



CITY COUNCIL MEETING

MONDAY, JUNE 15, 2020 | 7:00 PM

City Council will meet at 7:00 p.m. in Mauldin City Hall Council Chambers, 5 East Butler Road, Mauldin

Please note that members of the public may attend this meeting in-person but are encouraged to participate remotely through Webex. Please visit the City's website at <https://cityofmauldin.org/your-government/meeting-minutes-agendas/> to access the meeting via audio and videoconferencing.

AGENDA

1. Call to order

Mayor Terry Merritt

- a. Invocation
- b. Pledge of Allegiance
- c. Welcome

2. Proclamations and Presentations

3. Reading and approval of minutes

- a. City Council Meeting –May 18, 2020 (Pages 6-17)

Mayor Terry Merritt

4. Public Comment

5. Report from City Administrator

6. Reports from Standing Committees

- a. Finance and Policy (Chairman Reynolds)
- b. Public Safety (Chairwoman King)
- c. Public Works (Mayor Merritt)
- d. Economic Planning and Development (Chairman Matney)
- e. Building Codes (Chairwoman Kuzniar)
- f. Recreation (Chairman Black)

7. Unfinished Business

Ordinances - Second Reading

- a. Consideration and action on an Ordinance to Amend Section 18-95 Of The Noise Ordinance In The Mauldin Municipal Code Chapter 18, Environment, Article Ii, Nuisances, Division 3, Noise (Pages 18-20)
- b. Consideration and action on an Ordinance to Authorize A License Agreement Between the City Of Mauldin And New Cingular Wireless Pcs, LLC D/B/A AT&T Mobility For the Placement Of A Small Cell Wireless Facility At 137-P W. Butler Road, Mauldin, South Carolina (Pages 21-32)

Diane Kuzniar, Chair of the Building Codes Committee

Diane Kuzniar, Chair of the Building Codes Committee

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| <p>c. Consideration and action on an Ordinance To Provide Amended Appropriations For The Fiscal Year Beginning July 1, 2019 And Ending June 30, 2020 For Ordinary And Other City Purposes; To Provide For A Levy Of Taxes On All Taxable Property In The City Of Mauldin For All City Purposes, Including Sufficient Tax For Any Principal And Interest On Outstanding Indebtedness Maturing In The Fiscal Year; To Provide For The Expenditure Of Said Taxes And Other Revenues Coming To The City During The Fiscal Year (Pages 33-36)</p> | <p>Michael Reynolds, Chair of the Finance Committee</p> |
| <p>d. Consideration and action on an Ordinance To Provide For The Issuance And Sale Of Not Exceeding Three Million Dollars (\$3,000,000) City Of Mauldin, South Carolina, General Obligation Bonds, Series 2020; To Prescribe The Purposes For Which The Proceeds Shall Be Expended; To Provide For The Payment Thereof; And Other Matters Relating Thereto. (Pages 37-90)</p> | <p>Michael Reynolds, Chair of the Finance Committee</p> |
| <p>e. Consideration and action on an Ordinance Providing For The Issuance And Sale Of Not Exceeding \$2,900,000 City Of Mauldin, South Carolina Accommodations Tax And Hospitality Tax Revenue Bonds, In One Or More Series; And Other Matters Relating Thereto. (Pages 91-115)</p> | <p>Michael Reynolds, Chair of the Finance Committee</p> |
| <p>f. Consideration and action on an Ordinance Authorizing The Execution And Delivery Of Documents Relating To The Provision Of Municipal Facilities; Consenting To And Approving The Issuance Of A Not Exceeding \$2,750,000 Mauldin Public Facilities Corporation Installment Purchase Revenue Bond, Series 2020, By The Mauldin Public Facilities Corporation (The "Corporation") To Provide Funding To Finance The Costs Of Acquiring, Constructing,</p> | <p>Michael Reynolds, Chair of the Finance Committee</p> |

Renovating, Equipping, And Installing Public Facilities; Consenting To And Approving The Execution Of A Base Lease And Conveyance Agreement By And Between The City Of Mauldin, South Carolina (The "City") And The Corporation; Consenting To And Approving The Execution Of A Municipal Facilities Purchase And Occupancy Agreement Relating Thereto By And Between The City And The Corporation; Consenting To The Form Of An Indenture To Be Entered Into By The Corporation And The Purchaser Of The Bond; And Making Provision For All Other Matters Relating To The Foregoing. (Pages 116-213)

