

The calculation of Capacity Fees shall be based upon the proposed meter sizes and equivalency units approved by the Council as provided by the owner, developer, or design engineer. If, after one year of substantially completed operation of the new use, the actual daily water and/or sewer demands are in excess of the demands used to determine the Capacity Fees or the meter sizes are different than originally determined, the individual or entity in whose name the water and/or sewer account is held will be assessed additional Capacity Fees in accordance with the then-existing capacity fee schedule. The Utilities Director of the City may request such additional information, studies, or analysis as may be necessary to determine anticipated water and/or sewer demands of any new use.

Sec. 34-292.-Collection.

All Capacity Fees will be collected at such time as connection fees are collected for all new development or redevelopment.

Sec. 34-293.-Fire Suppression Systems.

No Capacity Fee will be assessed for metered fire suppression system-only connections. Uses of this connection for other than fire suppression may result in the assessment of Capacity Fees to the owner or tenant. A compound meter is not sufficient to determine fire flow. A separate, fire-only meter (in addition to the regular service meter) must be established for any qualifying metered fire suppression system-only connection.

Sec. 34-294.-Usage.

Capacity Fees shall be imposed only to fund system improvement costs reasonably related to new development or redevelopment, including, but not limited to: design and construction plan preparation for additional capacity or rehabilitation of existing capacity supporting the efficient usage of such water and/or sewer capacity; right of way acquisition; construction of new facilities, structures, or amenities that provide additional capacity or rehabilitation of existing capacity supporting the efficient usage of water and/or sewer capacity; programs to prevent or limit water loss or sewer inflow and/or infiltration; purchase of new equipment that provide additional capacity or rehabilitation of existing capacity supporting the efficient usage of water and/or sewer capacity; principal payments, interest and other finance charges on bonds or other indebtedness issued by or on behalf of the City for financing any or all of these public facilities. Capacity Fees cannot be used to offset the City's operating costs, and shall be maintained, from an accounting standpoint, separate and distinct from the City's general operating fund for the System.

Sec. 34-295.-Appeals.

The payor of any Capacity Fee (a "***Fee Payor***") may appeal any Capacity Fee assessed on new development or redevelopment in accordance with the following procedures:

- (1) A Fee Payor may pay Capacity Fees under protest. Payment under protest is a condition precedent to appealing any Capacity Fees described herein. Additionally, a Fee Payor, at his option, may also post a bond or submit an irrevocable letter of credit for the amount of Capacity Fees due instead of making a cash payment under protest, pending the outcome of an appeal.
- (2) A Fee Payor may file an administrative appeal with the Utilities Director regarding the payment of Capacity Fees by filing a written notice of appeal. Said notice shall be filed within ten calendar days of the payment of the Capacity Fees. The filing of an appeal will immediately halt all proceedings regarding the provision of water and/or sewer services unless the Fee Payor posts a bond or submits an irrevocable letter of credit for the full amount of the Capacity Fees, as calculated by the City, to be due. All notices of appeal shall include a full explanation of the reasons for the appeal, specifying the grounds therefor, and containing any documentation that the Fee Payor desires to be considered. The appeal shall contain the name and address of the Fee Payor filing the appeal and shall state their capacity to act as representative or agent if they are not the owner of

the property to which recovery fees pertain. By no later than twenty calendar days following receipt of the written notice of appeal, the Utilities Director will review the appellant's written report, supporting documentation and departmental staff reports. The review period may be extended in the discretion of the Utilities Director if additional information is needed from the appellant in order to render a decision. Upon completion of the administrative review, the Utilities Director will provide a written response to the Appellant constituting a final administrative determination.

- (3) Any person desiring to appeal the final administrative determination of the Utilities Director regarding payment of Capacity Fees shall file a written notice of appeal to the Council. Said Notice of Appeal to the Council shall be filed with the Clerk to Council within five business days following receipt of the final administrative determination. Receipt shall be construed to have occurred when the final administrative decision is deposited in the United States mail postage prepaid to the person whose name and address is identified in the original notice of appeal. Thereafter, the Council shall conduct a hearing at its next regularly scheduled meeting, or such other meeting time as may be agreeable to Council and the appellant, and shall allow the appellant, in person or acting through counsel, to present an oral presentation to the Council regarding its appeal. After hearing such appeal, the Council, within ten business days, shall make a written finding as to the appeal and either accept the findings appeal, reject it or proffer a compromise. If any refund is determined, the City shall refund the required amount within ten business days of the written determination by the Council. The findings and determination of the Council shall constitute the final judicial determination as to the payment of Capacity Fees.
- (4) Only after all administrative appeals have been exhausted under the provisions of this policy, the aggrieved Fee Payor may determine to file a suit in a court of competent jurisdiction to challenge the payment of the disputed Capacity Fees.

Section 5 Removal of Codification of Utility Fees. By and through the enactment of this Ordinance, the Comprehensive Fee Schedule in Appendix B of the City's Code of Ordinances is amended to remove references to all "Utility Support Department Fees", including "Water," "Sewer," and "Sanitation" fees. Instead, the schedule of all water, sewer and sanitation fees shall be set forth in the City's annual budget, including the City's most recent fiscal year 2023-24 budget, and made available on the City's website and upon request at City Hall.

Section 6 Budget Amendment. In response to the imposition of the Capacity Fees, the City has determined to amend its Enterprise Fund Budget for fiscal year 2023-24 to duly and properly supplement the projected revenues and expenses for the remainder of the 2023-24 fiscal year, which began on July 1, 2023 and ends on June 30, 2024.

Section 7 Public Hearings. Prior to the date of enactment of this Ordinance and pursuant to the requirements of Sections 6-1-330 and 6-1-80 of the SC Code, the City held public hearings on November 14, 2023 on the questions of (1) implementing the Capacity Fees, and (2) amending the fiscal year 2023-24 budget for the System and the ratification of the water, sewer and sanitation fees in the existing fiscal year 2023-24 budget. Notice of the public hearings, in the form and format required by Sections 6-1-80 and 6-1-330 of the SC Code, a copy of which is attached hereto as Exhibit C, was timely published in the *Press and Standard*, which is a newspaper of general circulation in the City (and Colleton County). All interested parties were given an opportunity to speak in favor of or against this Ordinance.

Section 8 Ratification of Findings; Actions. The Council ratifies and approves the findings of fact recited above. Further, all actions of the Mayor and other City staff regarding the public hearings, preparation of the Capital Improvement Plan and the Capacity Fee Report and the required amendments to the fiscal year 2022-23 budget are ratified, approved and confirmed. Further, the Mayor and City staff shall be authorized to do all things necessary to implement the provisions of this Ordinance.

Section 9 Effective Date. This Ordinance has been duly approved by a positive majority (as defined in Section 6-1-300 of the SC Code) of the Council, and shall be effective as of the date of second and final reading. All prior ordinances and resolutions conflicting with the provisions of this Ordinance are hereby repealed.

DONE AND ORDAINED, this 14th day of November 2023.

CITY OF WALTERBORO, SOUTH CAROLINA

William T. Young, Jr.
Mayor

ATTEST:

Adrienne Nettles
City Clerk

| | |
|------------------------------------|-------------------|
| First Reading: | October 3, 2023 |
| Public Hearing #1 (Capacity Fees): | November 14, 2023 |
| Public Hearing #2 (Budget): | November 14, 2023 |
| Second Reading: | November 14, 2023 |

Exhibit A
Capital Improvement Plan

**Capacity Fee Analysis
Capital Improvement Program for FY 2024 - FY 2033
Water & Wastewater Systems**

| Line | Description | Total | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 |
|------|---|---------------------|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------|------------------|-------------------|
| 1 | Pickup truck(s) | \$ 407,000 | \$ 32,000 | \$ 80,000 | \$ 35,000 | \$ 35,000 | \$ 36,500 | \$ 36,500 | \$ 37,000 | \$ 37,000 | \$ 39,000 | \$ 39,000 |
| 2 | Service truck w/ utility body | 145,000 | 70,000 | 0 | 0 | 0 | 75,000 | 0 | 0 | 0 | 0 | 0 |
| 3 | Atlas compressor | 32,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 32,000 |
| 4 | Armory Well Rehab | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | (2) Pickup trucks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | Asphalt roller w/ trailer | 60,000 | 60,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | Dump Truck | 130,000 | 0 | 130,000 | 100,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8 | Backhoe | 100,000 | 0 | 0 | 0 | 75,000 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | Trencher | 75,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | Mini Excavator | 70,000 | 0 | 0 | 0 | 0 | 0 | 0 | 70,000 | 0 | 0 | 0 |
| 11 | Lawnmower | 30,000 | 0 | 15,000 | 0 | 0 | 15,000 | 0 | 0 | 0 | 0 | 0 |
| 12 | Pickup truck | 182,500 | 0 | 35,000 | 0 | 35,000 | 0 | 36,500 | 0 | 37,000 | 0 | 39,000 |
| 13 | SBR tank cleanout | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | SBR pipe replacement | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 140,000 | 0 | 0 |
| 15 | Dump truck | 140,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 | Beaver Liftstation demolition | 45,000 | 0 | 45,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 | Wellborn Force Main relocation | 55,000 | 0 | 55,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Tractor | 50,000 | 0 | 0 | 50,000 | 0 | 0 | 0 | 0 | 125,000 | 0 | 0 |
| 19 | Service truck w/ crane body | 125,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 | Crewcab pickup | 40,000 | 0 | 40,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 21 | Pickup truck | 329,500 | 0 | 35,000 | 35,000 | 35,000 | 36,500 | 36,500 | 36,500 | 37,000 | 39,000 | 39,000 |
| 22 | Vacuum trailer | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 23 | Wastewater Treatment Plant Expansion | 38,454,908 | 38,454,908 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24 | Black Street Sub Basin 12 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 | Sub System 1 East and 3 | 1,000,000 | 1,000,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 26 | WWTP truck line - Washington St | 3,692,178 | 0 | 3,692,178 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27 | WWTP generator | 1,703,850 | 1,703,850 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28 | Total Water & Wastewater CIP | \$46,866,936 | \$41,320,758 | \$ 4,127,178 | \$ 220,000 | \$ 180,000 | \$ 163,000 | \$ 109,500 | \$ 73,500 | \$ 446,000 | \$ 78,000 | \$ 149,000 |

Exhibit B

Capacity Fee Report

Exhibit C

Notice of Public Hearings

The City Council of the City of Walterboro (the “Council”), the governing body of the City of Walterboro, South Carolina (the “City”), has determined that it may be in the interest of the City to impose capacity fees benefiting the City’s waterworks and sewer system (the “Capacity Fees”) and enact a corresponding amendment to the City’s enterprise fund budget (the “Budget Amendment”) for the 2023-24 fiscal year, including the removal of certain codified utility fees in Appendix B of the City’s code of ordinances.

Pursuant to Section 6-1-330(A) of the Code of Laws of South Carolina 1976, as amended (the “SC Code”) and Section 6-1-80 of the SC Code, the Council has ordered two separate public hearings to be held regarding (1) whether to impose the Capacity Fees in accordance with the provisions of Title 6, Chapter 1 of the SC Code (the “Capacity Fee Hearing”), and (2) whether to enact the Budget Amendment (the “Budget Amendment Hearing” and together with the Capacity Fee Hearing, the “Public Hearings”).

The Public Hearings will be held in the City Hall, located at 242 Hampton Street, Walterboro, South Carolina 29488, on Tuesday, November 14, 2023. The Capacity Fee Hearing will begin at 6:15p.m. (or as soon thereafter as possible) and the Budget Amendment Hearing will begin as soon as practicable after the conclusion of the Capacity Fee Hearing. The aforesaid Public Hearings shall be conducted publicly and both proponents and opponents of the proposed actions shall be given full opportunity to be heard in person or by counsel.

A schedule of the Capacity Fees is included in “AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY’S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO” (the “Ordinance”). Copies of the Ordinance are available for pick up at City Hall, which is located at 242 Hampton Street, Walterboro, South Carolina 29488, during regular business hours.

The proposed Budget Amendment does not result in any change to the tax millage rate as no taxes are directly levied or collected for the City’s waterworks and sewer system. The current operating budget for the water and sewer enterprise fund for fiscal year 2023-24 and the proposed Budget Amendment for fiscal year 2023-24 are as follows:

| <u>Source</u> | <u>FY 2023-2024 Approved</u> | <u>FY 2023-2024 Proposed Amended</u> | <u>Percentage Increase</u> |
|---------------|----------------------------------|--|--------------------------------|
| Revenues | \$ 4,876,324 | \$ 5,026,624 | 3.08% |
| Expenditures | \$ 5,026,624 | \$ 5,026,624 | 0.00% |

Following the Public Hearings, the Council will consider the enactment of the Ordinance, the provisions of which impose the Capacity Fees and implement the Budget Amendment.

Notice of Public Hearings

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The proposed Budget Amendment does not result in any change to the tax millage rate as no taxes are directly levied or collected for the City’s waterworks and sewer system. The current operating budget for the water and sewer enterprise fund for fiscal year 2023-24 and the proposed Budget Amendment for fiscal year 2023-24 are as follows:

| <u>Source</u> | <u>FY 2023-2024 Approved</u> | <u>FY 2023-2024 Proposed Amended</u> | <u>Percentage Increase</u> |
|----------------------|---|---|---------------------------------------|
| Revenues | \$4,876,324 | \$5,026,624 | 3.08% |
| Expenditures | \$5,026,624 | \$5,026,624 | 0.00% |

Following the Public Hearings, the Council will consider the enactment of the Ordinance, the provisions of which impose the Capacity Fees and implement the Budget Amendment.

Walterboro City Council

Work Session

August 17, 2023

Minutes

A Work Session for Walterboro City Council was held at City Hall on Thursday August 17, 2023, at 5:00 P.M., with Mayor Bill Young presiding.

Present: Joined in the meeting were: Mayor Bill Young, Councilmembers: Carl Brown, Judy Bridge, Paul Siegel, James Broderick, Ladson Fishburne, and Greg Pryor. City Manager Jeff Molinari, Assistant City Manager Ryan McLeod, Finance Director Amy Risher, Wayne Crosby Utilities Director, Darryl Parker and Jeff McGarvey with Willdan Financial Services and Jay Glover with PFM Financial Advisors.

Call to Order:

With the above-mentioned Councilmembers present, Mayor Young called the meeting to order.

Presentations:

1. Willdan Financial Services, Daryll Parker – Water/Sewer Capacity Fees and Wastewater Treatment Plant Expansion Debt Service.

City Manager Jeff Molinari stated Mr. Mayor and members of City Council we have Willdan Financial Services with us this afternoon. If you remember Willdan is the same firm we used when we did our rate study in 2019. We have Daryll Parker, Jeff McGarvey, and Financial Advisor from PFM, Jay Glover here with us tonight. In Daryll's presentation he will go through the additional debt service that we are having to take on with the wastewater treatment plant. This will involve adjusting both our water and sewer rates. After that, Daryll will go through our proposed capacity fee for water and sewer. A few months ago, City Council authorized me to engage Willdan Financial Services to do an analysis and report on the potential capacity fee for water and sewer.

Mr. Parker went through a detailed PowerPoint presentation showing the city's current water and sewer rate structure and its rates compared to surrounding jurisdictions. Mr. Parker explained that the city will need to adjust its water and sewer rates by 11% by January 1, 2024, 10% on July 1, 2024, and implement 2% increases in subsequent fiscal years to pay back the additional debt service and to also demonstrate to prospective lenders that the city has the capacity to pay back the debt.

Mr. Parker stated our study also found a need for the city to establish a mechanism for recovering the capital costs associated with system growth and expansion. Capital recovery fees for new connections have become more common as growth continues, and state and federal funding has been reduced. It is a very common management practice to apply mechanisms to recover capital costs. The capacity fee developed is equitable and provides for reasonable recovery of the capital costs associated with providing services to new customers. Since the city has developed a Capital Improvement Plan, the proposed capacity fee will be enacted in accordance with the standard approval and public hearing procedures. The proposed capacity fees are based on a listing of existing systems and assets provided by the city, as well as the 10-year Capital Improvement Plan developed by the city. The city currently imposes connection-related and administrative fees for new customer connections. The capacity fee developed is intended to be charged in addition to the existing connection-related charges. The proposed capacity fees are intended to be applied equally to comparable customers whether they are located inside or outside the city limits. The rationale for this method is that the operating cost may increase for providing service outside of the city limits. The capital

costs per gallon of capacity for a major system does not typically differ based on the location of the customer. This concludes my presentation, if you all have any questions, please feel free to reach out.

There being no further business to consider, a motion to adjourn was made by Councilmember Bridge, seconded by Councilmember Brown, and passed unanimously. Mayor Young adjourned the meeting at 5:45 P.M. Notice of the meeting was distributed with the agenda packets, to all local media posted on City Hall bulletin board and posted on the City's website at least twenty-four hours prior to meeting time.

Respectfully,

Adrienne Nettles
City Clerk

Walterboro City Council

City Hall

September 5, 2023

Minutes

A Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, September 5, 2023, at 6:15 P.M., with Mayor Bill Young presiding.

Present: Joined in the meeting were: Mayor Bill Young, Councilmembers: Ladson Fishburne, Greg Pryor, James Broderick, Paul Siegel, Judy Bridge, and Carl Brown. City Manager Jeff Molinari, Assistant City Manager Ryan McLeod, City Clerk Adrienne Nettles, Finance Director Amy Risher, City Attorney Brown McLeod, Deputy Police Chief Kevin Martin, Ann Carmichael, Nicole Bryan, and Kenleigh Crosby.

Call to Order:

With the above-mentioned Councilmembers present, Mayor Young called the meeting to order, and invited everyone to join in as he gave the invocation. Councilmember Fishburne led the Pledge of Allegiance to our flag.

Public Input on Agenda Items:

Ms. Nicole Bryan owner of Gypsy's Boutique stated Mr. Mayor I would like to speak with you all about business licenses. I spoke with Councilmember Broderick about a year ago because I was denied a business license. We struggle to set up in other areas unless it is an approved event. Here recently I was granted a business license to do a private event inside the Press & Standard. I was instructed that I could not set up my mobile trailer in the parking lot. I would like you all to take into consideration that there are other businesses besides brick-and-mortar buildings that would like to participate inside city limits. I hope we will be able to come up with an ordinance or guidelines so we can obtain a business license and work out of our mobile boutiques.

Approval of Minutes:

Upon motion of Councilmember Brown, Seconded by Councilmember Fishburne, the following minutes were approved:

1. Regular Meeting – August 1, 2023.

New Business:

1. **Ordinance # 2023-11**, AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF WALTERBORO, SOUTH CAROLINA, TO PROVIDE FOR CHANGES IN THE ZONING DISTRICTS OF THE CITY OF WALTERBORO BY CHANGING THE ZONING CLASSIFICATION OF ONE PARCEL OF LAND DESIGNATED AS TMS # 163-15-00-062 FROM INDUSTRIAL DISTRICT (ID) TO MEDIUM DENSITY RESIDENTIAL (MDR) (Introduction and First Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet an ordinance and resolution that was passed by the Planning Commission. The Planning Commission held a public hearing on August 15, 2023, to consider a change in zoning from Industrial District to Medium Density Residential for a property on Sanders Street, TMS # 163-15-00-062. The Planning Commission has unanimously recommended that the property be changed to Medium Density Residential.

Motion: Councilmember Broderick; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

2. **Ordinance # 2023-12**, AN ORDINANCE PURSUANT TO TITLE 5, CHAPTER 3, SECTION 5-3-150, SUBSECTION 3, OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, TO ANNEX AN AREA, KNOWN AS TMS # 147-15-00-009 INTO THE CITY OF WALTERBORO, A SOUTH CAROLINA MUNICIPAL CORPORATION (Introduction and First Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet an ordinance and annexation petition to bring Genesis Health Care into the city, which is adjacent to Walgreens. This will be for first reading, and this is a 100% petition annexation. Staff recommends annexing the property. The Planning Commission will have a Special Called Meeting at the end of September to make a recommendation regarding the zoning of the parcel. The plan is to bring this to City Council in October for second and final reading.

Motion: Councilmember Bridge; Seconded by Councilmember Brown

Discussion: None

Carried: All ayes

3. **Resolution # 2023-R-04**, A RESOLUTION COMMITTING THE CITY OF WALTERBORO TO PROVIDE A LOCAL MATCH IN THE AMOUNT OF \$2,500 FOR A MUNICIPAL ASSOCIATION OF SOUTH CAROLINA HOMETOWN ECONOMIC DEVELOPMENT GRANT.

City Manager Jeff Molinari stated Mr. Mayor and members of City Council the last time the city applied for a Municipal Association Hometown Economic Development Grant was in 2016. We were awarded \$25,000 for the Walterboro Wildlife Center project. City staff would like to apply for another MASC Grant in the amount of \$25,000. This would be used to begin a Facade Improvement Grant Program for businesses in the city, with special consideration for properties in the downtown area. The grant could be used for signage, painting of buildings, doors, windows, lighting, landscaping, and restoring original materials. The city portion of this grant is 10% or \$2,500. The applications are due at the end of the month. One of the requirements is for the Council to pass a resolution. Staff asks for Council's favorable consideration.

Councilmember Broderick asked, Mr. Molinari will this be something the businesses repay?

City Manager Jeff stated we looked at several cities around the state, and usually how it works is on a reimbursement basis. For example, a business owner purchases and installs a new sign for \$2,500. The city would provide a 50% match. The business owner would be reimbursed 50% or \$1,250 for the cost of the improvements.