- g. Consideration and action on an Ordinance Establishing A Sewer Pump Station Fee For The Indigo Point Development; Creating A Lien For Unpaid Sewer Pump Station Fees; And Other Matters Related Thereto. (Pages 214-220)

Michael Reynolds, Chair of the Finance Committee

8. New Business

Ordinances – First Reading

- a. Consideration and action on an Ordinance to Extend A Moratorium to Temporarily Suspend The Acceptance And Issuance Of Permits And Business Licenses For Small Box Discount Stores Pending The Consideration Of Amendments To The City Zoning Ordinances (Pages 221-223)

Mayor Terry Merritt, Committee of the Whole

Standing Committee Items

- b. Consideration and action on Selection of Auditor (Pages 224-225)
- c. Consideration and action on Event Coordinator (Page 226)

Michael Reynolds, Chair of the Finance Committee

Michael Reynolds, Chair of the Finance Committee

- d. Consideration and action on a Resolution For the Purpose Of Establishing The Mauldin Public Facilities Corporation, Stating Its Purposes And Appointing The Members To The Board Of Directors Of The Corporation (Pages 227-232) Michael Reynolds, Chair of the Finance Committee
- e. Boards and Commissions Appointments (Pages 233-246) Diane Kuzniar, Chair of the Building Codes Committee
- f. Consideration and action on Permit and License Software (Pages 247-248) Diane Kuzniar, Chair of the Building Codes Committee
- g. Consideration and action on Traffic Calming – Edgewood Drive (Pages 249-250) Carol King, Chair of the Public Safety Committee
- h. Consideration and action on Police Mutual Aid Agreement (Pages 251-256) Carol King, Chair of the Public Safety Committee
- i. Consideration and action on the Walking Trail located at City Park (Pages 257-258) Dale Black, Chair of the Recreation Committee
- j. An emergency ordinance to temporarily waive penalties for the late payment of fees for business license permits and local hospitality tax and local accommodations fee payments; and matters related thereto (Pages 259-261) Committee of the Whole

9. Public Comment

Mayor Terry Merritt

10. Council requests

11. Adjournment

Minutes
Public Hearings and City Council Meeting
May 18, 2020
6:00 p.m.

Members present in Council Chambers were Mayor Terry Merritt, Councilwoman Carol King and Councilman Michael Reynolds. Members who were present remotely through WebEx were Taft Matney and Diane Kuzniar. City Administrator Brandon Madden was present in the Courtroom and City Attorney Daniel Hughes was present remotely. Councilman Dale Black was on vacation and not in attendance.

Two public hearings were held before the Council meeting.

The budget public hearing was first. Mayor Merritt opened the public hearing. Brandon reported that the FY 2021 budget would be presented this evening and is a total of \$34,301,561. The budget is balanced and requires no tax increase. There are a number of highlights including salary adjustments for the fire department, the construction of a pedestrian bridge, improvement of city facilities, and replacement of some of our fleet through capital.

Mayor Merritt read a comment from a resident: I wanted to do a shout out to Mauldin Recreation. They do a wonderful job. As a resident of the City of Mauldin, I enjoy the program. I hope the funding for the Recreation program will continue and increase.

Councilman Matney made a motion to close the public hearing with Councilwoman King seconding. The vote was unanimous (5-0).

The Indigo Pointe sewer lift station fee requires a public hearing. The ongoing maintenance of the sewer lift station is billed to the residents in the neighborhood. Brandon said 315 homes are planned, and in November of last year, Council approved a sewer lift station with the developer. The agreement allowed for the City to collect a fee to maintain and operate a lift station. The fee per parcel is \$135. Given that the fee is added to the tax bills, it can only be added once per year via Council ordinance. Since the development is ongoing and all of the homes have not been built, the fee is only going to be added to the homes that have a certificate of occupancy. Per the developer, 45 homes will have a certificate of occupancy by the end of the year. Via the ordinance, the 45 homes will have the fee on its tax bill. However, Council will have to approve an amendment to this ordinance annually until all of the properties have the fee added.