Motion: Councilmember Siegel; Seconded Councilmember Bridge

Discussion: None

Carried: All ayes

4. A Proclamation to designate September 2023 as National Recovery Month.

Motion: Councilmember Pryor; Seconded by Councilmember Broderick

Discussion: None

Carried: All ayes

5. Consideration of a request from Association WMU (Yellow Jacket Prayer Walk for School) on Saturday, September 16, 2023, at 8:00 AM.

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet the parade request and Chief Marvin has already signed off on it.

Motion: Councilmember Brown; Seconded by Councilmember Fishburn

Discussion: None

Carried: All ayes

6. Consideration of a request from In His Name Colleton to use the city parking lot on Saturday, December 2, 2023, from 7:00 AM until 3:00 PM for its Annual Free Christmas Dinner.

Motion: Councilmember Broderick; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

7. Consideration of a request from the Walterboro Rotary Club for its 9th Annual Ireland Creek Bridge Run to be held on Thursday, October 12, 2023.

Motion: Councilmember Pryor; Seconded by Councilmember Brown

Discussion: None

Carried: All ayes

8. Consideration of a request to use the lot behind 300 Hampton Street for FestiVELO participants to camp from November 6 – November 12, 2023.

Assistant City Manager Ryan McLeod stated they have used this space the last 3-4 years as a company site. 40-60 people will utilize this space. They have always been a great partner with the city, and they always leave the area clean.

Motion: Councilmember Fishburne; Seconded by Councilmember Pryor

Discussion: None

Carries: All ayes

City Manager's Report:

1. Consideration of a request to resurface the tennis courts at Forest Hills Tennis Center.

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet a request to resurface the six (6) tennis courts at Forest Hills Tennis Center. We are recommending using Carolina Sport Surface Inc. out of Sullivans Island, SC in the amount of \$81,720. In accordance with Section 2-240 of the City's procurement code, we are recommending using sole-source procurement given

the level of expertise required. We would like to get this work done correctly. The amount of \$81,720 will be paid from the accumulated interest in the city's American Rescue Plan Act fund.

Councilmember Pryor asked have they given a timetable on when this will be completed.

City Manager Jeff Molinari stated we are trying to get on the schedule for the fall. It will be after the tennis season ends on October 15th. We just need to coordinate the resurfacing with the tennis community.

Councilmember Pryor asked are they going to dig the foundation up?

City Manager Jeff Molinari stated they are going to target and address the cracks. We had them come out and look at it 6 months ago. We initially were thinking that we would have to do a complete overhaul of the courts. Mr. Scarpa, the owner of the company, said the foundation of the courts were in good condition, and that the resurfacing of the courts would be a great investment. The company does very good work and this project is much needed.

Councilmember Brown stated I am happy with the price. How are we paying for this project?

City Manager Jeff Molinari stated the funds will come out of the interest we have accumulated in our American Rescue Plan Act fund.

Councilmember Broderick asked did they say how long the resurfacing should last?

Assistant City Manager Ryan McLeod stated the resurfacing should last 4-6 years, depending on how much the courts get used. This project is long overdue.

Councilmember Broderick stated the reason I ask that question is because maybe we should allow some money in the budget each year so we can take care of it in the future.

City Manager Jeff Molinari stated we have resources in the budget dedicated to the upkeep of the tennis courts.

Councilmember Bridge asked is October 15th the end of school tennis season?

City Manager Jeff Molinari stated yes, it is.

Councilmember Bridge asked do we know if the USTA has a calendar of matches.

Ms. Ann Carmichael stated we have talked about this. If we need to play our matches away, we will make it work till the courts are done.

Motion: Councilmember Broderick; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

2. Consideration of a request to contract for maintenance of the medians on Jefferies Boulevard and Sniders Highway and maintenance of landscaping at Exit 53 and Exit 57 interchanges on I-95.

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet a memo and supporting documentation for a proposed contract for landscape maintenance of the I-95 Business Loop and the maintenance of the interchanges at exits 53 and 57 on I-95. We have a low bid from Palmetto Landscaping based out of Summerville, SC in the amount of \$63,382.00. The fiscal year 2023-2024 Parks Department budget allocated \$65,000 for contractual services. City staff recommends awarding

the contract to Palmetto Landscaping in the amount of \$63,382 to be paid by the Parks Department. As we have improved the look of the city it has led to more work for our Parks Department. We would like to maximize the resources we have in house, but also contract out some things. We went through this very thoroughly and it was Jonathan's recommendation that the interchanges and medians are the most labor intense. He would like to contract that out and would allow us to spend more time on the Wildlife Sanctuary and Ireland Creek.

Councilmember Brown asked did you check the companies' references.

Assistant City Manager Ryan McLeod said yes, we did.

Councilmember Bridge asked the roadside areas that lead up to the exchanges is that the city's responsibility or is that DOT?

City Manager Jeff Molinari stated that is DOT's responsibility.

Assistant City Manager Ryan McLeod stated we do not have any equipment that can go up that steep of an angle. This is usually an ongoing conversation with DOT to see if we can work together.

Motion: Councilmember Broderick; Seconded by Councilmember Bridge

Discussion: None

Carried: All ayes

3. Consideration of Work Order No. 6 from WSP to conduct a boundary survey, topographic survey and underground utilities survey, and initial project coordination for the Ireland Creek Greenway Park and Stream Restoration project.

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet a memo and supporting documentation with a proposal from our engineer WSP to complete the boundary survey, underground survey, and initial project coordination for the Ireland Creek Greenway and Stream Restoration in the amount of \$139,9555. This will be paid from the Capital Project Sales Tax. We were awarded ten million dollars for that project. Staff recommends approval of this work order.

4. Recognition of Finance Director, Amy Risher, and the Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting for FY 2021-2022 (11th consecutive year).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council I am very pleased to recognize our Finance Director and our Finance Department for receiving the GFOA certificate for the fiscal year ending June 30, 2022. This is the 11th consecutive year that Amy and the Finance Department have received this award. This is a testament to the outstanding work that Amy and her staff do daily.

A motion was made to go into Executive Session by Councilmember Brown, seconded by Councilmember Fishburne. Mayor Young explained that City Council would be going into Executive Session to discuss Contractual Matters – Project Suds, Provision of Water/Sewer to Northwest Waltherboro, Receipt of Legal Advice – Water/Sewer Capacity Fee, and Potential purchase of property.

Executive Session:

1. Contractual Matter – Project Suds.
2. Provision of Water/Sewer Service to Northwest Waltherboro.
3. Receipt of Legal Advice – Water/Sewer Capacity Fee.
4. Potential purchase of property.

A motion to come out of Executive Session was made by Councilmember Brown, seconded by Councilmember Pryor. All in favor, motion carries.

A motion to authorize the City Manager to sign the task order from Hybrid Engineering in the amount of \$323,063, was made by Councilmember Broderick, seconded by Councilmember Fishburne. All in favor, motion carries.

There being no further business to consider, a motion to adjourn was made by Councilmember Broderick, seconded by Councilmember Bridge, and passed unanimously. Mayor Young adjourned the meeting at 7:22 P.M. Notice of the meeting was distributed with the agenda packets, to all local media, posted on City Hall bulletin board and posted on the City's website at least twenty-four hours prior to the meeting.

Respectfully,

Adrienne Nettles
City Clerk

Walterboro City Council

City Hall

October 3, 2023

Minutes

A Regular Meeting of Walterboro City Council was held at City Hall on Tuesday, October 3, 2023, at 6:15 P.M., with Mayor Bill Young presiding.

Present: Joined in the meeting were: Mayor Bill Young. Councilmembers: Carl Brown, Judy Bridge, Paul Siegel, James Broderick, Greg Pryor, and Ladson Fishburne. City Manager Jeff Molinari, Assistant City Manager Ryan McLeod, City Clerk Adrienne Nettles, Finance Director Amy Risher, Utilities Director Wayne Crosby, Deputy Police Chief Kevin Martin, and Bond Counsel Lawrence Flynn (Pope Flynn, LLC).

Call to Order:

With the above-mentioned Councilmembers present, Mayor Young called the meeting to order, and invited everyone to join in as he gave the invocation. Councilmember Pryor led the Pledge of Allegiance to our flag.

Public Input on Agenda Items:

Mr. Stewart McAdoo stated I come here as a citizen of the community of Walterboro. I am not sure if this is the proper forum, but I was told to come here to express my concerns. I live on Carn Street and the traffic that goes down that road can be dangerous at times. I am not sure if we can do anything about the speeding issues. The through light is always green and I am not sure if we can turn that red.

Mayor Young stated normally we limit comments to those items that are on the agenda. We will welcome your comments, and we will talk with the City Manager and Chief of Police about looking into that situation.

Public Hearing:

1. **Ordinance # 2023-11**, AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF WALTERBORO, SOUTH CAROLINA, TO PROVIDE FOR CHANGES IN THE ZONING DISTRICTS OF THE CITY OF WALTERBORO BY CHANGING THE ZONING CLASSIFICATION OF ONE PARCEL OF LAND DESIGNATED AS TMS # 163-15-00-062 FROM INDUSTRIAL DISTRICT (ID) TO MEDIUM DENSITY RESIDENTIAL (MDR) (Second and Final Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet an ordinance and map requesting a rezoning of a parcel on Sanders Street from Industrial District to Medium Density Residential. This application was reviewed by the Planning Commission on August 15, 2023, and they unanimously recommended changing the zoning from Industrial District to Medium Density Residential.

2. **Ordinance # 2023-12**, AN ORDINANCE PURSUANT TO TITLE 5, CHAPTER 3, SECTION 5-3-150, SUBSECTION 3, OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, TO ANNEX AN AREA, KNOWN AS TMS # 147-15-00-009 INTO THE CITY OF WALTERBORO, A SOUTH CAROLINA MUNICIPAL CORPORATION (Second and Final Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City of Council you have in your agenda packet an ordinance as well as an annexation petition and map. This is the Genesis Health Care property. I will point out that between 1st reading and Public Hearing, the Planning Commission met on September 26, 2023. They conducted a public hearing and unanimously recommended a zoning classification of Highway Commercial District for that parcel which is consistent with the zoning of the surrounding parcels.

Old Business:

1. **Ordinance # 2023-11**, AN ORDINANCE TO AMEND THE ZONING MAP OF THE CITY OF WALTERBORO, SOUTH CAROLINA, TO PROVIDE FOR CHANGES IN THE ZONING DISTRICTS OF THE CITY OF WALTERBORO BY CHANGING THE ZONING CLASSIFICATION OF ONE PARCEL OF LAND DESIGNATED AS TMS # 163-15-00-062 FROM INDUSTRIAL DISTRICT (ID) TO MEDIUM DENSITY RESIDENTIAL (MDR) (Second and Final Reading).

Motion: Councilmember Broderick; Seconded by Councilmember Brown

Discussion: None

Carried: All ayes

2. **Ordinance # 2023-12**, AN ORDINANCE PURSUANT TO TITLE 5, CHAPTER 3, SECTION 5-3-150, SUBSECTION 3, OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, TO ANNEX AN AREA, KNOWN AS TMS # 147-15-00-009 INTO THE CITY OF WALTERBORO, A SOUTH CAROLINA MUNICIPAL CORPORATION (Second and Final Reading).

Motion: Councilmember Siegel; Seconded by Councilmember Bridge

Discussion: None

Carried: All ayes

New Business:

1. **Ordinance # 2023-13**, AN ORDINANCE OF THE CITY OF WALTERBORO, SOUTH CAROLINA IMPOSING WATER AND SEWER CAPACITY FEES, AUTHORIZING POLICIES ASSOCIATED THEREWITH, AND AMENDING THE CITY'S FISCAL YEAR 2023-2024 BUDGET FOR THE WATER AND SEWER SYSTEM; AND OTHER MATTERS RELATED THERETO (Introduction and First Reading).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council, you have in your agenda packet an ordinance and report from Willdan Financial Services to put into place a water and sewer capacity fee. As Council recalls we had a work session on August 17, 2023, where Willdan went through the mechanics of those proposed fees. We have our Bond Counsel, Lawrence Flynn here tonight, who is going to walk through that ordinance with you.

Lawrence Flynn stated the reason Jeff called me in on this is because we have done several capacity fee arrangements. The approval of the ordinance matches up with the report done by Willdan. State law says that municipal governments are authorized to enact impact fees. There is a stand-alone statute that governs development impact fees for service. There is an express exemption in the Development Impact Fee statute that exempts water and sewer impact fees from that authorization, so long as you have a qualified Capital Improvement Plan and report prepared by a qualified rate consultant. This is required to be done by ordinance and you must hold a public hearing. We went through the process, and the report lays out the

rational justification for implementing capacity fees. They are referred to as impact fees or capacity fees or development impact fees. The reason for this is because the city is going through the process of doing some expansion of their existing sewer treatment plant. You received a fair amount of grant money for that authorization. You also have realized that it is expensive to add utility capacity.

The thing a lot of people have started to realize is that the secret is out, and a lot of people are starting to move to South Carolina. Your ancestral rate payers who have built the system and who have historically spent the money to put the lines in the ground and build the existing treatment that you have in place now have built this over several generations. So, the idea of someone new coming into the community and receiving the benefits of all that infrastructure that has been put in place historically through time, without having to pay their proportional share of the initial cost of building that facility, not to mention the cost of having to expand that facility to support the growth that is coming to the community. The mathematical fee is in the report that was done by Willdan. Based on that justification they can allocate the value of the water system and distribution system as well as the sewer system. Observably you cannot charge those new customers for the grant dollars that you are receiving from EDA. For the debt service in the bonds that you have issued to fund, that debt you will make up. The debt service will have to be paid back through your rates. Those new customers are going to pay for those costs. The depreciation book value of your system and the new improvements are not going to be funded and should be recovered by a rate method. Willdan has identified the cost of a gallon of treated water and a gallon of treated wastewater. Based on that, they identified the general cost of a new development. This would be done with a 3 quarter or 5/8th of an inch water line. That typically will be about 300 gallons per month. They take the mathematical calculation of a gallon of water capacity and a gallon of sewer capacity, multiply that by what they assume to be the average use for a new user, and you will apply that cost back. There is an AWWA standard for how they came up with the cost. A couple additional items we want to make sure we address since we are putting this impact fees in mid-cycle. We are several months into your fiscal year, and any money you collect with the implementation of this fee will have an immediate effect as of the date. Now this money can only be spent under restricted purposes. We have set up some policies that identify the new users as they come in. There is a whole state law on how you implement those fees. We have reviewed the City's Code of Ordinances, and we are not going to codify the rate, we are going to approve what you have in the annual budget.

Councilmember Broderick asked, just to clarify, the money for this year will accumulate in the Enterprise Fund?

Lawrence Flynn stated, yes it will.

Councilmember Brown stated, you and Willdan have done a great job at narrowing this down for us.

Motion: Councilmember Broderick; Seconded by Councilmembers Brown

Discussion: None

Carried: All ayes

2. Consideration of a request from downtown merchants to continue First Thursday activities through 2024 under the same terms approved for 2023.

A gentleman with the Downtown Merchants stated that this request is to continue First Thursday through 2024. We have as a group increased our investments in marketing and advertising and we hope to grow this event. We also ask that we have permission to place signs on city property and in different places.

Mayor Young stated the City Manager can approve the use of signs 30 days before an event. He also stated that we will go ahead and approve the same conditions that we have been operating under since 2023.

City Manager Jeff Molinari stated I have the email from Heather Berry that states all the specifics.

Councilmember Broderick asked do you have the porter potties still taking care of?

Rilee stated it is hit or miss. All the merchants have agreed that our doors are open to the public.

Motion: Councilmember Bridge; Seconded by Councilmember Broderick

Discussion: None

Carried: All ayes

3. Consideration of a request from Anthony Herndon to conduct holiday carriage tours December 19-23, 2023.

Anthony Herndon stated we want to do exactly what we did last year. We will set up right across from City Hall. We will go down Hampton Street. We will do a judging contest, so that will encourage people to decorate along the route.

Motion: Councilmember Pryor; Seconded by Councilmember Bridge

Discussion: None

Carried: All ayes

4. Consideration of a parade permit request from Brandon Russell – Marching for Mia, October 7, 2023, at 3:30 PM.

City Manager Jeff Molinari stated Mr. Mayor and members of Council I will give you some background information on this. Chief Marvin met with the organizer, and this is not going to entail closing off any streets. It will be a rolling procession down East Washington Street, with is ending at Pinckney Park. The Police Department can easily handle this.

Motion: Councilmember Broderick; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

5. Consideration of rescheduling November 7, 2023, Regular City Council Meeting (Election Day).

Motion: Councilmember Pryor; Seconded by Councilmember Bridge

Discussion: None

Carries: All ayes

Committee Report:

1. City Improvement Committee – Councilmember Ladson Fishburne.

Councilmember Fishburn stated I am reporting tonight on behalf of the City Improvement Committee. We meet monthly to discuss code enforcement activities and goals set by the committee. Recently we had an update by staff, where they have implemented new procedures and an Excel file where they can track the

properties we have discussed. This tool will help us keep up with the properties and progress we are making. There has been a new focus on letters of notice and citations. Currently there are twelve (12) citations that will be heard in Municipal Court in October. The total number of citations for August and September is fifteen (15). Three (3) of those citations were dismissed since the properties were improved prior to court. I would also like to thank Jeff and Ryan for the great job they have done in taking on this role.

Councilmember Brown stated, since this has taken place properties are being cleaned up.

Councilmember Pryor stated, I would also like to say thank you. If we are going to take Walterboro to the next level these issues must be addressed.

Ladson stated our next meeting will be October 31, 2023.

City Manager's Report:

1. Request to purchase new police administrative vehicle (Memo attached)

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet a memo and supporting documentation from Police Chief Wade Marvin to purchase a new Police Administrative vehicle. The fiscal year 2023-2024 Police Department budget allocated \$127,040 for the purchase of new police vehicles. I will also mention that we included in the budget getting grant money from USDA. We have not received confirmation of any USDA grant money. We must purchase new police vehicles every year. Police vehicles are becoming increasingly difficult to find and the UAW strike is not helping. Chief Marvin came across a deal to purchase a 2023 Chevy Tahoe PPV from Love Chevrolet. Staff recommends that we purchase that vehicle in the amount of \$39,898.00.

Motion: Councilmember Brown; Seconded by Councilmember Pryor

Discussion: None

Carried: All ayes

2. Request to approve contract for the Gadson Loop Water Upgrade Project (Memo attached).

City Manager Jeff Molinari stated Mr. Mayor and members of City Council you have in your agenda packet a memo and supporting documentation from Utilities Director Wayne Crosby on the Gadsden Loop Water Upgrade Project. This is a CDBG project to upgrade the water distribution system along the Gadsden Loop and surrounding areas. It will consist of new 6-inch water mains, over 5,036 linear feet to replace existing small diameter water mains. There will be 7 new fire hydrants, and valves. The city received bids from 5 contractors. Hybrid Engineer the City's engineer has evaluated the construction experience of the bidders and found that the low bidder Corbett and Son Construction, LLC out of Greenwood, SC has provided evidence of both experience and resources that allow them to complete the project. Staff recommends awarding the contract to Corbett and Son Construction, LLC out of Greenwood, SC in the amount of \$622,285.00 contingent upon review and approval from the South Carolina Department of Commerce. The city received a CBDG grant in the amount of \$783,068 for construction of the project.

Motion: Councilmember Broderick; Seconded Councilmember Pryor

Discussion: None

Carried: All ayes

A motion was made to go into Executive Session by Councilmember Brown, seconded by Councilmember Fishburne. Mayor Young explained that the City Council would be going into Executive Session to discuss Potential Purchase of Property, Personnel Matters – Main Street Manager/Tourism Director Search and Municipal Court. Also, to discuss Provision of sewer service to Northwest Waltherboro, and Contractual Matter – Community Garden.

Executive Session:

1. Potential Purchase of Property
2. Personnel Matters:
 - a. Main Street Manager/Tourism Director Search
 - b. Municipal Court
3. Provision of sewer service to Northwest Waltherboro.
4. Contractual Matter- Community Garden

A motion to come out of Executive Session was made by Councilmember Broderick, seconded by Councilmember Brown, all in favor motion carried.

A motion to approve the purchase of TMS # 163-11-00-245 for \$12,000 plus closing costs from Carroll Griffin was made by Councilmember Brown, seconded by Councilmember Broderick, all in favor motion carries.

There being no further business to consider, a motion to adjourn was made by Councilmember Bridge, seconded by Councilmember Fishburne, and passed unanimously. Mayor Young adjourned the meeting at 7:49 P.M. Notice of the meeting was distributed with the agenda packets, to all local media, posted on City Hall bulletin board and posted in the City's website at least twenty – four hours prior to the meeting.