There was no public comment on the sewer lift station fee and the public hearing was closed.

The Council meeting convened at 7:00 p.m.

1. Call to order- Mayor Merritt
 - a. Invocation- Mayor Merritt
 - b. Pledge of Allegiance- Mayor Merritt
 - c. Welcome- Mayor Merritt
2. Proclamations and Presentations-
3. Reading and approval of minutes
 - a. City Council Meeting –April 20, 2020- Councilwoman King made a motion to approve the minutes with Councilman Reynolds seconding. The roll call vote was as follows: Councilman Matney- aye, Councilwoman King- aye; Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).
4. Public Comment- None
5. Report from City Administrator- None
Pat Pomeroy from the Chamber reported that she is sending out a lot of relocation packets regarding Mauldin. She also mentioned the food drive that was held a couple of weeks ago. 2 trucks full of food were donated to the Center for Community Services.
6. Reports from Standing Committees
 - a. Finance and Policy (Chairman Reynolds)- He mentioned that we had our public hearing tonight as required on the budget.
 - b. Public Safety (Chairwoman King)- Chairwoman King thanked the police and fire departments for their hard work during this crisis.
 - c. Public Works (Mayor Merritt)- Mayor thanked Public Works for stepping up during this time. He also reported the new one-armed truck seems to be working well.
 - d. Economic Planning and Development (Chairman Matney)- No report
 - e. Building Codes (Chairwoman Kuzniar)- Chairwoman Kuzniar thanked the BDS department for continuing their hard work.
 - f. Recreation (Chairman Black)- Councilman Reynolds had no report other than it will be good to start opening up the facilities and getting outside.
7. Unfinished Business
 - a. Consideration and action on Brookbend Road (PW)- Only requires one reading
There are no resources from the property owner of 136 Brookbend Road for sewer culvert repair. Staff will install a stormwater drainpipe from the existing sink hole down to the catch basin in the back yard. No improvements to the homeowner's yard or pipe will be done. Mayor Merritt made a motion to proceed with the installation of the drainpipe at a cost not to exceed \$5,900.00 Councilwoman King seconded the motion. Councilwoman King said she was hoping the property owner would be able to pay the cost to fill in the drain on her property. She is hesitant to spend taxpayer dollars on private property. She said she is not opposed to the re-routing of the pipe.

Councilwoman Kuzniar said the City should fix what we need to, but when we have made repairs to other residents' stormwater issues, they have helped with the cost.

Mayor Merritt said there is nothing that is being done to improve Ms. Federline's property. Councilman Reynolds said he has concerns with putting fill in the pipe on Ms. Federline's property. Matt Fleahman said the process would be to re-route the pipe onto a property easement from Mr. Ireland. The pipe on Ms. Federline's property will be left untouched. Councilman Matney said we need to be careful dealing with private property. The residents do not want the City telling them what they can and cannot do with their property. If we make improvements, we would also have requirements. Councilman Matney asked if anything would be done on private property. Matt said the collapsing corrugated pipe on the resident's property would remain in place. Councilwoman King asked about the attorney's fees. Brandon said the City pays an hourly rate and would not be that much to prepare a document for the easement.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- b. Consideration and action on Annexation at 1215 E. Butler Road (Building Codes)- 2nd reading- Chairwoman Kuzniar reported this petition includes approximately 7.5 acres owned by East Butler, LLC, and is located at 1215 E. Butler Road. The applicant has requested that this tract be zoned S-1, Services, upon annexation into the City of Mauldin. The applicant is planning to construct a Caliber Collision auto body repair shop with an upgraded façade on a 2.6-acre portion of this tract directly adjacent to an existing Dollar General store. To staff's knowledge, there are no immediate development plans for the remaining 4.88-acre portion of this tract. Chairwoman Kuzniar made a motion to accept this ordinance on second reading with Councilwoman King seconding.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- c. Consideration and action on Repeal of Planning Commission Term Limits (Building Codes)- 2nd reading- Chairwoman Kuzniar made a motion to pass this ordinance on second reading. This would repeal the ordinance on Planning Commission term limits that was adopted in 2002. Councilman Matney seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