Respectfully,

Adrienne Nettles
City Clerk

AN ORDINANCE 2023-14

**AMENDING THE BUSINESS LICENSE ORDINANCE OF THE CITY OF WALTERBORO TO UPDATE
THE CLASS SCHEDULE AS REQUIRED BY ACT 176 OF 2020.**

WHEREAS, the City of Walterboro (the "Municipality") is authorized by S.C. Code Section 5-7-30 and Title 6, Chapter 1, Article 3 to impose a business license tax on gross income;

WHEREAS, by Act No. 176 of 2020, known as the South Carolina Business License Tax Standardization Act and codified at S.C. Code Sections 6-1-400 to -420 (the "Standardization Act"), the South Carolina General Assembly imposed additional requirements and conditions on the administration of business license taxes;

WHEREAS, the Standardization Act requires that by December thirty-first of every odd year, each municipality levying a business license tax must adopt, by ordinance, the latest Standardized Business License Class Schedule as recommended by the Municipal Association of South Carolina (the "Association") and adopted by the Director of the Revenue and Fiscal Affairs Office;

WHEREAS, following the enactment of the Standardization Act, the Municipality enacted Ordinance No. 2021-06 on July 6, 2021, in order to comply with the requirements of the Standardization Act (the "Current Business License Ordinance");

WHEREAS, the City Council of the Municipality (the "Council") now wishes to amend the Current Business License Ordinance to adopt the latest Standardized Business License Class Schedule, as required by the Standardization Act, and to make other minor amendments as recommended by the Association;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Walterboro, as follows:

SECTION 1. Amendments to Appendix A. Appendix A to the Current Business License Ordinance, the "Business License Rate Schedule," is hereby amended as follows:

- (a) Class 8.3 is hereby amended by deleting the NAICS Codes and replacing them with NAICS 517111, 517112, 517122 – Telephone Companies.
- (b) Class 8.6 is hereby amended and restated in its entirety to read as follows: "**8.6 NAICS Code Varies – Billiard or Pool Tables**. A business that offers the use of billiard or pool tables shall be subject to business license taxation under its natural class for all gross income of the business excluding the gross income attributable to the billiard or pool tables. In addition, the billiard or pool tables shall require their own separate business licenses pursuant to SC Code § 12-21-2746 and shall be subject to a license tax of \$5.00 per table measuring less than 3½ feet wide and 7 feet long, and \$12.50 per table longer than that."

- (c) The NAICS codes corresponding to Classes 9.41 and 9.42 have been eliminated. Businesses that were previously classified into 9.41 or 9.42 shall be required to apply and pay for a business license per Ordinance 2023-15.

SECTION 2. Amendments to Appendix B. Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” is hereby amended as follows:

- (a) Classes 1 through 8 in Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” are hereby amended and restated as set forth on the attached Exhibit A.
- (b) Class 9 in Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” shall remain in full force and effect as set forth in the Current Business License Ordinance.
- (c) The NAICS codes corresponding to Classes 9.41 and 9.42 have been eliminated. Businesses that were previously classified into 9.41 or 9.42 shall be required to apply and pay for a business license per Ordinance 2023-15.

SECTION 3. Repealer, Effective Date. All ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be effective with respect to the business license year beginning on May 1, 2024.

ENACTED IN REGULAR MEETING, this 5th day of December, 2023.

William T. Young Jr., Mayor

ATTEST:

Adrienne M. Nettles, City Clerk

First reading: November 14, 2023

Public Hearing: December 5, 2023

Final reading: December 5, 2023

**Exhibit A: Amendment to Classes 1 – 8 in Appendix B of the
Current Business License Ordinance**

**APPENDIX B
Classes 1 – 8: Business License Class Schedule by NAICS Codes**

| NAICS Sector/Subsector | Industry Sector | Class |
|-----------------------------------|--|--------------|
| 11 | Agriculture, forestry, hunting and fishing | 1 |
| 21 | Mining | 2 |
| 22 | Utilities | 1 |
| 31 - 33 | Manufacturing | 3 |
| 42 | Wholesale trade | 1 |
| 44 - 45 | Retail trade | 1 |
| 48 - 49 | Transportation and warehousing | 1 |
| 51 | Information | 4 |
| 52 | Finance and insurance | 7 |
| 53 | Real estate and rental and leasing | 7 |
| 54 | Professional, scientific, and technical services | 5 |
| 55 | Management of companies | 7 |
| 56 | Administrative and support and waste management and remediation services | 3 |
| 61 | Educational services | 3 |
| 62 | Health care and social assistance | 4 |
| 71 | Arts, entertainment, and recreation | 3 |
| 721 | Accommodation | 1 |
| 722 | Food services and drinking places | 2 |
| 81 | Other services | 4 |
| | | |
| Class 8 | Subclasses | |
| 23 | Construction | 8.1 |
| 482 | Rail Transportation | 8.2 |
| 517111 | Wired Telecommunications Carriers | 8.3 |
| 517112 | Wireless Telecommunications Carriers (except Satellite) | 8.3 |
| 517122 | Agents for Wireless Telecommunications Services | 8.3 |
| 5241 | Insurance Carriers | 8.4 |
| 5242 | Insurance Brokers for non-admitted Insurance Carriers | 8.4 |
| 713120 | Amusement Parks and Arcades | 8.51 |
| 713290 | Nonpayout Amusement Machines | 8.52 |
| 713990 | All Other Amusement and Recreational Industries (pool tables) | 8.6 |
| | | |

2023 Class Schedule is based on a three-year average (2017 - 2019) of IRS statistical data.

ORDINANCE # 2023-15

AN ORDINANCE TO AMEND CHAPTER 8 - BUSINESS AND BUSINESS REGULATIONS, ARTICLE III – SOLICITING; PEDDLERS, SOLICITORS, AND TRANSIENT MERCHANTS AS REQUIRED BY ACT 176 OF 2020

SECTION I

Chapter 13, Article I of the Code of Ordinances of the City of Walterboro, shall be amended by striking the Title thereof and striking Sections 13.101 through 13.104 in their entirety and substituting therefor the following:

ARTICLE I. SOLICITING - PEDDLERS, SOLICITORS AND TRANSIENT MERCHANTS

DIVISION 1. GENERALLY

Sec. 13-101. Solicitation of occupants of vehicles.

No solicitation shall be permitted of any occupants of vehicles being operated on any public right-of-way, while such vehicles are either moving, standing or parked.

Sec. 13-102. Records of retailers.

A transient business or temporary business shall keep records in accordance with S.C. Code 1976, § 40-41-710.

DIVISION 2. PEDDLERS*

*State law references: County Licensing of Peddlers, S.C. Code 1976, §40-41-10 et seq.

Subdivision I. In General

Sec. 13-110. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Peddler means any individual, whether a resident of the city or not, traveling by foot, wagon, automobile, motor truck or any other type of conveyance, from place to place, from house to house, or from street to street, selling, taking or attempting to take orders for the sale of goods, wares and merchandise, or personal property of any nature whatsoever for future delivery, or for services to be furnished or performed in the future, whether or not such individual has, carries or exposes for sale a sample of the subject of such sale or whether he is collecting advance payments on such sales or not. Any business operating within the city with one or more salespersons or one or more motor vehicles or other type of conveyance shall acquire a permit for each salesperson. This definition provides for such activity on either a short-term or long-term basis within the city and applies to any such mobile sales of goods or services, whether or not operated out of a permanent business location in the city.

Sec. 13-111. Exemption for charitable, educational or religious organizations.

The provisions of this division shall not apply to solicitations, sales or distributions made by charitable, educational or religious organizations.

Sec. 13-112. Entering posted premises.

It shall be unlawful for any peddler to enter upon any private premises when such premises are posted with a sign stating "No Peddlers Allowed" or "No Solicitations Allowed" or other words to such effect.

Sec. 13-113. Refusing to leave premises.

Any peddler who enters upon premises owned, leased or rented by another and who refuses to leave such premises after having been notified by the owner or occupant thereof, or his agent, to leave the premises and not return shall be deemed guilty of a misdemeanor.

Sec. 13-114. Misrepresentation regarding goods or services.

It shall be unlawful for any peddler to make false or fraudulent statements concerning the quality of his goods, wares, merchandise or services for the purpose of inducing another to purchase the goods, wares, merchandise or services.

Sec. 13-115. Hours of operation.

It shall be unlawful for any peddler to engage in the business of peddling within the city between the hours of one-half hour before sunset and 9:00 a.m. the following morning, or at any time on Sundays, except by specific appointment with or invitation from the prospective customer.

Sec. 13-116. Mobile vendors.

- (a) This section shall apply to permits issued to vend from any vehicle on public rights-of-way within the city. Such vendors must remain mobile and not violate the intent of the zoning regulations by remaining for extended periods of time at one location or in one neighborhood.
- (b) Such permitted vendors shall be subject to the following regulations:
 - (1) No vendor shall remain stationary on a public street or right-of-way more than thirty (30) minutes in any one location conducting business. After that time such vendor must move at least one block or five hundred (500) feet, whichever is greater, and shall not return to the same block or location within the next six-hour period. No location shall be used more than twice in any one day.
 - (2) Each vendor must maintain a litter receptacle available for patrons' use. Excessive litter caused by product packaging may result in revocation of this permit.

- (3) The permittee must provide to the city, at time of application for a permit, proof of public liability insurance in the currently required amount as set by the city manager. Failure to maintain this insurance will result in immediate revocation of the permit.
- (4) No such vendor shall sound any device which produces an offensive or loud noise to attract customers, and vendors shall not use any public address system on the vehicle to broadcast or advertise products. A bell or musical recording may be sounded for a period not to exceed five minutes to announce the arrival of the vehicle at each location.
- (5) Such unit must be self-contained and not utilize any outside power source.

Subdivision II. Permit

Sec. 13-120. Required.

It shall be unlawful for any person to engage in business as a peddler within the city without first obtaining a permit to do so.

Sec. 13-121. Contents of application.

Applicants for a permit under this subdivision shall file with the city finance director a sworn application in writing, in duplicate, on a form to be furnished by the city finance director, which shall give the following information:

- (1) The name and a description of the applicant;
- (2) The permanent home address and full local address of the applicant;
- (3) A brief description of the nature of the business and the goods to be sold;
- (4) If employed, the name and address of the employer, together with credentials establishing the exact relationship;
- (5) The length of time for which the right to do business is desired;
- (6) The place where the goods or property proposed to be sold, or for which orders are taken for the sale thereof, are manufactured or produced, where such goods or products are located at the time the application is filed, and the proposed method of delivery;
- (7) A photograph of the applicant taken within sixty (60) days immediately prior to the date of filing the application, which photograph shall be two inches by two inches in size, showing the head and shoulders of the applicant in a clear and distinguishing manner;

- (8) A statement as to whether or not the applicant has been convicted of any crime or misdemeanor or violation of any municipal ordinance, the nature of the offense and the punishment or penalty assessed therefor;
- (9) Whether the applicant, upon any sale or order, shall demand, accept or receive payment or a deposit of money in advance of final delivery;
- (10) The last five municipalities wherein the applicant has worked before coming to this city; and
- (11) Such other relevant information as may be required for the investigation of the applicant.

Sec. 13-122. Presentation of driver's license.

At the time of filing his application for a permit required by this subdivision, the applicant shall present to the city finance director or his designee his driver's license, if he has one, or if he does not have one, a State issued picture identification card, or if he has neither, another form of picture identification deemed acceptable by the city finance director.

Sec. 13-123. Application fee.

At the time of filing an application for a permit required by this subdivision, a fee as fixed from time to time by the council shall be paid to the city finance director to cover the cost of investigating the facts stated therein.

Sec. 13-124. Submitting false information.

It shall be unlawful for any person to give any false or misleading information in connection with his application for a permit required by this subdivision.

Sec. 13-125. Fingerprinting of applicant.

At the time of making application for a permit required by this subdivision, the applicant shall submit to fingerprinting by the chief of police or his designee.

Sec. 13-126. Permit fee.

Before any permit shall be issued under the provisions of this subdivision, the applicant therefor shall pay a fee, based upon the duration he desires to engage in business in the city, in accordance with a schedule as fixed from time to time by the council.

Sec. 13-127. Bond.

- (a) Every applicant for a permit under this subdivision shall file with the city a surety bond running to the city in the currently required amount, with surety acceptable to and approved by the city finance director, conditioned that the applicant shall comply fully

with all the applicable provisions of this Code, the ordinances of the city and state laws regulating and concerning the business of peddling and guaranteeing to any citizen of the city that all money paid as a down payment will be accounted for and applied according to the representations of the peddler, and further guaranteeing to any citizen of the city doing business with such peddler that the property purchased will be delivered according to the representations of such peddler. Action on such bond may be brought in the name of the city to the use or benefit of any aggrieved person(s).

- (b) If the applicant is an agent, employee, canvasser or solicitor of a corporation authorized to do business in this state or registered under the Fictitious Name Act of the state, such corporation or fictitiously named business may furnish one bond in the currently required amount for any and all of its agents, employees, canvassers or solicitors.

Sec. 13-128. Investigation of applicant.

Upon receipt of an application for a permit required by this subdivision, the original shall be referred to the chief of police, who shall cause such investigation of the applicant's business and moral character to be made as he deems necessary for the protection of the public good. The chief of police shall complete his investigation within one week of receiving the application.

Sec. 13-129. Denial.

If, as a result of investigation, the character or business responsibility of the applicant for a permit under this subdivision is found to be unsatisfactory, the chief of police shall endorse on the application his disapproval and his reasons for disapproval, and return the application to the city finance director, who shall notify the applicant that his application is disapproved and that no permit shall be issued.

Sec. 13-130. Issuance.

If, as a result of investigation, the character and business responsibility of the applicant for a permit under this subdivision are found to be satisfactory, the chief of police shall endorse on the application his approval, execute a permit addressed to the applicant for the carrying on of the business applied for, and return the permit along with the application to the city finance director, who shall, upon payment of the required fee, deliver the permit to the applicant. No permit shall be issued until the expiration of sixty (60) days from the written application for the permit is submitted.

Sec. 13-131. Contents.

Each permit issued under this subdivision shall contain the signature and seal of the issuing officer and shall show the name, address and photograph of the permittee, the class of permit issued and the kind of goods to be sold thereunder, the amount of fee paid, the date of issuance, and the length of time the permit shall be operative, as well as the permit number and other identifying description of any vehicle used in such business.

Sec. 13-132. Records.

The city finance director shall keep a permanent record of all permits issued under this subdivision.

Sec. 13-133. Display.

Every peddler having a permit issued under the provisions of this subdivision and doing business within the city shall display his permit upon the request of any person, and failure to do so shall be deemed a misdemeanor.

Sec. 13-134. Term.

Every permit issued under the provisions of this subdivision shall be valid for the period of time stated therein, but in no event shall any such permit be issued for a period of time in excess of twelve (12) months.

Sec. 13-135. Revocation.

Any permit issued under the provisions of this subdivision may be revoked by the city manager for the violation by the permittee of any applicable provision of this Code, state or federal law, or city ordinance, rule or regulation.

Sec. 13-140. Violations.

Any violation of the terms and limits set out in the sworn application which the peddler fills out shall be a misdemeanor. Violations shall include, but not be limited to, operating in places other than those stated on the application, operation on private property without written permission from the appropriate party, operation beyond the time limits stated in such written application, and operation on any public right-of-way.

DIVISION 3. TRANSIENT MERCHANTS**Sec. 13-150. Definitions.**

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Transient merchant means any person who sells or purchases goods, wares, merchandise, or anything of value, and who for himself or as an agent for another, rents, erects, purchases, uses or occupies any room, building or other structure or place, including but not limited to parking lots, shopping centers, sidewalks or any other public area, for the purpose of purchasing, selling or offering for sale anything of value at such location without the intention of establishing a permanent business thereat.

Sec. 13-151. Permit required; fee; exceptions.

- (a) Each transient merchant shall obtain a city transient merchant's permit prior to offering goods, wares, merchandise or anything of value for sale. The fee for the permit shall be fixed from time to time by the city council and is set forth in the fee schedule adopted by council.
- (b) It is unlawful for any person to engage in any activity described in 13-151 (a) herein in any area of the City not zoned Industrial.
- (c) The provisions of this section shall not apply to:
 - (1) Solicitations, sales or distributions by charitable, educational or religious organizations and other eleemosynary organizations exempt from federal income tax under Internal Revenue Code section 501(c), or persons representing such organizations. Nor shall it apply to vendors associated with the Rice Festival, Farmers Market, or any other festival or event sanctioned by the City; provided however, that the organization in charge of said event approves the vendor.
 - (2) Solicitations, sales or distribution of produce grown or prepared by the person displaying them, provided such person certifies to and agrees that his tax records may be audited to verify the certification.

Sec. 13-152. Application for permit.

Applicants for a permit under this division shall file a written sworn application with the city finance director showing:

- (1) The name of the person having the management or supervision of the applicant's business during the time that it is proposed that it will be carried on in the city, the local address of such person while engaged in such business, the permanent address of such person, and the capacity in which such person will act (that is, whether as proprietor, agent or otherwise), and the name and address of the person for whose account the business will be carried on, if any.
- (2) The place in the city where the applicant proposes to carry on business, and the length of time during which it is proposed that the business shall be conducted. The hours of operation shall not include the hours from one-half hour before sunset until 9:00 a.m.
- (3) A statement of the nature, character and quality of the goods, wares or merchandise to be sold or offered for sale by the applicant in the city.
- (4) Whether or not the persons having the management or supervision of the applicant's business have been convicted of a crime, misdemeanor or the violation of any municipal ordinance, the nature of such offense and the punishment assessed therefor.

- (5) Written permission from the manager, supervisor, owner or other appropriate officer or agent of any place of business or private property on which the transient merchant anticipates doing business. The written permission from such officer or agent shall spell out the times and location of such permitted activity.
- (6) No permit shall be issued until the expiration of sixty (60) days from the date the written application for the permit is submitted.

Sec. 13-153. Violations.

Any violation of the terms and limits set out in the sworn application which the transient merchant fills out shall be a misdemeanor. Violations shall include, but not be limited to, operating in places other than those stated on the application, operation on private property without written permission from the appropriate party, operation beyond the time limits stated in such written application, and operation on any public right-of-way.

DIVISION 4. DENIAL, REVOCATION, HEARING AND APPEALS

Sec. 13-180 Notice of denial or revocation; hearing; appeals.

- (a) Notice. Where grounds exist to deny or revoke a permit under this article, the city financial officer shall provide written notice to the permittee or applicant setting forth the grounds, revoking the permit or denying the application effective 45 days from the date of the notice, and advising the permittee or applicant of appeal procedures.
- (b) Hearing. The applicant or permittee may, within five working days from the date of the notice, request a hearing to contest the grounds or request an extension of time to cease the permitted activity. The hearing shall be held within 15 days unless additional time is allowed by the city manager. The hearing officer shall be a city judge or supervisory employee designated by the city manager. The permittee or applicant may be represented by an attorney and may present witnesses, affidavits and any relevant documentary evidence. The permittee or applicant may view and copy any documentary evidence prior to the hearing. Formal rules of evidence shall not apply. The hearing officer shall prepare a summarized report of the hearing, to include his findings and recommendations, which shall be submitted to the city manager, who shall take final administrative action, notifying the permittee or applicant in writing. Unless extended in writing by the city manager, any revocation is effective 45 days from the date of the original notice to the or permittee.
- (c) Appeals. An appeal, which shall not stay the revocation, may be taken upon the written record to the city council. Notice of such appeal shall be served upon the city clerk within five days from the final action by the city manager, specifying the grounds for the appeal and the action requested. The record shall consist of the report of the hearing officer, any documentary evidence presented at the hearing, and the written appeal. The council may, in its discretion, hear oral arguments on the appeal.

SECTION II

The following fee schedule is adopted:

| | |
|--|--|
| Peddlers (Door to Door) | \$250 for the first \$2,000 in sales and \$3.10/\$1,000 over the first \$2,000 in sales (not more than two sales periods of not more than three days each per year). Separate license required for each sale period. |
| Transient Merchants (Restricted Area) | \$250 for the first \$2,000 in sales and \$3.10/\$1,000 over the first \$2,000 in sales (more than two sales periods of more than three days each per year). Map attached. |

SECTION III

This ordinance shall take effect after final adoption by City Council.

ADOPTED BY THE MAYOR AND CITY COUNCIL, IN COUNCIL ASSEMBLED, this 5th day of December, 2023.

William T. Young, Jr., Mayor

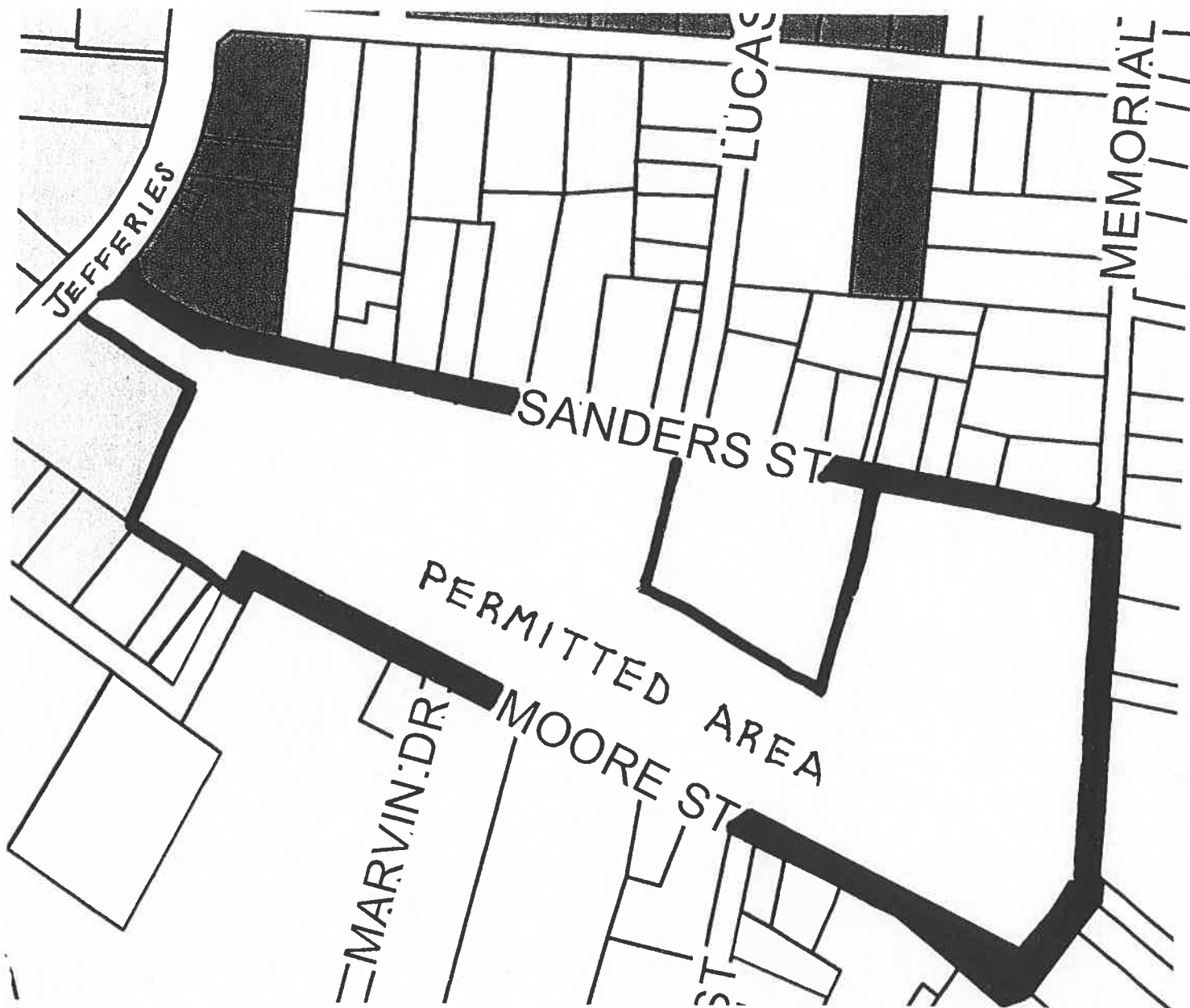
ATTEST:

Adrienne M. Nettles
City Clerk

First Reading: November 14, 2023

Public Hearing: December 5, 2023

Second Reading: December 5, 2023



ORDINANCE #2023-16

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

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

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

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

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

WATER FEES

A. Minimum bi-monthly charges

| <u>Service Size</u> | <u>In City</u> | <u>Out of City</u> |
|---------------------|----------------|--------------------|
| ¾" | \$ 25.65 | \$ 51.30 |
| 1" | \$ 59.26 | \$ 118.52 |
| 1¼" | \$ 115.18 | \$ 230.36 |
| 1½" | \$ 115.18 | \$ 230.36 |
| 2" | \$ 185.73 | \$ 371.46 |
| 3" | \$ 369.91 | \$ 739.82 |
| 4" | \$ 594.11 | \$1,188.22 |
| 6" | \$1,186.67 | \$2,373.34 |
| 8" | \$2,052.17 | \$4,104.34 |

*Minimum charge included first 4,000 gallons

*City hall fire hydrant water is sold in increments of 4,000 gals at the ¾" rate

*Fire protection sprinklers \$0.16 per head

*#31 Fire hydrant \$12.82

*#32 Fire hydrant \$36.92

B. Usage Rates – Per Thousand

| | <u>In City</u> | <u>Out of City</u> |
|-----------------------|----------------------------|--------------------|
| First 4,000 gals | Included in minimum charge | |
| Next 36,000 gals | \$1.65 | \$3.30 |
| Next 160,000 gals | \$1.65 | \$3.30 |
| All over 200,000 gals | \$1.63 | \$3.26 |

C. CONNECTION/CAPACITY FEES

| <u>Service Size</u> | <u>Connection Fee</u> | <u>Capacity Fee</u> |
|---------------------|-----------------------------------|---------------------|
| ¾" | \$2,320.00 | \$ 2,560.00 |
| 1" | \$2,594.00 | \$ 6,400.00 |
| 1½" | \$4,942.00 | \$ 12,800.00 |
| 2" | \$5,958.00 | \$ 20,480.00 |
| 3" | Cost plus 20% (refer to Director) | \$ 40,960.00 |
| 4" | Cost plus 20% (refer to Director) | \$ 64,000.00 |
| 6" | Cost plus 20% (refer to Director) | \$128,000.00 |
| 8" | Cost plus 20% (refer to Director) | \$204,800.00 |
| Road Bore | \$3,000.00 | \$3,000.00 |

SEWER FEES

A. Usage Rates

| | <u>In City</u> | <u>Out of City</u> |
|-------------------|----------------|--------------------|
| Rate per Thousand | \$5.51 | \$11.02 |
| Facility Charge | \$6.65 | \$13.30 |

B. CONNECTION/CAPACITY FEES

| <u>Service Type</u> | <u>Connection Fee</u> | <u>Capacity Fee By Service Size</u> |
|---------------------|---------------------------------|-------------------------------------|
| Residential | \$3,306.00 | \$ 2,450.00 ¾" |
| Business | \$5,262.00 | \$ 6,125.00 1" |
| Restaurant | \$7,589.40 | \$ 12,250.00 1½" |
| Motel/Apartments | \$5,262.00 1 st unit | \$ 19,600.00 2" |
| | \$ 218.00 each additional | \$ 39,200.00 3" |
| | | \$ 61,250.00 4" |
| | | \$122,500.00 6" |
| | | \$196,000.00 8" |

SANITATION FEES

| | |
|---------------------|---------|
| Residential rollout | \$30.00 |
| Commercial rollout | \$40.00 |

ADMINISTRATIVE FEES

| | | | |
|--|----------|-----------------------------|------------|
| Service deposit | \$100.00 | Tampering fee | \$ 100.00 |
| Turn on/off service fee | \$ 5.00 | DHEC H2O | \$ 0.75 |
| Missed appointment fee 2 nd visit | \$ 25.00 | DHEC Sewer | \$ 1.00 |
| Late fee | \$ 10.00 | Certified letter fee | \$ 10.00 |
| Processing cut-off/on | \$ 30.00 | Non refund hydrant deposit | \$ 150.00 |
| Water meter removal/replacement | \$ 50.00 | Offsite hydrant perm/yearly | \$1,500.00 |
| Terminate/restore tap fee | \$400.00 | Hydrant tampering/each | \$ 500.00 |

This ordinance shall be effective December 5, 2023.

DONE, this 5th day of December, 2023.

William T. Young, Jr.
Mayor

ATTEST:

Adrienne Nettles
City Clerk

First Reading: November 14, 2023
Public Hearing: December 5, 2023
Second Reading: December 5, 2023

ORDINANCE # 2023-17

AN ORDINANCE

AMENDING THAT CERTAIN AMENDED AND RESTATED BOND 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 ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO.

FIRST AMENDMENT TO 2016 BOND ORDINANCE

December 5, 2023

BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF WALTERBORO, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED, AS FOLLOWS:

ARTICLE I

FINDINGS OF FACT

Section 1.01 Recitals and Statements of Purpose.

Incident to the enactment of this Ordinance (this “**Ordinance**”), the City Council of the City of Walterboro (the “**City Council**”), the governing body of the City of Walterboro, South Carolina (the “**City**”), has made the following findings:

(A) On November 1, 2016, the City Council enacted an Amended and Restated Bond 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” (the “**Bond Ordinance**”). Capitalized terms used and not otherwise defined herein have the meanings given to such terms in the Bond Ordinance.

(B) As of the date hereof, the City has Outstanding the following Series of Bonds (the “**Outstanding Bonds**”):

- (1) \$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 (the “**2009 Bond**”);
- (2) \$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 (the “**2017 Bond**” and together with the 2009 Bond, the “**SRF Loans**”); and
- (3) \$7,000,000 original principal amount Waterworks and Sewer System Improvement Revenue Bond, Series 2021, dated March 11, 2021 (the “**2021 Bond**”).

(C) Since the enactment of the Bond Ordinance, the City has determined that in order to structure a financing that will allow the City to access \$25.7 million of grant funding (with a City match of approximately \$12.82 million) to expand the City’s wastewater treatment plant (the “**Project**”), certain amendments to the Bond Ordinance are necessary. Specifically, the City needs to issue a relatively short-term Series of Bonds that will allow for the grant funding to flow to the Project on a reimbursement basis. Accordingly, the Bond Ordinance should be amended to: (i) restate and add certain definitions to include the concept of Partially Amortizing Bonds and to incorporate appropriate mechanics to integrate such concept, and (ii) restate the provisions of the additional bonds test covenant (collectively, the “**Amendments**”).

ARTICLE II

AUTHORIZATION FOR AMENDMENTS

Section 2.01 Amendments of Bond Ordinance.

Under the Bond Ordinance, the City is not authorized to amend the Bond Ordinance except in accordance with the provisions of Article XII, entitled “Modification of Ordinance.” Pursuant to Article XII of the Bond Ordinance, the proposed Amendments require the consent of all Holders of the Outstanding Bonds.

Section 2.02 Consents of Holders of Outstanding Bonds and Acknowledgment of Trustee; Effective Date.

The SRF Loans are currently held by the South Carolina Water Quality Revolving Fund Authority (the “***Water Quality Authority***”). As holder of the SRF Loans, the Water Quality Authority has executed a consent letter, dated the date of the enactment of this Ordinance, authorizing the modification to the Bond Ordinance by the Amendments. The 2021 Bond is currently held by Truist Bank. Truist Bank has executed a consent letter, dated the date of the enactment of this Ordinance, authorizing the modification to the Bond Ordinance by the Amendments. Each consent is attached hereto as Exhibit A.

Under Section 12.03 of the Bond Ordinance, the Amendments are not effective until certain requirements are met, including the acknowledgement of The Bank of New York Mellon Trust Company, N.A., the Trustee for the Outstanding Bonds (the “***Trustee Acknowledgment***”). The form of the Trustee Acknowledgment is attached hereto as Exhibit B.

ARTICLE III

AMENDMENTS TO BOND ORDINANCE

Section 3.01 Amendments to the Bond Ordinance.

(A) Upon the Effective Date (as defined herein), the definition of Annual Principal and Interest Requirement in Section 2.02 of the Bond Ordinance shall read as set forth below and shall be amended to include the following language and delete certain prior language (*new replacement language in italics*):

“***Annual Principal and Interest Requirement***” shall mean, with respect to any particular Fiscal Year and to a Series of Bonds Outstanding, an amount (other than amounts paid from proceeds of Bonds) equal to the sum of (1) all interest payable on such Series of Bonds during such Fiscal Year, plus (2) any Principal Installment of such Series of Bonds during such Fiscal Year, minus (3) any Interest

Payment Subsidies received by the City for such Series of Bonds during such Fiscal Year and used to pay debt service on such Series of Bonds during such Fiscal Year.

For purposes of computing the Annual Principal and Interest Requirement:

(a) *With respect to Partially Amortizing Bonds, the amount of principal which would be payable in such Fiscal Year if the principal of such Partially Amortizing Bonds to be amortized in succeeding Fiscal Years were amortized from the date of incurrence of such Partially Amortizing Bonds over a period of 30 years (or such shorter period as the City may choose) on a level debt service basis at an interest rate set forth in a certificate or opinion of an Independent Consultant as the interest rate at which the City could reasonably expect to borrow the same by issuing an obligation with the same term and a fixed rate of interest as assumed above (and this method of determining the applicable interest rate shall control in the case of existing or prospective Partially Amortizing Bonds issued as Variable Rate Bonds); provided, however, that if the date of calculation is within 12 months of the stated maturity of such Partially Amortizing Bonds, the full amount of principal payable at maturity shall be included in such calculation unless (1) a binding commitment to refinance such Partially Amortizing Bonds shall be in effect, in which case the amortization schedule established by such commitment shall apply or (2) the City has received a letter from an Independent Consultant to the effect that such firm has evaluated the creditworthiness of the City and concluded that it is reasonable to assume that the City will have access to the debt markets at prevailing interest rates and setting forth the projected interest rate and assumed maximum amortization schedule for such debt, in which case the amortization schedule and projected interest rate established by such letter shall apply.*

(b) *With respect to any Revolving Credit Facility, the amount of principal which would be payable in such Fiscal Year if the principal of such Revolving Credit Facility as limited to the Maximum Credit Amount Outstanding under such Revolving Credit Facility amortized in succeeding Fiscal Years were amortized over a period of 30 years (or such shorter period as the City may choose) on a level debt service basis at an interest rate set forth in the certificate or opinion of an Independent Consultant (as of the date of such reborrowing) as the interest rate at which the City could reasonably expect to borrow the same by issuing an obligation with the same term and a fixed rate of interest as assumed above (and this method of determining the applicable interest rate shall control in the case of existing or prospective Revolving Credit Facility issued as Variable Rate Bonds); provided, however, that if the date of calculation is within 12 months of the stated maturity of such Revolving Credit Facility, the full amount of outstanding principal payable at maturity (not to exceed the Maximum Credit Amount Outstanding) shall be included in such calculation unless (1) a binding commitment to refinance such Revolving Credit Facility shall be in effect, in which case the amortization schedule established by such commitment shall apply or (2) the City has received a letter from an Independent Consultant to the effect that such firm has evaluated the creditworthiness of the City and concluded that it is reasonable to assume that the*

City will have access to the debt markets at prevailing interest rates and setting forth the projected interest rate and assumed maximum amortization schedule for such debt, in which case the amortization schedule and projected interest rate established by such letter shall apply.

(c) With respect to Variable Rate Bonds, the interest on such Series of Bonds shall be calculated at (1) in the case of Outstanding Variable Rate Bonds, the rate which is equal to the average of the actual interest rates which were in effect (weighted according to the length of the period during which each such interest rate was in effect) for the most recent 12-month period immediately preceding the date of calculation for which such information is available (or shorter period if such information is not available for a 12-month period) and (2) in the case of Variable Rate Bonds proposed to be incurred, the rate which is equal to the average of the SIFMA Municipal Swap Index (or any other specified index or reference rate for such Variable Rate Bonds) for the most recent 12-month period immediately preceding the date of calculation (or, if the SIFMA Municipal Swap Index or such other index or reference rate is not available for such 12-month period, the Revenue Bond Index most recently published by The Bond Buyer), plus or minus any specified fixed spread.

(d) the amounts available in the Debt Service Reserve Fund established for a Series of Bonds may be applied against the interest payable on and the Principal Installments due on such Series of Bonds in the last Fiscal Year that such Series of Bonds is Outstanding.

(B) Upon the Effective Date, the definition of "Independent Consultant" in Section 2.02 of the Bond Ordinance shall be amended and restated in its entirety, as follows:

"Independent Consultant" shall mean such firm or firms, professional engineers, architects, rate consultants, financial advisors or other professionals who are nationally recognized and have a favorable reputation for consulting services for utility systems similar to the System. Such Independent Consultant shall not be an employee of the City and shall be engaged by the City to perform the tasks set forth to be performed by such Independent Consultant under the provisions of this Bond Ordinance.

(C) Upon the Effective Date, the definition of "Partially Amortizing Bonds" shall be added to and included in Section 2.02 of the Bond Ordinance and shall read as set forth below:

"Partially Amortizing Bonds" means a Series of Bonds, 25% or more of the original principal of which matures during any consecutive 12-month period, if such maturing principal amount is not required to be amortized below such percentage by mandatory redemption or prepayment prior to such 12-month period.

(D) Upon the Effective Date, the definition of “Maximum Credit Amount” shall be added to and included in Section 2.02 of the Bond Ordinance and shall read as set forth below:

“Maximum Credit Amount” means the maximum amount of funds to be borrowed and reborrowed under a Revolving Credit Facility as authorized in a Series Ordinance.

(E) Upon the Effective Date, the definition of “Maximum Outstanding Amount” shall be added to and included in Section 2.02 of the Bond Ordinance and shall read as set forth below:

“Maximum Outstanding Credit Amount” means the maximum amount of borrowed funds that may be outstanding under a Revolving Credit Facility at any one time.

(F) Upon the Effective Date, the definition of “Revolving Credit Facility” shall be added to and included in Section 2.02 of the Bond Ordinance and shall read as set forth below:

“Revolving Credit Facility” means a Series of Partially Amortizing Bonds that are issued on a revolving basis such that such Partially Amortizing Bonds can be initially or subsequently borrowed, repaid and borrowed again in an amount not to exceed the Maximum Credit Amount so long as the amount outstanding at any one time does not exceed the Maximum Outstanding Credit Amount.

(G) Upon the Effective Date, the additional bonds test requirement in Section 4.02(6) of the Bond Ordinance shall be amended and restated in its entirety as set forth below:

(6) Except in the case in the case of any Series of Bonds issued for the purpose of refunding Bonds, or in the event no Bonds are Outstanding, the City may issue additional Series of Bonds if:

(A) Net Earnings during the most recent Fiscal Year for which audited financial statements of the System are completed shall not be less than 120% of the maximum Annual Principal and Interest Requirements on all Bonds Outstanding and on such proposed Series of Bonds, with such calculation to be made by an Authorized Officer upon the basis of such audited financial statements; or

(B) for each of the three Fiscal Years following the later of the date of delivery of the proposed Series of Bonds, or the period (if any) for which interest is funded from the proceeds of such Bonds, Net Earnings, as has been forecasted by an Authorized Officer, taking into account such circumstances and factors as he finds appropriate

including, without limitation, rate adjustments, or acquisitions or improvements to expand the System, will not be less than 120% of the maximum Annual Principal and Interest Requirements on all Bonds Outstanding and on such proposed Series of Bonds.

The Authorized Officer making the calculations described in this paragraph (6) shall rely on a report, calculation, or projection of the Accountants or Independent Consultants.

Whenever this paragraph (6) requires a calculation based on the most recent Fiscal Year for which audited financial statements are available, the City may, in its discretion, provide for a special audit and based upon such special audit, in lieu of the audit for such Fiscal Year, provided such special audit covers twelve consecutive calendar months of the eighteen full consecutive calendar months preceding the date of issuance of the proposed Series of Bonds.

(H) Upon the Effective Date, the Bond Ordinance shall be amended to add Section 4.06(11) as set forth below:

(11) Except for the initial or first Revolving Credit Facility issued under the terms of this Bond Ordinance, which is expressly authorized and not subject to the limitations in this Section 4.02(11), any Revolving Credit Facility issued under this Bond Ordinance shall be subject to the written consent and approval of the Holders of all Series of Bonds then Outstanding.

Section 3.02 Effective Date.

Subject to the receipt of the Trustee Acknowledgment, the Amendments shall be effective upon the enactment of this Ordinance; however, if the Trustee Acknowledgment is not received prior to the enactment of the Ordinance, the date of the receipt of the executed Trustee Acknowledgment shall be considered the effective date of the Amendments. Upon such effective date, the Amendments shall be applicable to the Outstanding Bonds, and any future Series of Bonds issued under the Bond Ordinance, including any Series of Bonds issued under the terms of that Series Ordinance entitled "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 THIRTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$13,500,000), OR THE MAXIMUM CREDIT AMOUNT, AS APPLICABLE; AND OTHER MATTERS RELATING THERETO" dated December 5, 2023.

Section 3.03 Continuing Effect.

Except as modified hereby, the Bond Ordinance shall remain in full force and effect according to its terms.

Section 3.04 Review by City Attorney; Public Hearing.

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

(B) The City Council made arrangements for a public hearing to be held prior to the enactment of this Ordinance. Notice of the public hearing(s) shall be in substantially the form set forth in Exhibit C 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 be permitted by Section 15-29-40 of the South Carolina Code.

[Remainder of Page Intentionally Left Blank]

DONE, RATIFIED AND ENACTED this 5th day of December 2023.

CITY OF WALTERBORO, SOUTH CAROLINA

(SEAL)

Mayor

Attest:

City Clerk

| | |
|-----------------|-------------------|
| First Reading: | November 14, 2023 |
| Public Hearing: | December 5, 2023 |
| Second Reading: | December 5, 2023 |

EXHIBIT A
CONSENTS OF THE HOLDERS

**CONSENT OF SOUTH CAROLINA WATER QUALITY
REVOLVING FUND AUTHORITY**

The undersigned hereby certifies that she is authorized to execute and deliver this Consent on behalf of the South Carolina Water Quality Revolving Fund Authority (the “**Authority**”) as holder of the

- (1) \$3,061,830 final principal amount City of Walterboro, South Carolina 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 (the “**2009 Bond**”); and
- (2) \$1,480,000 final principal amount City of Walterboro, South Carolina 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 (the “**2017 Bond**” and together with the 2009 Bond, the “**SRF Loans**”).

The Authority hereby consents to the terms and conditions set forth in “AN ORDINANCE AMENDING THAT CERTAIN AMENDED AND RESTATED BOND 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 ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO” dated December 5, 2023 (the “**Bond Ordinance Amendment**”), the provisions of which (A) revise the definition of “Annual Principal and Interest Requirement” to allow for Partially Amortizing Bonds and Revolving Credit Facilities to be amortized over 30 years for the purposes of measuring (i) debt service coverage ratios for the additional bonds test and (ii) ongoing rate covenant compliance; (B) add or revise certain other definitions; and (C) amend and restate the additional bonds test covenant.

By granting this consent, the Authority expressly authorizes the SRF Loans to be governed by the terms of the Bond Ordinance Amendment. Further, the Authority expresses no opinion as to whether the consent of any other person is required for the Bond Ordinance Amendment.