8. New Business

- a. Consideration and action on Construction Noise Standards (Building Codes)- Chairwoman Kuzniar made a motion pass this ordinance on first reading to adjust our construction noise standard from 9:00 p.m. to 7:00 a.m. This does not apply to quiet jobs that do not require power tools such as painting inside, nor does it apply to emergency repairs. Councilwoman King seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- b. Consideration and action on AT&T Small Wireless Facility Request (Building Codes)- AT&T has expressed an urgent need to erect a small wireless facility at the corner of Cary Street and W. Butler Road. This location is adjacent to Chick-fil-a. AT&T is proposing to install a 32- to 34-foot metal stealth pole. The 5G antenna will be concealed in a canister located at the top of the pole. The associated cables and wires will similarly be concealed inside the pole. Chairwoman Kuzniar made a motion to pass this ordinance on first reading. Councilman Matney seconded the motion.

Councilman Reynolds asked if we had similar agreements with other providers. Mayor Merritt said this is our first agreement on 5G.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- c. Consideration and action on Authorization to Proceed on Disposal of Surplus Equipment (Public Safety)- Chairwoman King made a motion to allow the fire department to dispose of surplus equipment. The equipment has an estimated value of over \$15,000, so Council must approve the sale. Any proceeds from the sale will be put in the capital fund. Councilwoman Kuzniar seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- d. Consideration and action on Door at back of Sports Center walking track (Rec)- Staff received a request from Councilor Black based on concerns that were presented to him from Sports Center members to review the point of access of the fitness floor from the walking track. The concern that members whose membership levels only authorize access to the walking track are using the stairwell on the 2nd floor to come down to the fitness floor.

Staff solicited quotes for install an access door or a gate at the 2nd floor stairwell that requires members to scan their membership cards to access the fitness floor. Councilman Reynolds made a motion to accept the bid to install an access door on the second level of the Sports Center at a cost not to exceed \$8,430. Mayor Merritt seconded the motion.

Councilwoman King asked if staff have talked to the people that are going down to the fitness floor. Bart said it is not a lot of people, but when there is a full house with basketball games,

some people are going down. There have been some issues early in the morning. Councilwoman King said she would like staff to monitor this issue and talk to the ones that only have the walking membership. Councilwoman King said she has confidence that staff can monitor this situation instead of having to install a door. She also does not want to inconvenience people who are following the rules. Councilman Reynolds said he would retract his motion. Mayor Merritt rescinded his second. Councilman Reynolds made a motion to send this back to committee for further discussion. Councilman Matney seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- e. Consideration and action on Request to Move Funds to Streets Capital for Skid Steer (PW)- The Public Works Department would like to transfer \$64,000 within the Capital Projects Fund to Budget Line 431-000-970 for the Capital Purchase of a skid steer to be maintained by the Streets Department. A skid steer is an asset on construction sites and allows for attachments to be purchased to maximize its usefulness. Attachments such as an asphalt milling machine, a brush-hog, a vibratory roller, and a concrete mixer will be budgeted in upcoming years in order to best optimize this piece of equipment. Acting Chairman Merritt made a motion to transfer \$64,000 from Capital Projects to 431-970 for the purchase of a skid steer. Councilwoman King seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- f. Consideration and action on Employee Vacation Hours Deadline Rollback (Finance)- Our policy states that as of July 1st, anyone that has accumulated vacation leave over 240 hours for employees other than firefighters, and 213.75 for firefighters, loses what has been accumulated over the maximum. With the events over the last two months, employees have not been able to take vacation. All departments have stepped up. Staff proposes to move the deadline back from July 1st to October 1st to allow employees to be able to take vacation. Chairman Reynolds made a motion to move the deadline to October 1st. Councilwoman King seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- g. Consideration and action on Budget Amendment ordinance (Finance)- Throughout the year Council has approved various expenditures, projects, and grants. Staff has accumulated all items to present in one budget amendment. Chairman Reynolds made a motion to approve this ordinance on first reading with Councilwoman King seconding.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