SOUTH CAROLINA WATER QUALITY
REVOLVING FUND AUTHORITY

By: _____
Bonnie Ammons, Director
Office of Local Government
Rural Infrastructure Authority

Dated: _____, 2023

EXHIBIT A
CONSENTS OF THE HOLDERS

CONSENT OF TRUIST BANK

The undersigned hereby certifies that he is authorized to execute and deliver this consent on behalf of Truist Bank (the “**Bank**”) as holder of the \$7,000,000 original principal amount City of Walterboro, South Carolina Waterworks and Sewer System Improvement Revenue Bond, Series 2021, dated March 11, 2021 (the “**2021 Bond**”).

The Bank hereby consents to the terms and conditions set forth in “AN ORDINANCE AMENDING THAT CERTAIN AMENDED AND RESTATED BOND 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 ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO” dated December 5, 2023 (the “**Bond Ordinance Amendment**”), the provisions of which (A) revise the definition of “Annual Principal and Interest Requirement” to allow for Partially Amortizing Bonds and Revolving Credit Facilities to be amortized over 30 years for the purposes of measuring (i) debt service coverage ratios for the additional bonds test and (ii) ongoing rate covenant compliance; (B) add or revise certain other definitions; and (C) amend and restate the additional bonds test covenant.

By granting this consent, the Bank expressly authorizes the 2021 Bond to be governed by the terms of the Bond Ordinance Amendment. Further, the Bank expresses no opinion as to whether the consent of any other person is required for the Bond Ordinance Amendment.

TRUIST BANK

By: _____
Name: _____
Its: _____

Dated: _____, 2023

EXHIBIT B
ACKNOWLEDGEMENT OF TRUSTEE

ACKNOWLEDGEMENT OF AMENDMENTS

The undersigned hereby certifies that he is authorized to execute and deliver this acknowledgement on behalf of The Bank of New York Mellon Trust Company, N.A., as Trustee (the “**Trustee**”) for the City of Walterboro, South Carolina (the “**City**”), under the Bond Ordinance enacted by the City Council of the City of Walterboro (the “**City Council**”) on November 1, 2016 (the “**Bond Ordinance**”). The Trustee currently serves as Trustee for the following Series of Bonds Outstanding under the Bond Ordinance:

- (1) \$3,061,830 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) \$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; and
- (3) \$7,000,000 original principal amount Waterworks and Sewer System Improvement Revenue Bond, Series 2021, dated March 11, 2021.

The City Council has enacted “AN ORDINANCE AMENDING THAT CERTAIN AMENDED AND RESTATED BOND 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 ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO” dated December 5, 2023 (the “**Bond Ordinance Amendment**”), the provisions of which (A) revise the definition of “Annual Principal and Interest Requirement” to allow for Partially Amortizing Bonds and Revolving Credit Facilities to be amortized over 30 years for the purposes of measuring (i) debt service coverage ratios for the additional bonds test and (ii) ongoing rate covenant compliance; (B) add or revise certain other definitions; and (C) amend and restate the additional bonds test covenant.

The Bond Ordinance Amendment requires consent of the Holders of all Outstanding Bonds under Section 12.02 of the Bond Ordinance. Under Section 12.03 of the Bond Ordinance, the Bond Ordinance Amendment is not effective until certain requirements are met. As of the date hereof, the Trustee certifies that it is in receipt of (i) proof of filing of a certified copy of the Bond Ordinance Amendment with the Clerk of Court for Colleton County, South Carolina, (ii) executed consents to the Bond Ordinance Amendment by the South Carolina Water Quality Revolving Fund Authority and Truist Bank, the Holders of all Outstanding Bonds, each executed on or prior to December 5, 2023, and (iii) an opinion of counsel that the Bond Ordinance Amendment is permitted under the Bond Ordinance. Accordingly, under Section 12.03 of the Bond Ordinance, and as stated in the opinion of counsel, the Bond Ordinance Amendment is effective as of the date hereof.

EXHIBIT B
ACKNOWLEDGEMENT OF TRUSTEE

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____ 2023.

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

By: _____

Name: _____

Its: _____

EXHIBIT C
NOTICE OF PUBLIC HEARING

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, December 5, 2023 at 6:15 p.m. (or as soon thereafter as time permits) (the “Hearing”). The City Council is considering the enactment of “AN ORDINANCE AMENDING THAT CERTAIN AMENDED AND RESTATED BOND 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 ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO,” the provisions of which amend that certain 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” dated November 1, 2016.

The Hearing will occur during the City Council’s regularly scheduled meeting. 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 December 5, 2023. 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.

ORDINANCE # 2023-18

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 THIRTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$13,500,000) OR THE MAXIMUM CREDIT AMOUNT, AS APPLICABLE; AND OTHER MATTERS RELATING THERETO.

2023 SERIES ORDINANCE

Enacted December 5, 2023

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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 “**2023 Series Ordinance**”), and the issuance of the waterworks and sewer system revenue bonds provided for herein (the “**Series 2023 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 “**2016 Bond Ordinance**”), as amended by that first amendment to the 2016 Bond Ordinance entitled “AN ORDINANCE AMENDING THAT CERTAIN AMENDED AND RESTATED BOND 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 ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO” enacted by the City Council on December 5, 2023 (the “**2023 Amendment**,” and together with the 2016 Bond Ordinance, 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 \$1,480,000 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; and

(3) the \$7,000,000 original principal amount Waterworks and Sewer System Improvement Revenue Bond, Series 2021, dated March 11, 2021.

(D) Upon the basis of the authority provided in the Bond Ordinance, the City has determined to issue the Series 2023 Bonds: (1) to defray or reimburse a portion of the costs of certain expansions, additions and improvements to the City's water and sewer utility system, including construction of a wastewater treatment plant (the "**2023 Project**"); (2) to fund the 2023 Debt Service Reserve Fund (as defined herein), if any, in an amount equal to the 2023 Reserve Requirement (as defined herein); and (3) to pay the costs of issuance of the Series 2023 Bonds, including payment of any premium due on any Municipal Bond Insurance Policy.

(E) Upon the issuance of the Series 2023 Bonds, the Series 2023 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.

(F) By reason of the foregoing, the City has determined to enact this 2023 Series Ordinance in accordance with the terms and provisions of the Bond Ordinance in order to issue the Series 2023 Bonds for the purposes described in Paragraph (D) 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 2023 Bonds shall be the date that the Series 2023 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 2023 Bonds is set forth at Section 4.01 hereof, and the exact principal amount of the Series 2023 Bonds shall be determined by an Authorized Officer at the closing of the Series 2023 Bonds pursuant to Article V hereof;

(4) the Bond Payment Dates, the Record Dates, and the dates and amounts of maturity of such Series 2023 Bonds, shall be determined by an Authorized Officer at the closing of such Series 2023 Bonds pursuant to Article V hereof, provided, however, no

such Series 2023 Bonds shall mature later than 30 years from the Date of Issue of the initial Series of Series 2023 Bonds;

(5) Series 2023 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 2023 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 2023 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 2023 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 2023 Bonds if such arrangement is determined and certified by the Financial Advisor (as defined herein) to be financially advantageous to the City;

(9) Series 2023 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 2023 Bonds shall be as determined by an Authorized Officer at the closing of such Series 2023 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 2023 Bonds;

(12) Series 2023 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 2023 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 2023 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 2023 Bonds;

(14) Series 2023 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 2023 Bonds pursuant to Article V hereof;

(15) The Reserve Requirement has been met, as may be applicable to the Parity Bonds; no 2023 Debt Service Reserve Fund is contemplated to be established in

connection with the Series 2023 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 2023 Bonds shall be applied as set forth at Article VII hereof; and

(17) the 2023 Debt Service Fund is established pursuant to Section 4.06 hereof; the 2023 Project Fund and 2023 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 2023 Series Ordinance.

(B) As used in this 2023 Series Ordinance, unless the context shall otherwise require, the following terms shall have the following respective meanings:

“2023 COI Account” shall mean that account created within the 2023 Project Fund pursuant to Section 7.02 hereof.

“2023 Debt Service Fund” shall mean the fund of that name established by this 2023 Series Ordinance pursuant to Section 7.03 of the Bond Ordinance.

“2023 Debt Service Reserve Fund” shall mean the fund of that name authorized to be established by this 2023 Series Ordinance pursuant to Section 7.04 of the Bond Ordinance.

“2023 Project” shall mean the project defined at Section 1.01(D) hereof.

“2023 Project Fund” shall mean the fund created at Section 7.02 hereof.

“2023 Reserve Requirement” if any, shall mean an amount determined by the Authorized Officer in compliance with the provisions and requirements of the Code.

“2023 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 2023 Series Ordinance, the City Manager shall constitute the sole Authorized Officer.

“Book-Entry System” shall mean, with respect to the Series 2023 Bonds, if applicable, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Series 2023 Bonds may be transferred only through a book-entry, and (ii) physical Series 2023 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 2023 Bonds, when subject to the Book-Entry System.

“Date of Issue” shall mean, with respect to a Series of Series 2023 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.

“Maximum Credit Amount” means \$40,500,000.

“Maximum Outstanding Credit Amount” means \$13,500,000.

“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.

“Revolving Credit Facility” means the Series 2023 Bonds issued as a revolving credit facility whereupon the City may borrow, repay and reborrow funds up to the Maximum Credit Amount.

“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 2023 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 2023 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 2023 Bonds which are stated to mature in installments and for which there are no mandatory sinking fund provisions.

“Series 2023 Bonds” shall mean the one or more Series of Bonds authorized and designated by Section 4.01 of this 2023 Series Ordinance.

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

“Term Bonds” shall mean any of the Series 2023 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 2023 Series Ordinance.

This 2023 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 2023 Series Ordinance.

[End of Article III]

ARTICLE IV

AUTHORIZATION AND TERMS OF THE SERIES 2023 BONDS

Section 4.01 Principal Amount; Designation of Series 2023 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 Thirteen Million Five Hundred Thousand Dollars (\$13,500,000) or the Maximum Credit Amount, as applicable; 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 2023” (the “**Series 2023 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 2023 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 2023 Bonds shall include all Series of Bonds authorized by this 2023 Series Ordinance. As authorized by Section 9.01(F) hereof, any Series of the Series 2023 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 2023 Bond not be issued in calendar year 2023, the designation for the Series 2023 Bond and all other references to “2023” recited herein shall be changed to appropriately reflect the year of such actual issuance. References herein to the Series 2023 Bond shall include all Series of Bonds.

Section 4.02 Purposes of the Series 2023 Bonds.

The Series 2023 Bonds are authorized for the principal purposes of:

- (1) Defraying all or a portion of the cost of the 2023 Project, including the recoupment of costs previously paid or incurred in connection with the 2023 Project;
- (2) Funding the 2023 Debt Service Reserve Fund, if any, in an amount equal to the 2023 Reserve Requirement in a manner permitted by the Bond Ordinance; and
- (3) Paying certain costs and expenses relating to the issuance of the Series 2023 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 2023 Bonds shall be the date of delivery thereof, subject to an alternative designation by the Authorized Officer. Series 2023 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 2023 Bonds shall not extend beyond 30 years from the Date of Issue of the initial Series of Series 2023 Bonds issued hereunder. Series 2023 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 2023 Bonds. Series 2023 Bonds may be issued as Partially Amortizing Bonds at the election of an Authorized Officer.

(B) Interest on any Series of Series 2023 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 either (i) a 360-day year consisting of twelve 30-day months, or (ii) on an actual/360 basis (meaning that interest is computed for the actual number of days elapsed on the basis of 360-day year), as determined by an Authorized Officer. Consistent with the terms of the Bond Ordinance, the Record Dates for the payment of interest on Series 2023 Bonds shall be the 15th day of the month prior to each Bond Payment Date.

(C) Series 2023 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 2023 Bonds.

Section 4.04 Authentication; Payment of Series 2023 Bonds.

(A) The Series 2023 Bonds shall be authenticated by the Registrar on or before such date as they shall, in each case, be delivered. Each of the Series 2023 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 2023 Bonds.

(B) The interest on the Series 2023 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 2023 Bonds is registered at the close of business on the Record Date; provided, however, that any Holder of such Series 2023 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 2023 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 2023 Bonds.

Section 4.05 Denomination of the Series 2023 Bonds.

Series 2023 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 2023 Bonds. Each Series 2023 Bond shall be numbered by the Trustee in such a fashion as to reflect the fact that it is one of the Series 2023 Bonds, and to identify the owner thereof on the books kept by the Registrar. The initial maturity of each Series of Series 2023 Bonds shall be numbered R-1, and thereafter sequentially “R-” numbered for identification.

Section 4.06 Establishment of 2023 Debt Service Fund.

In accordance with Section 7.03 of the Bond Ordinance, the 2023 Debt Service Fund is hereby directed to be established by the Trustee on the Date of Issue of the Series 2023 Bonds for the benefit of the Holders of the Series 2023 Bonds. In the event that more than one Series of Bonds is issued pursuant to the terms of this 2023 Series Ordinance, a separate Debt Service Fund shall be established for each such Series.

Section 4.07 2023 Debt Service Reserve Fund.

In accordance with Section 7.04 of the Bond Ordinance and the terms of this 2023 Series Ordinance, if the Authorized Officer determines that the 2023 Debt Service Reserve Fund is necessary and desirable, he shall direct the Trustee in writing to establish such 2023 Debt Service Reserve Fund. If established, the 2023 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 2023 Reserve Requirement, as may be determined in accordance with Article V hereof. The 2023 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 2023 Series Ordinance. The Trustee shall signify its acceptance of the duties of Trustee, Paying Agent and Registrar upon delivery of the Series 2023 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 2023 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 2023 Series Ordinance. As necessary to confirm the duties, roles and responsibilities of the Trustee for the Series 2023 Bonds, the Authorized Officer shall be authorized to execute and deliver all documentation reasonably requested by the Trustee.

The Series 2023 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 2023 Bonds may be served, at the corporate trust office of the Trustee.

The Trustee (or any affiliate thereof which holds the funds and accounts hereunder as depository on behalf of 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, or maintain an affiliate that serves as depository that is, 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 2023 Series Ordinance, all un-invested moneys in the custody of the Trustee (or such affiliate thereof) 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 2023 Bond.

The Series 2023 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 2023 Series Ordinance, including language necessary for any Series of Partially Amortizing Bonds or Revolving Credit Facility. The execution of the Series 2023 Bonds shall constitute conclusive evidence of the approval of any changes to the form of any Series 2023 Bond.

Section 4.10 Book-Entry System.

Pursuant to Section 4.20 of the Bond Ordinance, if any Series of Series 2023 Bonds are sold as a public offering, such Series 2023 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 2023 Bonds are being held under a Book-Entry System of a securities depository, transfers of beneficial ownership of the Series 2023 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 2023 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 2023 Bonds, the Securities Depository Nominee will be recognized as the Holder of the Series 2023 Bonds for the purposes of: (i) paying the Principal Installments, interest, and redemption price, if any, on such Series 2023 Bonds, (ii) selecting the portions of such Series 2023 Bonds to be redeemed, if Series 2023 Bonds are to be redeemed in part, (iii) giving any notice permitted or required to be given to Bondholders under this 2023 Series Ordinance, (iv) registering the transfer of Series 2023 Bonds, and (v) requesting any consent or other action to be taken by the Holders of such Series 2023 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 2023 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 2023 Bonds.

(D) The Paying Agent shall pay all Principal Installments, interest and redemption price, if any, on Series 2023 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 2023 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 2023 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 2023 Bonds, or that the interests of the beneficial owners of the Series 2023 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 2023 Bonds in exchange for the Series 2023 Bonds registered in the name of the Securities Depository Nominee. Prior to any transfer of the Series 2023 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 2023 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 2023 Bonds by the City or by the Registrar with respect to any consent or other action to be taken by the Holders of Series 2023 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 2023 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 2023 Bonds, to determine, in connection with any Series of Series 2023 Bonds issued hereunder:

- (1) whether to issue the Series 2023 Bonds as a single Series or from time to time in several Series;
- (2) the manner of sale of such Series 2023 Bonds in accordance with Article VIII hereof;
- (3) whether to create and distribute preliminary and final Official Statements in connection with the issuance of such Series 2023 Bonds;
- (4) the award, or selection of underwriter, of such Series 2023 Bonds in accordance with Article VIII hereof;
- (5) the final form of such Series 2023 Bonds, whether to modify the Series designation in accordance with Section 4.01 hereof, and the exact principal amount of such Series 2023 Bonds, not to exceed \$13,500,000, or not to exceed the Maximum Credit Amount for any Revolving Credit Facility, as applicable, in the aggregate together with any other Series of Series 2023 Bonds;
- (6) whether and the extent to which such Series of Series 2023 Bonds shall be issued as Serial Bonds or Term Bonds, and whether the same should be issued at Partially Amortizing Bonds;
- (7) 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 2023 Bonds, not to exceed 30 years from the Date of Issue of the initial Series of Series 2023 Bonds issued hereunder;
- (8) whether such Series 2023 Bonds shall be subject to optional or mandatory redemption prior to maturity, and if so, the redemption prices applicable thereto;
- (9) whether such Series 2023 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; in the event that the Series 2023 Bonds are not issued in book-entry form, the Series 2023 Bond shall be delivered physical certificates payable to the registered owner thereof.

- (10) whether to use bond insurance, and if so, to make appropriate arrangements to procure any Municipal Bond Insurance Policy;
- (11) whether to establish a 2023 Reserve Requirement for such Series 2023 Bonds and to establish a 2023 Debt Service Reserve Fund in accordance with Section 4.07 hereof;
- (12) whether such Series 2023 Bonds will be designated as “qualified tax-exempt obligations” pursuant to the Code;
- (13) whether such Series 2023 Bond (or any Series thereof) shall be issued on a taxable basis;
- (14) the form of any agreement relating to, and manner of provision of, any continuing financial and operating disclosures as described at Section 9.02 hereof;
- (15) whether to issue the Series 2023 Bonds as a Revolving Credit Facility under Section 7.03 hereof; and
- (16) such other matters regarding the Series 2023 Bonds as are necessary or appropriate.

[End of Article V]

ARTICLE VI

EXECUTION; NO RECOURSE

Section 6.01 Execution of the Series 2023 Bonds.

The Series 2023 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 2023 Bonds or attest to the execution of the Series 2023 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 2023 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 2023 Bonds.

Facsimiles or electronic signatures by the Mayor, the Clerk or any Authorized Officer are expressly authorized and permitted with respect to the Series 2023 Bonds and all closing documents and certificates associated therewith.

Section 6.02 No Recourse on the Series 2023 Bonds.

All covenants, stipulations, promises, agreements and obligations of the City contained in the Bond Ordinance or in this 2023 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 2023 Bonds or for any claim based thereon or on the Bond Ordinance or on this 2023 Series Ordinance, either jointly or severally, against any officer or employee of the City or any person executing the Series 2023 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 2023 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 2023 Debt Service Reserve Fund, the sum or instrument equal to the 2023 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 2023 Debt Service Reserve Fund; and
- (2) all remaining funds shall be deposited in the 2023 Project Fund and used to defray the costs of the 2023 Project and the costs of issuance of the Series 2023 Bonds. Amounts representing the costs of issuance of the Series 2023 Bonds shall be kept in the 2023 COI Account within the 2023 Project Fund.

Section 7.02 Establishment of 2023 Project Fund and 2023 COI Account.

(A) There is hereby established, in accordance with Sections 4.01(B)(17) of the Bond Ordinance, the "2023 Project Fund," and the "2023 COI Account" within the 2023 Project Fund. There shall be paid into the 2023 Project Fund the sums prescribed by Section 7.01 hereof. The 2023 Project Fund shall be held and controlled by the Trustee, unless otherwise determined by the Authorized Officer at the closing of the Series 2023 Bond.

(B) Should the Trustee hold the 2023 Project Fund, requisitions for the payment of costs of issuance from the 2023 COI Account or funds to pay or reimburse costs of the 2023 Project from the 2023 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 2023 COI Account and 2023 Project Fund based upon such written orders of the City.

(C) Should the City hold the 2023 Project Fund, or make other reasonable arrangements for the holding of the 2023 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 2023 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 2023 Bonds have been paid, the remaining sums therein shall be transferred by the Trustee and applied to the 2023 Debt Service Fund. If there are any funds remaining in the 2023 Project Fund upon completion of the 2023 Project, such funds shall be transferred to the 2023 Debt Service Fund and used to pay principal of and interest on the Series 2023 Bonds as the same come due.

Section 7.03 Partially Amortizing Bonds or Revolving Credit Facilities.

The Authorized Officer may determine to issue a Series of Series 2023 Bonds as a Series of Partially Amortizing Bonds, including a Revolving Credit Facility, under the Bond Ordinance. Any such facility shall be issued on a draw-down basis whereby interest shall accrue on the amount of principal advanced from time to time by the purchaser of such Series 2023 Bonds (the “**Purchaser**”). Proceeds of such Series 2023 Bonds may be advanced from time to time by the Purchaser at or following closing promptly upon the delivery by the City to the Purchaser of an advance request (each, a “**Request for Advance**”). Each Request for Advance shall be executed in the name of the City by an Authorized Officer. Each such Request for Advance shall be delivered to the Purchaser in accordance with mutually satisfactory instructions. Upon the receipt of the proceeds of any advance, such funds shall be deposited in the 2023 Project Fund and shall be used for the purposes set forth at Section 7.01.

If issued as a Revolving Credit Facility, the City may borrow, repay and reborrow under the Series 2023 Bonds, at any time, up to an amount not exceeding the Maximum Credit Amount; however, at no time may the aggregate outstanding amount of the Revolving Credit Facility exceed the Maximum Outstanding Credit Amount. The Revolving Credit Facility shall be treated as issued on the Date of Issue. In the event that all Requests for Advance are not or cannot be completed within three years from the Date of Issue, the City, working with Bond Counsel, may determine the tax implications of any Requests for Advance that may be necessary after such three year period, and if necessary, shall make arrangements for the delivery of the following items to the Purchaser and the Trustee: (1) a new 8038-G tax certificate consistent with Section 9.01(A) hereof; (2) a certificate showing compliance with Sections 4.02(4), (5) and (10) of the Bond Ordinance; (3) a certificate showing compliance with Section 4.06(6) of the Bond Ordinance; (4) an opinion of Bond Counsel as to the Revolving Credit Facility and such future Request for Advance being compliant with the Bond Ordinance, this 2023 Series Ordinance and the terms of any agreement with the Purchaser respecting the Revolving Credit Facility; and (5) any other items reasonably requested by Bond Counsel or the Purchaser.

Respecting the Revolving Credit Facility, and for purposes of compliance with Sections 4.02(1), (2), (3), the Revolving Credit Facility shall be exclusively controlled by the provisions of this 2023 Series Ordinance and any agreement between the Purchaser and the City respecting the Revolving Credit Facility. Notwithstanding the authorization for the issuance of the Revolving Credit Facility and any reborrowings thereunder, no new physical Series 2023 Bonds shall be issued so long as the terms of the Series 2023 Bonds, as supplemented or modified from the version attached hereto as Exhibit A, reflect the full structure and terms of the Revolving Credit Facility.

[End of Article VII]

ARTICLE VIII

SALE OF BONDS

Section 8.01 Sale of Bonds.

The Series 2023 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 2023 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 2023 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 2023 Bonds (the “**RFP**”).

Any Series of Series 2023 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 2023 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 2023 Bonds and award such Series 2023 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 2023 Series Ordinance, all such actions are ratified, approved and confirmed. Such Series 2023 Bonds shall be issued as a single Bond (or separate single Bonds if the Series 2023 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 2023 Bonds. The Direct Placement Purchaser of any such Series 2023 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 2023 Bonds may be sold in the public capital markets to an underwriter for the purpose of reselling such Series 2023 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 2023 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 2023 Bonds so that it may be provided to the underwriter of such Series 2023 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 2023 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 2023 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 2023 Bonds and award the Series 2023 Bonds after negotiation with prospective purchaser. Such Series 2023 Bonds shall be issued as a single Series (or separate single Bonds if the Series 2023 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 2023 Bonds shall execute an investor letter to the City acknowledging its purchase of the Series 2023 Bonds as a means of making a commercial loan. A Purchaser under Section 7.03 shall be considered a Direct Placement Purchaser for purposes of this Section 8.03(A).
- (B) *Negotiated Public Offering.* Any Series 2023 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 2023 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 2023 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 2023 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 2023 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 2023 Bonds will be owned by the City or another political subdivision of the State so long as the Series 2023 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 2023 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 2023 Bonds or by notes paid by the Series 2023 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 2023 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 2023 Bonds.

(5) The Series 2023 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 2023 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 2023 Bonds.

(C) *Arbitrage Bonds, Rebate.* The City covenants that no use of the proceeds of the sale of the Series 2023 Bonds shall be made which, if such use had been reasonably expected on the Date of Issue of such Series 2023 Bonds would have caused the Series 2023 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 2023 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 2023 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 2023 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 2023 Bonds, an Authorized Officer may, pursuant to Article V hereof, in consultation with Bond Counsel, designate a Series of Series 2023 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.

(G) *Reimbursement Declaration.* The City hereby declares its intention to reimburse itself for a portion of the costs of the 2023 Project with the proceeds of Series 2023 Bonds. To that end, the City Council determines and declares as follows:

- (1) no funds from any sources other than the Series 2023 Bond are or are reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the City pursuant to the budget or financial policies of the City for the financing of the portion of the costs of acquisition, construction, and equipping of the 2023 Project to be funded with the Series 2023 Bond;
- (2) the City reasonably expects that some portion of the expenditures incurred for the 2023 Project and the issuance of the Series 2023 Bond will be paid prior to the issuance of the Series 2023 Bond;
- (3) the City intends and reasonably expects to reimburse itself for all such expenditures paid by it with respect to the 2023 Project prior to the issuance of the Series 2023 Bond from the proceeds of the Series 2023 Bond, and such intention is consistent with the budgetary and financial circumstances of the City;
- (4) all of the costs to be paid or reimbursed from the proceeds of the Series 2023 Bond will be for costs incurred in connection with the issuance of the Series 2023 Bond, or will, at the time of payment thereof, be properly chargeable to the capital account associated with the 2023 Project (or would be so chargeable with a proper election) under general federal income tax principles; and
- (5) this Ordinance shall constitute a declaration of official intent under United States Department of the Treasury Regulation Section 1.150-2.

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 2023 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 2023 Bonds, which will meet the requirements, as applicable, of Rule 15c2-12 (the “*Continuing Disclosure Undertaking*”). Notwithstanding any other provision of this 2023 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 2023 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 2023 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 2023 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 2023 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 2023 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 2023 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 2023 Bonds.

Section 10.03 Professional Services.

The City Council hereby authorizes, approves or ratifies, as applicable, the engagement of PFM Financial Advisors, LLC 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 2023 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 2023 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 2023 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 2023 Series Ordinance.

Section 10.05 Ordinance to Constitute Contract.

In consideration of the purchase and acceptance of Series 2023 Bonds by those who shall purchase and hold the same from time to time, the provisions of this 2023 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 2023 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 2023 Bonds.

Section 10.06 Ratification of Prior Action.

All prior actions of Authorized Officers in furtherance of the purposes of this 2023 Series Ordinance (including, but not limited to, any negotiated sale of Series 2023 Bonds, the submission of the RFP and any the award of the Series 2023 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 2023 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 the enactment of this 2023 Series Ordinance, which authorizes issuance of the Series 2023 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 South Carolina Code.

[End of Article X]

DONE AND ORDAINED IN MEETING DULY ASSEMBLED, this 5th day of December 2023.

**CITY OF WALTERBORO,
SOUTH CAROLINA**

(SEAL)

By: _____
Mayor

Attest:

City Clerk

| | |
|--------------------------|-------------------|
| 1 st Reading: | November 14, 2023 |
| Public Hearing: | December 5, 2023 |
| 2 nd Reading: | December 5, 2023 |

EXHIBIT A
FORM OF BOND

[WITH THE CONSENT OF THE PURCHASER, AND NOTWITHSTANDING ANY CONTRARY PROVISION CONTAINED IN THE 2023 SERIES ORDINANCE, THIS SERIES 2023 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 2023 BOND. SUCH RESTRICTION SHALL BE COMPLIED WITH BY EACH TRANSFEREE OF THIS SERIES 2023 BOND.]

CITY OF WALTERBORO
STATE OF SOUTH CAROLINA
WATERWORKS AND SEWER SYSTEM
IMPROVEMENT REVENUE BONDS
SERIES 2023

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 2023 (this “*Series 2023 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 2023 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 2023 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 2023 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 2023 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 2023 Bond and absent some other indicia of satisfaction acceptable to the City and the Purchaser, the Purchaser will present and surrender this Series 2023 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 2023 Bond and (ii) the City owes no further obligation to the Purchaser respecting this Series 2023 Bond; provided however that the Trustee assumes no liability

to any person in the event that the Holder should fail to return this Series 2023 Bond and any such liability shall be borne by the Holder and no obligation will be imposed upon the Trustee to seek the return of this Series 2023 Bond from the Holder.] This Series 2023 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 2023 Bond are payable by check or draft from the designated office of the Trustee to the person in whose name this Series 2023 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 2023 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 2023 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” duly enacted by the City Council of the City, the governing body thereof (the “**City Council**”), on November 1, 2016 (the “**2016 Bond Ordinance**”), as amended by that first amendment to the 2016 Bond Ordinance, ordinance number 2023-__, entitled “AN ORDINANCE AMENDING THAT CERTAIN AMENDED AND RESTATED BOND 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 ON NOVEMBER 1, 2016; AND OTHER MATTERS RELATING THERETO” duly enacted by the City Council on December 5, 2023 (the “**2023 Amendment**,” and the 2016 Bond Ordinance as amended by the 2023 Amendment, 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 2023, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING THIRTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$13,500,000), OR THE MAXIMUM CREDIT AMOUNT, AS APPLICABLE; AND OTHER MATTERS RELATING THERETO” (the “**2023 Series Ordinance**”) duly enacted by the City Council on December 5, 2023 (the Bond Ordinance and the 2023 Series Ordinance are hereinafter together referred to as the “**Ordinances**”).

The Series 2023 Bonds are issued for the principal purposes of obtaining funds to (a) defray the costs of the 2023 Project (as defined in the 2023 Series Ordinance), [(b) fund the 2023 Debt Service Reserve Fund,] and [(b/c)] pay the costs and expenses related to the issuance of the Series 2023 Bonds.

For the payment of the principal of and interest on this Series 2023 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 2023 Bond shall be additionally secured by a statutory lien upon the System. Such pledge securing this Series

2023 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 2023 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 2023 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 2023 Bonds and all outstanding Parity Bonds (as defined in the 2023 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 2023 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 2023 Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

This Series 2023 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 2023 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 2023 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 2023 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 2023 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 2023 Bond is called for redemption, the Trustee will give notice to the Holder of this Series 2023 Bond in the name of the City, of the redemption of such Series 2023 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. 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 2023 Bond, exist, have been performed and have happened, that the amount of this Series 2023 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 2023 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 2023 Bond is the Series 2023 Bond described in the within mentioned Ordinances.

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

By: _____
Authorized Officer

Date: _____, 2023

(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.

EXHIBIT B
NOTICE OF PUBLIC HEARING

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, December 5, 2023 at 6:15 p.m. (or as soon thereafter as time permits) (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 THIRTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$13,500,000), OR THE MAXIMUM CREDIT AMOUNT, AS APPLICABLE; AND OTHER MATTERS RELATING THERETO,” the provisions of which shall authorize the issuance of the City’s not exceeding \$13,500,000 Waterworks and Sewer System Improvement Revenue Bonds, Series 2023.

The Hearing will occur during the City Council’s regularly scheduled meeting. 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 December 5, 2023. 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.

RESOLUTION NO. 2023-R-05

WHEREAS, on November 9, 2023, the Walterboro Municipal Election Commission certified the results listed below for the City General Election held November 7, 2023, to elect three (3) City Councilmembers each for a four (4) year term.

| | | |
|--------------|-------------------|-----|
| City Council | Tamika Allen | 187 |
| | *Judy Bridge | 306 |
| | *Ladson Fishburne | 276 |
| | *Paul Siegel | 305 |
| | Write-In | 23 |

*And has declared **Judy Bridge**, **Ladson Fishburne**, and **Paul Siegel** elected to City Council.

NOW THEREFORE, BE IT RESOLVED, by the Mayor and the Council of Walterboro, South Carolina, in Council Assembled, that the results of the election as certified by the Municipal Election Commission are accepted, ratified, and confirmed.

DONE, this 14th day of November, 2023.

William T. Young, Jr.
Mayor

ATTEST:

Adrienne Nettles
City Clerk

OFFICIAL RESULTS
MUNICIPAL ELECTION
CITY OF WALTERBORO
NOVEMBER 7, 2023
COLLETON COUNTY, SOUTH CAROLINA

We, the Municipal Election Commission of the City of Walterboro, hereby certify the following official results for the municipal election held on November 7, 2023:

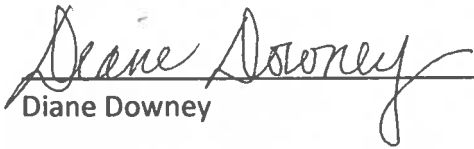
| City Council | Votes |
|--------------------|-------|
| Tamika Allen | 187 |
| Judy Bridge * | 306 |
| Ladson Fishburne * | 276 |
| Paul Siegel * | 305 |
| Write-In | 23 |

- And has declared Paul Siegel, Ladson Fishburne, and Judy Bridge elected to City Council.

November 9, 2023

MUNICIPAL ELECTION COMMISSION

T. Payton Crosby, Chairman



Diane Downey



Monroe Rhodes, Jr.



PANCREATIC
CANCER
ACTION
NETWORK

Pancreatic Cancer Proclamation

Declaring November 16 as World Pancreatic Cancer Day in the City of Walterboro.

WHEREAS in 2023, an estimated 64,050 people will be diagnosed with pancreatic cancer in the United States and 50,550 will die from the disease and;

WHEREAS pancreatic cancer is one of the deadliest cancers, is currently the third leading cause of cancer death in the United States, and is projected to become the second leading cause around 2030 and;

WHEREAS pancreatic cancer is the only major cancer with a five-year relative survival rate at just 12 percent and;

WHEREAS when symptoms of pancreatic cancer present themselves, it is generally in later stages, and 88 percent of pancreatic cancer patients die within the first five years and;


WHEREAS approximately 900 deaths will occur in South Carolina in 2023 and;

WHEREAS pancreatic cancer is the seventh most common cause of cancer-related death across the world and;

WHEREAS there were an estimated 495,773 new pancreatic cancer cases diagnosed worldwide in 2020;

WHEREAS the good health and well-being of the residents of the City of Walterboro are enhanced as a direct result of increased awareness about the symptoms and risks of pancreatic cancer, and research into early detection, causes, and effective treatments;

NOW, THEREFORE BE IT RESOLVED that the Mayor and City Council of the City of Walterboro declare November 16 as World Pancreatic Cancer Day in the City of Walterboro.



William T. Young, Jr.,
Mayor

ATTEST:

Adrienne Nettles
City Clerk

CITY OF WALTERBORO
PARADE/PROCESSION PERMIT REQUEST

(PLEASE PRINT INFORMATION REQUESTED)

Application Date: 11-6-2023

1. Person submitting application: Herman G. Bright
Address: 538 St. Peters Road - Walterboro SC 29488
Telephone: 843-217-5000
2. Name of Organization: Walterboro Shrine Club of Arabian Temple #139
Chairperson/President: Cornelius Shepherd
Address: 111 Tomusco Lane, Summerville, SC 29483
Telephone: 843-530-6798
3. Parade Chairman: Herman G. Bright
Address: 538 St. Peters Road - Walterboro, SC 29488
Telephone: 843-217-5000
4. Date/Time of Parade: 1-14-2024 . 2:30 PM
5. Parade Route requested (Attach Sketch) Attached
6. Number of Vehicles/Floats: 90 Number of Animals: 3 to 10 horses
7. Portion (width) of street parade will occupy: Full width
8. Additional Information (Upon Request): _____

Herman G. Bright
Signature/Parade Chairman

Cornelius C. Shepherd
Signature/Organization Chairperson

_____ Approval

_____ Disapproval

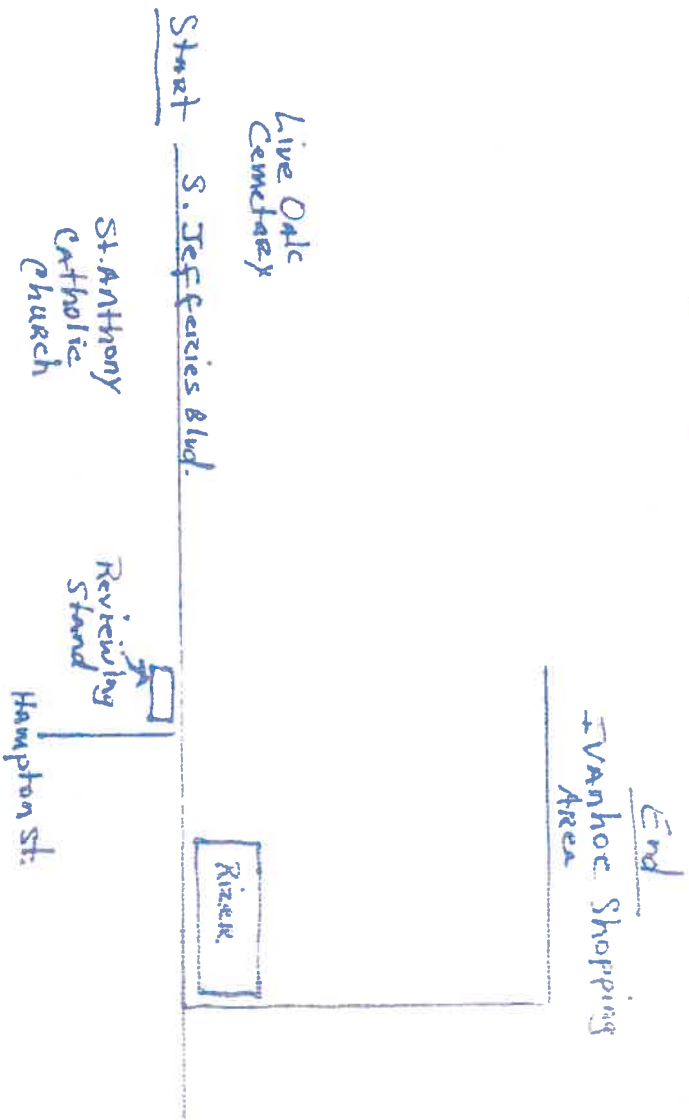
Chief of Police

City Manager

NOTE : >>> Call Police Department (843-782-1032) to confirm Parade/Procession Route three days prior to parade.

hgbrichte@gmail.com

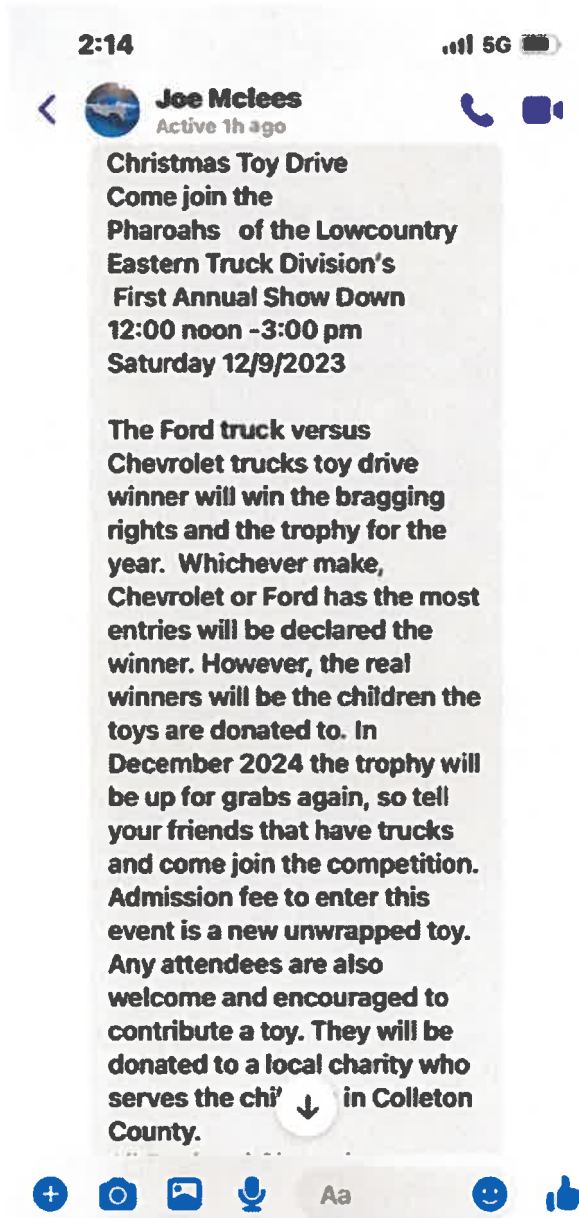
Parade Route



Dr. Martin Luther King Jr. Parade

Adrienne Nettles

From: Joy <joymv@lowcountry.com>
Sent: Monday, November 6, 2023 3:19 PM
To: Adrienne Nettles
Subject: Car Show / toy drive



CAUTION: This email originated from outside of the organization! Do not click links, open attachments or reply, unless you recognize the sender's email address and know the content is safe!

We would like to use the old Ford dealership parking lot if you would be so kind

Sent from my iPhone



Walterboro

City of Walterboro | 242 Hampton Street | Walterboro, SC 29488 | 843.782.1000

www.walterborosc.org

November 9, 2023

Walterboro City Council
242 Hampton Street
Walterboro, SC 29488

Re: Street Closures for the 2023 Christmas Parade
Sunday, December 3, 2023

Dear Walterboro City Council,

The Walterboro Christmas Parade will be held on Sunday, December 3 at 6:30 pm. The parade route will begin on Hampton Street at the Colleton Civic Center, it will proceed east, turn right onto Jefferies Boulevard, turn right onto East Washington Street, then right onto Neyle Street, making another right on North Miller Street and ending back at the Colleton Civic Center on Hampton Street. The parade route is approximately one mile long. In addition, I am requesting that four parking spots be blocked off in front of the waterfall on Washington Street for announcing and judging the parade. After discussing with Chief Wade Marvin and his staff, I formally request Hampton Street, from Jefferies Boulevard to Lucas Street, be closed at 4:30 pm. I request that the rest of the parade route be closed at 5:30 pm.

Thank you for your favorable consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ryan R. McLeod", is placed above the printed name.