h. Consideration and action on City Phone System Upgrade (Finance)- The City's phone system is maintained by VC3. The contract will expire in 2021, but they are moving to a new system. With the move, there are two options. One is to continue with the contract terms that we have with about \$100 cost savings a month. The other option is to move to a new contract for an additional 60 months, the City would receive new phones, and the savings would be about \$300 per month. The recommendation from staff is to go with option one and let the contract expire in October 2021. Chairman Reynolds made a motion to approve staff's recommendation and let the contract expire October 31, 2021. Councilwoman King seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

i. Consideration and action on FOIA policy (Finance)- Chairman Reynolds made a motion to accept the resolution as submitted. Councilwoman King seconded. Councilman Matney said he thinks there is a lot of overkill in this policy. It rehashes the state code section that deals with FOIA. Each time there is a change in state code, we will have to change our policy. He will vote for it, but there will be more work to keep up with.

Councilwoman Kuzniar asked if we would have to be careful to watch for any changes. Daniel said if the state law changes regarding FOIA, we will have to apply the state law into our resolution.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

j. Consideration and action on Emergency Ordinance regarding Business License Renewal Late Fee (Finance)- The Council is requested to consider an ordinance waiving late fees associated with City business license permits through June 30, 2020. Chairman Reynolds made a motion to accept this emergency ordinance on its first and only reading. Councilman Matney seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

k. Consideration and action on GCRA Partnership Renewal (EPD)- Chairman Matney made a motion to renew our contract with GCRA for three years. Councilwoman King seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

l. Consideration and action on Demolition Services (EPD)- On March 4, 2020, the City issued a Request for Proposals (RFP) for demolition and disposal services for the three City-owned buildings. The City received 2 bids. The bids submitted were evaluated by staff, and Complete Demolition Services, LLC was selected as the most responsive and lowest bid at \$121,000 for all three buildings. Chairman Matney made a motion to accept the bid from Complete Demolition Services for an amount not to exceed \$121,000 and authorize the Mayor to execute the agreement with the bidder pending legal review. Councilwoman King seconded the motion. City Administrator Madden said the funding source would be the property and management line.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

m. Consideration and action on Bridges Road Traffic Study (EPD)- With the construction of Bridgeway Station, SCDOT has expressed that there needs to be a traffic study conducted. Gaye Sprague, former SCDOT engineer, now private consultant, has submitted a proposal to complete an SCDOT Study that will encompass all phases of the Hughes Investment Project in the amount of \$18,600.00. Chairman Matney made a motion to fund the scope of services in the amount of \$18,600 by Sprague and Sprague for a traffic study on Bridges Road. The funding will come from MCIP funds already on hand, not general fund dollars. Councilman Reynolds seconded the motion. Daniel Hughes asked that the contract be changed to say "shall not exceed" instead of "should not exceed." Chairman Matney amended his motion to say shall not exceed \$18,600.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

Councilman Matney made a motion to consider the next four items on the agenda informally. Councilwoman King seconded the motion and the vote was unanimous (5-0).

n. Consideration and action on FY 21 Budget Ordinance (Committee of the Whole)- Chairman Reynolds made a motion to accept the FY 2021 budget ordinance on first reading. Councilwoman King seconded the motion. Councilman Matney made an

amendment to the motion that the budget be amended to add a full-time staff position to the Community Development Department. The motion would be to fund a full-time Event Coordinator position instead of the proposed part-time position in the amount of \$39,313 from the hospitality and accommodations fund balance. Councilwoman King seconded the motion to amend.

Councilman Matney said the starting range for a full-time position is between \$32,000-\$37,000. If you use the mid-range, the total cost to hire a full-time staff member would be \$57,813, which includes fica, retirement and insurance. \$18,500 is already in the budget for a part-time Event Coordinator. Moving \$39,313 from the H&A fund would pay for the full-time position. This would only be for FY 2021- in future years, it would be funded by current revenues. We will lose programming if we do not have a full time Event Coordinator.

Councilwoman King said she would like this to go to committee June 1st for discussion before second reading. Councilman Reynolds agreed with Councilwoman King and would like to discuss this further. Mayor said there is time to let committee discuss this and there are various options that could be considered.

Councilman Matney rescinded his motion to amend so that he can make a motion for amendment on second reading. Daniel Hughes said rescinding the motion would be proper.