Ryan R. McLeod
Assistant City Manager



MEMORANDUM

To: Jeffrey P. Molinari
City Manager

From: Amy J. Risher
Finance Director

Date: November 9, 2023

Subject: Consideration of financing proposals:
Wastewater Treatment Plant Line of Credit

In 2021, the city issued a bond in the amount of \$7,000,000 for the expansion of the treatment plant and grant match to several other projects. On April 10, 2023, bids were publicly opened for the treatment plant which were above the anticipated contract amount. At that time, Michelle Knight reached out to EDA for additional funding. At the end of May, the city was awarded additional funding from EDA to supplement the original award.

EDA is a reimbursable grant which means the city will be paying several pay applications to the contractor before a reimbursement request can be sent to EDA. Currently, the bond account will have the capacity to pay the first two applications. Unfortunately, the reimbursement request can not be made until certain percentages of the project is complete.

The city will need a line of credit that will bridge the gap between the pay applications and the reimbursement requests to EDA. Draws will be made on the line of credit to pay three pay applications to the contractor. Once processed, a request will be sent to EDA for reimbursement to repay the line of credit. These steps will be taken until the project is completed.

Public Financial Management (PFM), the city's financial advisor, solicited many financial institutions. After in-depth conversations with each, PFM was able to obtain a term sheet.

| <u>Financial Institution</u> | <u>Term</u> | <u>Rate</u> | <u>Fees</u> |
|------------------------------|-------------|---------------|-------------|
| South State Bank | 2 years | No bid | NONE |
| JP Morgan | 2 years | No bid | NONE |
| Truist Commercial | 5 years | 4.95 Floating | NONE |

City staff ask for council's favorable consideration to finance the line of credit with Truist Commercial Equity, Inc.



November 10, 2023

Recommendation Memorandum

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

From: Jay Glover, Managing Director – PFM Financial Advisors LLC

Re: Recommendation Memo – Waterworks and Sewer System Improvement Revenue Bond, Series 2023

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 2023 (the "2023 Bond") to obtain funds for expansions, additions, and improvements of the City's wastewater system (the "Project") in an amount not to exceed \$13,500,000. The City requires a financing structure that will allow the City to access \$25.7 million of grant funding with a City match of approximately \$12.82 million to fund the overall Project. Based on this it was determined that a direct placement revolving line of the credit (the "LOC") would be an efficient and cost-effective financing structure.

At the City's direction, PFM reached out to several local, regional, and national financial institutions to identify a qualified financial institution that could provide the City with the LOC at the lowest overall borrowing cost, pursuant to certain conditions as determined by the City. After an initial round of discussions, there were three (3) financial institutions that expressed a desire to pursue this opportunity (JP Morgan, SouthState and Truist). Over the course of several months, PFM, the City and Bond Counsel provided each financial institution with additional information related the City's financial position, nature of the Project, and specifics of the EDA grant. At the conclusion of this process, Truist was the only financial institution that provided a formal term sheet for the City's consideration.

Based on PFM's review and discussions with the City staff and Bond Counsel, it was determined that the Truist term sheet provided a viable financing option that meet all the City needs. It provided for the LOC in the amount not to exceed \$13,500,000 that can be drawn down to pay for the cost of the Project and repaid with no penalty as grant reimbursements are received. Such amounts that are repaid can be borrowed again, thus providing the needed cash flow to complete the Project. The variable interest rate is based on 79% of 1 Month SOFR plus 95 basis points, which in today's market equates to 4.95%. The LOC has a stated final maturity date of five (5) years, but the expectation is it will be paid off upon closeout of the Project in August 2025. The final repayment of the LOC will come from a long-term fixed rate bond in an approximate amount of \$10,000,000. A copy of Truist's term sheet is included as **Exhibit A**.

Based on the rationale outlined in this memorandum, PFM recommends selecting Truist as the loan provider for the LOC. We anticipate bringing the Ordinance to the City Council for 2nd reading at the December 5, 2023 meeting. If you have any questions, please feel free to contact me at (407) 406-5760 or gloverj@pfm.com.



Exhibit A
Truist Term Sheet



City of Walterboro, South Carolina

Term Sheet

November 3, 2023

Truist Bank (the “Bank”), on behalf of itself and its designated affiliate (the “Lender”), is pleased to submit the following summary of terms and conditions for discussion purposes only. The term sheet is non-binding and does not represent a commitment to lend. The term sheet is intended only as an outline of certain material terms of the requested financing and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in any definitive documentation for the requested financing.

| | |
|-----------------------------------|---|
| Borrower: | City of Walterboro, South Carolina (the “Borrower”) |
| Lender: | Truist Commercial Equity, Inc. |
| Facility/Purpose/ Description: | <p>Tax Exempt (Non-Bank Qualified) Waterworks and Sewer System Revenue Bond via a Variable Rate revolving line of credit (the “Line” or “Series 2023 Note”).</p> <p>Proceeds of the Series 2023 Note will be used to provide funds: (1) to defray or reimburse a portion of the costs of certain expansions, additions and improvements to Borrower’s water and sewer utility system, including construction of a wastewater treatment plant (the “Project”), and (2) to pay certain costs and expenses relating to the issuance of the Series 2023 Note.</p> |
| Amount: | Up to \$13,500,000 |
| Funding: | <p>Drawn amounts available under the Line (each an “Advance”) may be borrowed from the date the Facility first becomes effective (“Closing Date”) until the Maturity Date (as defined below). The Line may be drawn down as needed, with draws limited to no more than four (4) per month with minimum draws of \$250,000 each after the initial draw.</p> <p>Initially, at no time shall the Note have an outstanding balance of more than \$8,300,000 without Lender consent, which if given, will then allow utilization of the full line amount of up to \$13,500,000 for the duration of the remaining term.</p> |
| Repayment: | Accrued interest shall be payable monthly on the 1st day of every month, and a final payment equal to the unpaid balance of principal plus accrued and unpaid interest and any other amounts owed, due and payable on the Maturity Date. |
| Maturity Date: | Five (5) years from the closing date of the Series 2023 Note |
| Fees: | None |

| Interest Rate: | <table border="1" data-bbox="441 222 1424 401"> <tr> <th data-bbox="441 222 1002 289">Period</th><th data-bbox="1002 222 1424 289">Interest Rate</th></tr> <tr> <td data-bbox="441 289 1002 401">Draw Period from Closing Date through Maturity Date.</td><td data-bbox="1002 289 1424 401">79% of the sum of 1 Month Term SOFR plus 95 bps. Today's floating rate would be 4.95%</td></tr> </table> <p data-bbox="441 422 764 451">Accrual basis: Actual / 360</p> <p data-bbox="441 472 1536 930">The interest rate for the Series 2023 Note will be subject to increase in the event of a Determination of Taxability (as defined herein). Upon the occurrence of a Determination of Taxability, the rate of interest payable on the Series 2023 Note shall be increased to equal the Taxable Rate (hereinafter defined), which rate shall apply both prospectively and retroactively, as applicable, to the accrual of interest on the principal balance outstanding at all times to which the Determination of Taxability relates. The additional interest resulting from any retroactive interest rate adjustment shall be immediately due and payable to the existing or any prior registered holder entitled thereto for the period or periods in question. The "Taxable Rate" means the rate of interest that would provide the Lender with an after-tax yield on the outstanding principal of the Series 2023 Note at least equal to the after-tax yield the Lender would have received if the Determination of Taxability had not occurred. All future accruals of interest at the Taxable Rate shall be due and payable on the interest payment dates set forth hereinabove.</p> <p data-bbox="441 951 1536 1373">For purposes of the above paragraph, a "Determination of Taxability" shall be deemed to have occurred if a final decree or judgment of any federal court or a final action of the Internal Revenue Service is taken which determines that interest paid or payable on the Series 2023 Note is or was includable in the gross income of Lender for federal income tax purposes under the Internal Revenue Code of 1986, as amended, resulting from any action or inaction by the Borrower; provided, that for purposes hereof, (i) no such decree, judgment or action will be considered final for this purpose, however, unless the Borrower has been given written notice and, if it is so desired and is legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of Lender and until conclusion of any appellate review, if sought, and (ii) a Determination of Taxability shall not be deemed to occur as a result of any actions beyond the immediate or actual control of the Issuer, including, but not limited to, any actions of the Lender or its assigns.</p> <p data-bbox="441 1394 1206 1423">In no event will One-Month Term SOFR ever be less than 0.00%.</p> <p data-bbox="441 1444 1536 1583">"Term SOFR" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website.</p> | Period | Interest Rate | Draw Period from Closing Date through Maturity Date. | 79% of the sum of 1 Month Term SOFR plus 95 bps. Today's floating rate would be 4.95% |
|--|--|--------|---------------|--|---|
| Period | Interest Rate | | | | |
| Draw Period from Closing Date through Maturity Date. | 79% of the sum of 1 Month Term SOFR plus 95 bps. Today's floating rate would be 4.95% | | | | |
| Prepayment: | The Lender will allow prepayment without any penalty at any time prior to the Maturity Date. | | | | |
| Security: | The Series 2023 Note, together with interest thereon, will be secured by and payable solely from the receipts and revenues derived from the operation of the System including all service fees (including connection, tap and impact fees, availability fees, and meter purchases) (collectively, the "Gross Revenues"). | | | | |

[-Private-]

| | |
|---------------------------------------|---|
| | The pledge and lien securing the Bond will be on a parity in all respects with the pledge and lien securing the Parity Bonds and any additional Series of Bonds issued from time to time under the terms of and in conformance with the terms of the Bond Ordinance. |
| Documentation: | All documentation shall appropriately structure the financing according to Federal and State statutes, subject to acceptable review by Lender and its counsel. The Series 2023 Note will not be presented for payment unless required by documentation. |
| Covenants: | <p>Usual and customary covenants, reporting requirements, representations and warranties and events of default, for transactions of this type, including, without limitation, the following financial covenants and reporting requirements:</p> <ul style="list-style-type: none"> • In accordance with the existing Bond Ordinance and any applicable Supplemental Agreements. • The Borrower shall submit to the Lender or post to EMMA, annual audited financial statements within 270 days of fiscal year end, together with any other information the Lender may reasonably request. • The Borrower shall submit to the Lender an Annual Budget within 30 days of adoption. • The Lender shall have acceleration rights. |
| Conditions Precedent and Other Terms: | <ol style="list-style-type: none"> 1. <u>Borrower's Counsel Opinion</u>: An opinion of Borrower's counsel covering matters customary to transactions such as this and in all respects acceptable to the Bank, the Lender and its counsel. 2. <u>Bond Counsel Opinion</u>: An approving opinion of bond counsel related to the Series 2023 Note in form and substance satisfactory to the Lender, which shall include, without limitation, an opinion that the interest on the Series 2023 Note is excludable from gross income for Federal income tax purposes. 3. <u>Other Items</u>: The Bank and the Lender shall have received such other documents, instruments, approvals or opinions as may be reasonably requested. |
| Lender's Legal Counsel | The Lender's legal counsel will be Amy Johnson with Moore & Van Allen, PLLC. Estimated fees for the closing of the Series 2023 Note are \$6,000 and shall be paid by the Borrower, whether or not the Series 2023 Note described herein is closed. |
| Governing Law & Jurisdiction: | State of South Carolina |
| Municipal Advisor Disclosure: | The Bank is a regulated bank and makes direct purchase loans to Municipal Entities and Obligated Persons as defined under the Municipal Advisor Rule, and in this term sheet is solely providing information regarding the terms under which it would make such a purchase for its own account. The Bank is not recommending an action or providing any advice to the Borrower and is not acting as a municipal advisor or financial advisor. The Bank is not serving in a fiduciary capacity pursuant to Section 15B of the Securities Exchange Act of 1934 with respect to the information and material contained in this communication. The Bank is acting in its own interest. Before acting on the information or material contained herein, the Borrower should seek the advice of an IRMA and any other professional advisors which it deems appropriate for the Loan described herein, especially with respect to any legal, regulatory, tax or accounting treatment. |

| | |
|------------------|--|
| Patriot Act: | Pursuant to the requirements of the Patriot Act, the Bank and its affiliates are required to obtain, verify and record information that identifies loan obligors, which information includes the name, address, tax identification number and other information regarding obligors that will allow Lender to identify obligors in accordance with the Patriot Act, and Lender is hereby so authorized. This notice is given in accordance with the requirements of the Patriot Act and is effective for the Bank and its affiliates. |
| Expiration Date: | This Term Sheet shall expire on December 10, 2023 unless a formal commitment letter has been issued prior to such date. |



Accommodations Tax Advisory Committee

To: Walterboro City Council

Cc: Jeffrey P. Molinari, City Manager

From: Accommodations Tax Advisory Committee

Date: October 26, 2023

Re: Approvals at the October 26, 2023 meeting

At its rescheduled called meeting held on October 26, 2023, the Accommodations Tax Advisory Committee approved the following requests:

| <u>Requests for 65% Tourism Fund</u> | <u>Requested</u> | <u>Approved</u> |
|--|------------------|-----------------|
| Community Innovation – Literary Tea w/Palmetto State Authors | \$17,000 | \$ 0 |
| Palmetto Cycling Coalition – Festivelo XXVI | \$29,900 | \$21,000 |
| SC Artisans Center – marketing and promotions | \$35,000 | \$10,000 |

Should these requests be approved as submitted, the projected remaining balance for 2023-2024 will be approximately **\$279,696**. The remaining funds will be for consideration at the next scheduled meeting in February 2024. Therefore, the Accommodations Tax Advisory Committee respectfully requests City Council approve these items.



ccrhck@gmail.com



283 Coolers Dairy Road
Walterboro, SC 29488



www.CCRHCK.org



CITY OF WALTERBORO ACCOMMODATIONS TAX FUNDING REQUEST

I.BASIC INFORMATION

A.Project Name:

Literary Tea with Palmetto State Authors

B.Amount Requested from City of Walterboro A-tax Funds:

\$17,000

C.Total Cost of Project:

\$27,000

D.Applicant Information:

1.Organization name with Federal ID number:

Employer Identification Number: 92-1965049

2.Contact Name and Title of person submitting application:

Shiela Keaise, Executive Director

3.Address:

283 Coolers Dairy Road, Walterboro, SC 29488

4.Phone, Fax and E-mail:

843-217-1531 (phone)

Shielamartina2015@gmail.com (email)



ccrhck@gmail.com



**283 Coolers Dairy Road
Walterboro, SC 29488**



www.CCRHCK.org



CITY OF WALTERBORO ACCOMMODATIONS TAX FUNDING REQUEST

General Description (Include information about innovative ideas, community support, partnerships, and evidence of management capability):

Community Innovations (CI) is sponsoring the first Literary Tea with Palmetto State Authors in partnership with the Lowcountry African American Cultural Arts Festival (LAACAF), Columbia Writer's Guild, and Colleton, Dorchester, and Charleston School Districts. The Literary Tea's mission statement is to promote a better understanding among people of different cultures through the sharing of stories and poetry about the Importance of literacy from writers around the state of South Carolina.

Shiela Keaise, Executive Director, has 28 years of experience in nonprofit organizations and founded this program under the auspices of Community Innovations. Ms. Shiela co-chairs the Literary Tea with Palmetto State Authors with Letesha Smith, a Lexington County author. This Literary Tea is multifaceted in that we will invite at least 20 authors from around the Palmetto state to share a book talk and do a book signing at the event as well as offer a contest to writers from around the state. Authors will be asked to share their books and an inspirational story behind their literary journey. Hors d'oeuvres will be available to all who attend and no more than five door prizes given (two for authors and three for guests). Women are asked to wear hats and men dress in jackets. The first 20 authors to respond before Dec. 1 to our invitation will participate in this first annual Literary Tea.

Children (ages 7 – 12), teens (ages 13 – 17), and adults (ages 18 and older) will be invited to write a story or poem about the Importance of Literacy. The story or essay must be one page in length. The poem must be between seven to ten stanzas in length. Winners will receive scholarships toward their publishing dream: child winner will receive \$200, teen winner \$300, and adult winner \$500. The total cost for scholarships is \$1,000 to be given to the winners who will serve as guest entertainment for the Literary Tea. We will need to advertise the writing contest in surrounding cities and counties to reach school districts, Writer's Guilds, and colleges.



ccrhck@gmail.com



**283 Coolers Dairy Road
Walterboro, SC 29488**



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CITY OF WALTERBORO ACCOMMODATIONS TAX FUNDING REQUEST

We will need to do the following and give a stipend to the following which total \$3,000:

- Graphic Designer (\$500) to design professional flyers that will be published on social media and in newspapers.**
- Program Coordinator (\$500) to plan, write, and direct the three months event that will culminate on February 17, 2024.**
- Five Greeters (\$100 each X 5) to welcome the tourists, pass out programs, direct traffic, put together a program booklet, assist with cleanup, serve food and tea, and wherever is needed.**
- Three School District & two Writer's Guild Liaisons (\$100 each X 5) to meet with schools and Guilds over 50 miles away to plan and implement the writing contest.**
- Two Event Planners (\$250 each X 2) responsible for decorating the entire room; preparing the Kios in a separate room; coordinating the food; planning event details and aspects, including seating, dining and guests; and managing events and addressing potential problems that may arise with guests and tourists on February 17th a Tea to remember and want to return.**
- Professional photographer (\$500) will be there to capture the experience in Walterboro. We will also use the photos to promote future events by sharing them with the general public on social media and our website. This will draw in future tourists.**



ccrhck@gmail.com



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Walterboro, SC 29488**



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CITY OF WALTERBORO ACCOMMODATIONS TAX FUNDING REQUEST

Additionally, children aged six and under will receive at least five books from the attending authors to start their home library, which equates to \$25 per child. The first ten authors to submit their registration will get the opportunity to participate in the book giveaway program. The goal is to give at least 20 visiting children at the Literary Tea a starter home library, which equates to \$500. This will help spread the importance of literacy in their communities wherever they reside. Tourists will receive books from our Palmetto State authors.

CI will use the Charleston Tea Plantation, which is now the Charleston Tea Garden as the tea supplier for the Literary Tea event. A Kios will be set up with tea samples and brochures of the Charleston Tea Garden in Wadmalaw Island, which is 51 miles from Walterboro in the heart of the lowcountry just a few miles south of the historic city of Charleston. We will also include brochures of Walterboro attractions.

Event merchandise (\$4,050):

- The Charleston tea bags range from \$15 - \$20 per box. We will purchase 20 boxes of an assorted variety, which is estimated at \$450.
- Tea wares (\$2,000) are needed for this event for the 10 tables (8 persons per table) is \$25 per person which includes tea cups, tea kettles, condiments, and food for the tourists.
- Head table will include the Tablecloth (6 inches, 4-sided at \$250) and white round tablecloths (\$10 each X 10 tables=\$100). Large labels for each author's table will be (20 X \$5=\$100)
- Thirty-five participating authors, volunteers, and staff will receive a T-Shirt with our logo, which is valued at \$15 each. The estimated cost for the T-Shirts is \$525
- Five Door prizes during the event to include \$100 in creative prizes
- Venue to host the Literary Tea is \$500.



ccrhck@gmail.com



**283 Coolers Dairy Road
Walterboro, SC 29488**



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CITY OF WALTERBORO ACCOMMODATIONS TAX FUNDING REQUEST

Promotional costs (\$1,350) will include (1,000 each + taxes): bookmarks (\$200), silicone bracelets (\$400), pens (\$200), literacy stickers (\$250) and journals (\$300) to give away to tourists or visitors.

Printing costs (\$750) will include flyers(\$250), postcards. (\$200), and brochures (\$300). These flyers, postcards, and brochures for the event will be given out to attract future tourists and visitors of the Literary Tea. Some Walterboro attractions that will be advertised on the printed material include the South Carolina Artisan Center, the Tuskegee Airmen Memorial, the Walterboro Chamber of Commerce, the Farmers Market and Museum, the Colleton County CourtHouse, the Colleton County Memorial Library, and the Walterboro Wildlife Center.

Marketing and advertising (\$2,000) will include the following marketing budget for this once a year event:

- print and broadcast advertising (\$500)**
- Press releases & Trophies for three Writing Contest winners (\$300)**
- Postage costs (\$500)**
- Website development (two-page spread and one year upkeep—\$500)**
- public relations gas mileage (\$200)**

The signage (\$550) needed to showcase our logo will include a banner (4 X 8 feet) (\$200) used to promote the Literary Tea and backdrop (\$350) that will allow tourists and visitors to take pictures. Inviting Decorations will also be included \$200.

Plus, Insurance (\$600 annual premium) and financial services for the event (\$150) to cover any unforeseen issues that may arise with tourists.



ccrhck@gmail.com



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Walterboro, SC 29488



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CITY OF WALTERBORO ACCOMMODATIONS TAX FUNDING REQUEST

B. Benefit to Tourism

Tourists will want to visit Walterboro, SC, again because of the many opportunities the Literary Tea will provide. Authors, guests, and tourists that attend this literary event can expect to receive some of the best tea in the lowcountry, a literary party favor, enjoy hors d'oeuvres, see local authors present and display their books, hear inspirational stories, meet literary role models, meet new writers, hear original poetry, and get a chance to win door prizes.

Just like serving food and tea can have a significant impact on the experience of a tourist in our program, so can providing photo options, a variety of tea choices, tea favors, author signings and booktalks, and scholarship opportunities. Here are three ways the activities at the Literary Tea can affect our prospective tourists:

- **Building Community:**

The quality of food and tea can directly affect the satisfaction of tourists. If they enjoy the food and drinks offered, they are more likely to have a positive experience and recommend our program to others. If they enjoy our program, they will want to come back next year and bring a friend or family member.