The vote on the first reading of the budget ordinance was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

Chairman Reynolds made a motion to approve the general obligation bond ordinance with Councilwoman King seconding. This is an ordinance to provide for the issuance and sale of not exceeding three million dollars (\$3,000,000) City of Mauldin, South Carolina, General Obligation bonds, series 2020; to prescribe the purposes for which the proceeds shall be expended; to provide for the payment thereof; and other matters relating thereto.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye.
The vote was unanimous (5-0).

Chairman Reynolds made a motion to pass on first reading a third supplemental Ordinance providing for the issuance and sale of not exceeding \$2,900,000 City of Mauldin, South Carolina Accommodations tax and Hospitality tax revenue bonds, in one or more series; and other matters relating thereto. Councilwoman King seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye.
The vote was unanimous (5-0).

Chairman Reynolds made a motion to pass on first reading authorizing the execution and delivery of documents relating to the Provision of municipal facilities; consenting to and approving the Issuance of a not exceeding \$2,750,000 Mauldin public facilities

Corporation installment purchase revenue bond, series 2020, by the Mauldin public facilities corporation (the "corporation") to provide Funding to finance the costs of acquiring, constructing, renovating, Equipping, and installing public facilities; consenting to and approving The execution of a base lease and conveyance agreement by and Between the City of Mauldin, South Carolina (the "city") and the Corporation; consenting to and approving the execution of a municipal Facilities purchase and occupancy agreement relating thereto by and Between the city and the corporation; consenting to the form of an Indenture to be entered into by the corporation and the purchaser of The bond; and making provision for all other matters relating to the Foregoing. Councilwoman King seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

o. Consideration and action on Storm Water Advisory Committee (Committee of the Whole)- This came up because of the recent discussions we have had on stormwater. We are a co-permittee with the County and do not collect money for stormwater fees. The Mayor is requesting to appoint a special committee of 10-12 people to develop a stormwater policy that can be referred to the Public Works Committee for vetting. There would be a City and Public Works representative on the committee as well as qualified residents. The Mayor and Council may appoint citizens to serve on boards, commissions, committees, or other entities to serve the public.

Mayor Merritt made a motion to appoint a Stormwater Advisory Committee. Councilman Reynolds seconded the motion. Councilman Matney said he was trying to wrap his head around why we needed a special committee for stormwater. The committee would not have any decision-making ability. There could be an informal advisory group, not a committee. It is difficult enough to get people to participate on the committees and commission we have now. He is concerned about diluting the pool even more. Councilwoman King agreed. She thinks it is great idea in theory, but the public works committee could discuss this and decide if it is worth moving forward.

Councilman Reynolds said he definitely supports doing something to address the stormwater issue. Councilwoman Kuzniar said we have a lot of issues and there are a lot of knowledgeable residents in Mauldin we could get advice from. Councilman Matney said this needs to be fleshed out a little more and would like it to go to the public works committee. Councilwoman King said Finance should be involved as well.

Mayor Merritt said this would only be an advisory committee, not a standing committee. It would come back to the Public Works committee with suggestions. The City sits between two drainage basins and the water is flowing and we need to actively pursue collecting the data and ideas on potential solutions.

Councilwoman King said she is not opposed to this, but the Mayor spoke on this for five minutes, and there is one piece of paper in the packet she got on Friday. She would like more information.

Mayor Merritt rescinded his motion and said he would be glad to make a presentation to the public works committee with more documentation.

- p. Consideration and action on Ordinance creating the Indigo Pointe Sewer Pump Station Fee (Committee of the Whole)- The fee is \$135 that will be added to tax bills once a year. Councilman Kuzniar made a motion to pass this ordinance on first reading. Councilwoman King seconded the motion.

The vote by roll call was Councilman Matney- aye, Councilwoman King- aye, Councilman Reynolds- aye, Councilwoman Kuzniar- aye, and Mayor Merritt- aye. The vote was unanimous (5-0).

- q. Consideration and action on Recreational Programming (Committee of the Whole)- The state is starting to open back up from the COVID-19 shutdown. The City Recreational programs have been stopped. Chairman Reynolds made a motion to start baseball, softball, and flag football programs back up. Councilwoman King seconded the motion.