- **Health and safety:**

Providing safe and healthy food and beverage options is crucial for the well-being of our tourists. Our program variety will show Walterboro in a good light through our program's reputation of being creative and inclusive.

- **Cultural experience:**

Food and tea can be a way for tourists to experience the local culture. Offering traditional or unique dishes can enhance the cultural immersion of our program and make it a memorable experience for tourists. Not only will the Literary Tea showcase different cultures in books, we will provide opportunities for writers of all walks of life to compete in our writing contest.



ccrhck@gmail.com



**283 Coolers Dairy Road
Walterboro, SC 29488**



www.CCRHCK.org



CITY OF WALTERBORO ACCOMMODATIONS TAX FUNDING REQUEST

C. Benefit to Community

Community Innovations desires to promote “lifelong learning” and build literacy skills. Community members who struggle to read (often due to language barriers or illiteracy) will not be productive. Students who are illiterate are more likely to drop out of school, and adults who lack literacy skills are less likely to advance professionally or be productive citizens in the community.

This Literary Tea will bring literacy to the forefront of the community. Literacy is a powerful tool against poverty. Since women are the most powerful agents of change in their communities, it is imperative that women understand the power they have when they share the importance of reading with their children.

Literacy also builds self-esteem. The more able a person is to express themselves, the greater their confidence and their chance of living a happy, healthy life.

Finally, when citizens are literate, they’re more able to follow local politics and be informed of the issues that matter to their communities. Ban Ki-moon, former UN Secretary-General said, “Illiteracy weakens communities and undermines democratic processes through marginalization and exclusion. These and other impacts can combine to destabilize societies” (Six Benefits of Literacy in the Fight Against Poverty).

D. Tracking: Number of hotel/motel room nights projected to be added as a direct result of this project (Include brief explanation as to the calculation used for this estimate as well as description of how you plan to track this information)

None will be needed

E. Duration of Project (Start and End dates)

December 1, 2023 - February 17, 2023

Contest being offered December 1, 2023 - January 25, 2024. Winners announced February 2024.



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F.List Permits (if any required)

None will be needed

G.Additional comments (optional)

Community Innovations (CI) desires to provide innovative programs for children, teens, and adults by offering life changing experiences that promote growth and development.

IV. REQUIRED ATTACHMENTS

A. Letter from Secretary of State confirming non-profit status

(Certificate on order. Proof of order attached)

B. Organization's latest financial statement

Please find attached

C. List of applicant's board members, with full names and addresses

Please find attached

Festivelo XXVI 2023/Palmetto Cycling Coalition

Accommodations Tax Funding Request 2023

I. Basic Information

A. Project Name:

Walterboro Festivelo XXVI 2023: "A Festival of Cycling in the SC Lowcountry" (Twenty-Sixth annual)

B. Amount requested from A-tax: \$29,900

C. Total Cost of Project: \$85,950

D. Applicant Information

1. Organization name with Federal ID number

Velos of SC, dba FestiVELO

EIN 92-3317406

2. Contact Name and Title of person submitting application

Charles Fox of Festivelo, or Amy Johnson Ely of Palmetto Cycling Coalition

3. Address

4248 Dorchester Road, Charleston, SC 29405

4. Phone, Fax and E-mail

843-303-3334

charles@festivelo.org and amy@pccsc.net

II. Narrative

Provide a detailed description of the project to be accomplished with A-tax funding to include at least the following mandatory components:

A. General Description (Include information about innovative ideas, community support, partnerships and evidence of management capability)

Festivelo is recognized as one of the most unique bicycling festivals in the USA! Founded by Charles Fox and the Fox Family, Festivelo is a bicycle touring event with HQ at the Farmers Market & Museum in downtown Walterboro, S.C. The ride normally brings in 280-350 riders along with an additional 50-75 people who are non-riders and/or volunteers from 25-30 states and usually a few countries each year, for several days. 2023 will mark the 26th annual FestiVELO Ride, taking place November 8-12, 2023, out of Walterboro, SC.

Our annual four-day event offers a choice of morning rides in the Walterboro/Colleton County area, including a short, medium, and long ride (30, 65, and 100 mile options), fully supported with restrooms, food, and mechanics.

The food and festivities make Festivelo the best multi-day ride in South Carolina, because of the hot meals at the lunch stops (World O' Grits, etc.) and again at dinner (BBQ, etc.) each day when riders return to home base in Walterboro in the afternoons. This all inclusive registration and "add on's" include all the festivities one needs to celebrate a long ride with friends: themed dinners, drinks, live music, dancing, oysters, campfire, smores, wine and chocolate, etc.

For a few years now, Festivelo has been headquartered out of Walterboro, and this continues to be a great decision. The terrain is flat and the traffic is light, which makes Walterboro a good choice for people wanting to do a first Century (100 mile) ride, drawing people into a welcoming atmosphere to push their athletic abilities. The staff at the Farmer's Market & Museum continues to provide an excellent venue and support for food and facility needs.

Festivelo volunteers, facilitated by event leadership, constantly monitor the riders and course, and help is always not far away, with "Support and Gear", also known as SAG. Rest stops are located about every 15 miles, and each includes packaged snacks (Yahoo & Moon Pie, etc.), water, Gatorade, a restroom, and a bike pump. On Thursday, we lead a ride for those who have never broken the 100-mile mark, and a trophy is given to every 100 mile finisher, no matter their time. On Sunday, every rider who rides 100 miles all 4 days earns a Festivelo 100 Mile Iron Butt Trophy!

The Walterboro location affords the opportunity to have a great ride early in the day and then visit Walterboro or surrounding cities in the afternoon and/or evening. Event organizers encourage everyone to stay in Walterboro and participate in the many different Festivelo events and visit the restaurants, antique shops, art center, wildlife sanctuary, and the other businesses.

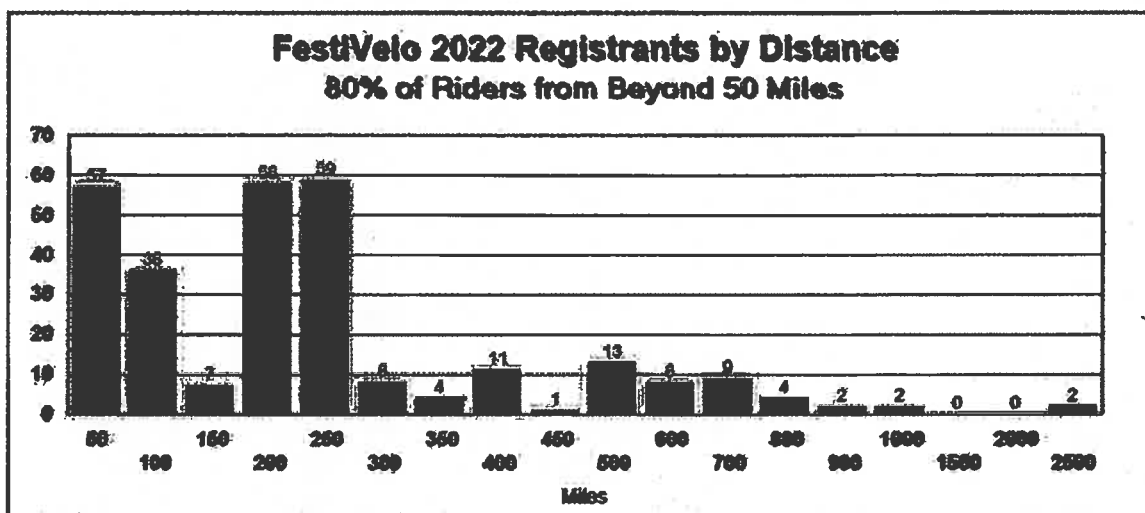
Festivelo is run by a core group of a handful of leaders, including many dozens of volunteers and a small number of modestly paid contract staff, called National Charity Event Management Service. That core group makes the ride happen every year, and they do the labor necessary to direct, setup, and promote the event each year. The expertise and partnerships of this group of leading ride managers is what sustains the ride into the future. The planning team has meetings throughout the year, via Zoom, to reconvene on a monthly basis. These meetings,

attended by 6-10 people each month, are in combination with more subcommittee meetings and emails throughout the year, which ultimately coordinates all the logistics necessary to plan, promote, and execute the ride. It is no small feat for this small group of modestly paid staffers to manage the entire operation. This small group is crucial to keeping Festivo going every year, in addition to coordinating and motivating the much larger number of unpaid volunteers.

The use of the Racereach App is also absolutely crucial for managing the ride. Because the App is integrated with the website and registration system, the volunteer ride managers use it all the time to manage and keep track of ride logistics, volunteers, registrants, rest stops, rider locations and route viewing through location services. The App allows remote coordination through the phone, because it fully integrates 3 databases: Racereach registration, our website and routing, and Racereach volunteer management. Festivo would be much more expensive to execute without the App. The App is utilized by the vast majority of all riders and volunteers, as it was downloaded by 432 people in 2021, and then again by 349 in 2022. The App was developed, is continuously updated and fully supported by David Cole.

B. Benefit to Tourism

Festivo typically brings in over 400-500 people to Colleton County, from a total of 25-30 states and a few countries. Approximately 41% of registered riders were from outside of South Carolina in 2022, and approximately 80% of registered riders were from over 50 miles outside of Walterboro. In 2022, we estimate that approximately 754 hotel room nights were utilized by the participants along with filling the available B and B's, RV and camping locations.



| Nights | Response | Total | Extrapolated |
|---|----------|-------|--------------|
| 5 | 11 | 55 | 182 |
| 4 | 30 | 120 | 397 |
| 3 | 8 | 24 | 79 |
| 2 | 12 | 24 | 79 |
| 1 | 5 | 5 | 17 |
| 0 | 19 | 0 | 0 |
| 281 | 85 | 228 | 754 |
| Note: 85 respondents stayed a total of 228 nights, which extrapolates to 754 nights total for the event | | | |

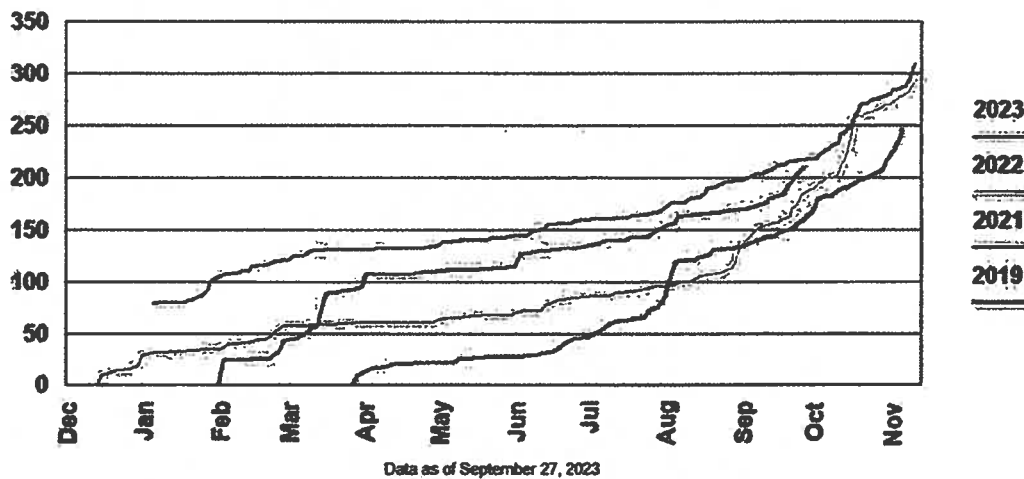
We program the Festivelo event from 5:30am until 9:30pm, so ride participants engage in the full experiences provided by the City of Walterboro. Very often, ride participants bring their family members along, since there are so many social opportunities programmed around the ride. Since the ride has normally had increasing rates of satisfaction every year, it is led by roughly the same crew of organizers.

Registrations as of late September 2023 are already surpassing those from the last 2 years, so we anticipate meeting our target goal, once again.

FestiVelo Registration by Month, 2019-2023

2023 Registrations running well ahead of prior years

Note: 2021 data skewed by deferred registrants from 2020



We know our participants visit the local restaurants, antique shops, art venues, and points of interest. In addition, Festivelo makes every effort to use local vendors in Walterboro/Colleton County. Walterboro is given international visibility, as well as additional press coverage in all forms of media. Many segments of the rides are filmed and photographed and shared with family, friends, and the international bicycling community. Festivelo rider demographics typically

are represented by a median age of 55 years and a higher than average median income with disposable income. As the population in the USA increases in median age, people are seeking events such as Festivelo to stay healthy and active with this low impact sport, in addition to using this event to connect with old and new friends. Our participants stay in the local hotels, eat in various restaurants, and shop in several of the retail outlets. Visitors are charmed by the quaint atmosphere and are encouraged to return.

Festivelo partnered with Hincapie to make our 2022 and 2023 jersey, in exchange for cross promotion of the Hincapie and Festivelo ride. IE, Festivelo postcards will go in their rider bags, and Hincapie postcards will go in Festivelo rider bags. The benefit here is a higher likelihood of recruiting registered riders from further outside the 50 mile radius of Walterboro.

Our 2023 Cycling Event Guide every year contains relevant information about items of interest within and around Walterboro, in addition to other content our target audience might enjoy. Our website displays information about hotels available near the ride HQ at the Farmer's Market & Museum, as well as information about Walterboro and a link to the 2023 Cycling Event Guide.

The annual marketing investment for this ride pays off, since in 2022, we obtained over 31 new riders who heard of us first on social media. These new riders will likely become repeat riders into future years ahead. Each time we use \$50 to boost a FB post, it raises the post views from an average of 550 to 8500.

C. Benefit to Community

Festivelo impacts the local economy in many ways, including through hotels, restaurants, shops, and local purchase of supplies and food. The HQ is located in the city of Walterboro's downtown, in the Farmer's Market, additionally benefiting the local and often homegrown small pop-up businesses and downtown shops, with hundreds of riders drawn to the after-ride festivities. Additionally, the event provides a relaxed atmosphere for good natured fun and fitness, which offers only positive vibes from tourists visiting Walterboro.

And finally, event organizers are homegrown in SC and NC, with a heart for the lowcountry, so naturally cultural engagement is built into every SAG stop, giving tourists a chance to meet many others from Walterboro's various churches, etc., whose volunteers often host the SAG stops. The social settings of the SAG stops is one of many reasons ride participants come from all parts of the US to enjoy themselves, and that was specifically noted many times in the post ride survey.

D. Tracking: Number of hotel/motel room nights projected to be added as a direct result of this project (Include brief explanation as to the calculation used for this estimate as well as description of how you plan to track this information).

In 2022, we estimate that approximately 754 hotel room nights were utilized by the participants along with filling the available RV and camping locations. Therefore, we project a conservative estimate of 700-1000 hotel rooms for 2023, based on data from the past 3 years. We've

extrapolated our 2022 estimate, based on 281 known riders, along with an additional 50-75 non-riders and volunteer organizers for 2-5 days/nights, and the majority stay 3-4 nights.

E. Duration of Project (Start and End dates)

The event will occur from Nov 8-12, 2023, but many volunteers show up Nov 5th. Up to 30 volunteer and staff ride organizers are in Walterboro for 5-7 days. The project is prepared in those initial days, by posting signs, parking routes, raising banners, setting up the venues for meals, music, SAG, and ride HQ, and preparing other managers and volunteers in a host of meetings.

F. List Permits (if any required)

Event organizers coordinate with the local sheriff, police, and fire department, and we intend to secure another Special Use Permit again for the camping location, as we did in 2022, which is for securing the church's grassy adjacent lot.

G. Additional comments (optional)

III. Budget

The budget of expenses is below. Our main source of revenue is from individual registrants, as they pay for a registration fee, that is all inclusive or pays for additional services, such as individual evening festivities (oysters), activities (chocolate obsession, wine night, etc.), or camping accommodations. Additionally, registrants purchase various types of merchandise.

| 2023 Accounting Category | 2023 Atax subcategories (with Atax request in bold & red) | 2023 Budget | 2023 Atax requested |
|-------------------------------|--|-------------|---------------------|
| E-marketing & print media | FB ads: 2000. Postcards: 2000. Stickers: 300. | \$4,300 | \$4,300 |
| bike route marking & supplies | Route marking paint: 400. Gas for route marking: 1000. Directional signs: 600. Safety cones: 4700. | \$6,700 | \$4,700 |
| Event Management | Ride with GPS account: 300. National Charity Event Management Service: 4000. Festivelo App, fully supported, and it integrates website, registration, volunteer information, and route and rider location services: 6500 | \$10,800 | \$10,800 |
| entertainment | DJ, speaker fees | 700 | |
| insurance | event insurance | 2500 | |

| | | | |
|---------------------------|--|-----------------|-----------------|
| other labor | Labor costs to Walterboro Museum staff for meals, & after ride snacks: 7500. Labor costs to Charleston staff for rest stop and lunch stands: 1000. | 8500 | |
| food | 3 meals, rest stops, snacks, food at evening festivities: 23000. Volunteer dinner: 350 | 23350 | |
| marketing: | cycling event guide: 5000 | 5000 | \$5,000 |
| motel | motel for select volunteers | 2000 | |
| campsite | Fencing for camping (green poles and orange fencing): 500. Power for campground to church: 400. Power infrastructure: 2000 Shower trailer cost of propane, cleaning, annual maintenance costs, and to transport each year: 2000. | 4900 | |
| Museum rental | Walterboro Farmer's Market & Museum | 1600 | |
| Postage | Various mailings, for merchandise and other materials | 1200 | |
| supplies | event t-shirts & sweatshirts: 4000. jerseys: 4600. Other supplies: 200 | 8800 | |
| telecommunications | zoom: 200. google: 300. | 500 | |
| toilets | Portapoddies and portalets: 2800 | 2800 | \$2,800 |
| website | Ted Buckner's costs to keep website hosted (150), secure (150), and updated with information and pages that integrate with App and registration (2000) | 2300 | \$2,300 |
| TOTALs | | \$85,950 | \$29,900 |



South Carolina Artisans Center

The Official Folk Art and Craft Center of South Carolina
October 2, 2023

I. Basic Information

A. Project Name: SC Artisans Center - Marketing & Promotions

B. Requested Amount: \$35,000

C. Total Project Cost: \$35,000

D. Applicant Information:

1. EIN# 57-0983458
2. David Smalls, Executive Director
3. 318 Wichman Street
Walterboro, SC 29488
4. 843-549-0011
info@scartisanscenter.com

II. Narrative

The South Carolina Artisans Center is the largest single tourist attraction located in Walterboro. The South Carolina Artisans Center was officially designated the "Official Folk Art and Craft Center of South Carolina" by the governor in 2000. The Center was originally conceived as a rural economic tourism development project. It was determined early in the planning stages that this Center should have an economic impact upon the entire state and the project's planners proceeded to make this happen. The Center now showcases the work of over 250 artists from 35 out of the 46 counties across the state.

A. General Project Description:

We have discovered that we need to diversify our marketing and advertising outreach and do it in a comprehensive manner. We are requesting \$35,000 to fund this comprehensive plan which includes digital ads, television production, streaming ads, social media and Google ads to promote the South Carolina Artisans Center. Our objectives are to drive awareness and visibility, engage and educate day trippers, and drive quality web site traffic to increase conversion to sales. We are interested in conducting this project from **January - July 2024**. We will target the following regional and metro markets that have an artistic vibe to their communities and are within a short drive distance to the Center: Atlanta, GA, Asheville, NC, Bluffton/Hilton Head Island, Charleston, Columbia, Florence/Myrtle Beach, Greenville/Spartanburg, and Savannah, GA

B. & C. Benefit to Tourism and/or Community:

We have become a major **Tourist Destination** off I-95. Approximately 420,000 people have visited the Center over the past twenty nine (29) years. Over 95% of the Center's customers have traveled from outside of Colleton County and over 85% are visitors from another state. The majority of our customers have taken time from their traveling to stop in Walterboro, shop at the Center and enjoy our exhibits. They are also looking for other places in Walterboro to shop and dine. The City of Walterboro has made downtown a wonderful place to send our visitors.

The South Carolina Artisans Center is the only **Tourist Attraction/Retail Venue** in the downtown Walterboro area that is **open** for business **6 days a week**. Because of these regularly scheduled hours of operation, the Center has been designated as an **"official stop"** for the **South Carolina National Heritage Corridor**. A **"stop"** is a Visitors Center that distributes literature about Walterboro, Colleton County, and the entire heritage corridor.

The South Carolina Artisans Center has consistently pursued all avenues of advertising and marketing including *Facebook and Instagram* pages and on our website www.scartisanscenter.com.

D. Tracking:

This marketing and advertising campaign will utilize paid social media, Google ads, and television/broadcast/cable, streaming ads in the before mentioned media markets. We estimate there will be 550,000 to 600,000 monthly impressions with contextual displays and 170,000 mobile app display ads per month with a net increase in Facebook followers. We will be provided monthly reports by the advertising agency to monitor the effectiveness of the campaign.

E. Duration of this project

This campaign will be conducted from **January - July 2024**.

III. Budget

| | |
|----------------------------|-----------------|
| Revenue | |
| ATAX | \$35,000 |
| Expenses | |
| Digital Ads | 11,000 |
| Television/Broadcast/Cable | |
| Streaming | 10,000 |
| Google Ads | 4,000 |
| Social Media Ads | 10,000 |
| Total | \$35,000 |

IV. Required Attachments

(Attached)

V. Billboard Information

VI. Prior Recipients Only

(Attached)