Councilman Matney asked what date it would be opened. Brandon answered practices would start May 26th. Councilwoman King asked if Council was going to discuss when to open the Sports Center and Senior Centers. Brandon said Recreational program opening is being considered tonight for May 26th.

Councilwoman Kuzniar asked if staff would be prepared by May 26th. Have signups been held? Bart said signups have been done. The season would start June 1st. Councilwoman Kuzniar asked about concession stands and bathrooms. Bart said staff have gotten quotes for companies to clean bathrooms 7 days a week. Concession stands would be opened. Councilwoman Kuzniar said Mauldin has been relatively spared, but Greenville has more cases every day. She wants to be cautious. Councilwoman King said the numbers are increasing, but so is testing. The goal is to keep it below 10% and we are at 2.7%.

Councilwoman King said it will be a choice to play this season. If parents feel comfortable enough to let their kids play, they should be able to. Councilman Reynolds said he would like to play ball. Kids have been cooped up in the house for the past two months, and this will get them outside. Simpsonville and Fountain Inn will be starting their seasons as well.

Mayor Merritt said he had lengthy discussions on this with staff this afternoon. Simpsonville and Fountain Inn will play. Greer and Greenville have both canceled their seasons. Colleges and professional baseball have canceled their seasons.

The cases are not trending downward. More tests are being done and more positive results are coming in. He has asked people and some have said they want to have their kids play, some do not. How do you social distance with children younger than 12U? Baseball is a little different though than basketball and football, which have more contact. It is a tough issue.

Councilman Matney said this is a serious issue and we cannot be cavalier about it. It is reasonable to be concerned about the physical and mental health of everyone and the economic aspect of this. None of us are infectious disease experts or epidemiologists. This meeting started with a prayer, and we need to trust in God that we will make the right decision. We cannot stay behind closed doors forever. If it were close contact like Lacrosse, he would have a difficult time in voting to play. Baseball is socially distanced. This is a baby step for us to reopen. Let's move forward and reopen. We can show people that being outside is a good thing.

Councilwoman King said 2/3 of the cases are people ages 71 and over. She would like to move forward cautiously. We can always cancel if we need to.

Councilwoman Kuzniar said the governor is opening the state up slowly, businesses are opening up slowly, but are not back to normal. Her kids played baseball and she knows the importance of it for the kids and parents, but does not know how a team stays six feet apart. There are a lot of people that attend the games, and she thinks we need to wait a little while longer and see what is going to happen. If we decide this is not the right decision after the season starts, and then we cancel the season later, it is too late. Mauldin has a low incidence of cases, and to keep it low, we need to continue doing what we are doing. Mayor Merritt said the portion of Mauldin we are talking about is 29662, there are more cases in 29607, 29681, etc. There are also out of City children coming into the program.

Councilwoman Kuzniar said she personally knows someone in their thirties who had COVID and now has permanent lung damage. She said if she did not personally know someone, she would probably agree.

The vote to move forward for baseball, softball, and flag football was Councilman Matney- aye, Councilwoman King- aye, Councilman Kuzniar- no, Councilman Reynolds- aye, and Mayor Merritt- aye. The vote was 4-1.

9. Public Comment- None

10. Council requests

Councilwoman King said in the packet, there is the phase 2 reopening of city hall, cultural center, sports center, and recreational programming. Are we opening the Sports Center on the 8th? Brandon said everyone will come back on June 8th including the Cultural Center and the Sports Center.

Councilman Reynolds said he appreciates the re-opening memo and the sensitivity of balancing all of the staff during this.

The Senior Center will open the first week of July.

11. Adjournment- Mayor Merritt adjourned the meeting at 9:30 p.m.

Respectfully Submitted,

Cindy Miller
Municipal Clerk

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 7a

TO: City Council
FROM: Business & Development Services Director, David C. Dyrhaug
SUBJECT: Construction Noise Standards
*** 2nd Reading ***

BACKGROUND

At the March 2, 2020, Building Codes Committee meeting, the Committee asked staff to explore alternative regulations pertaining to construction noise. At the April 6, 2020, Building Codes Committee meeting, staff presented to a few options for the committee's consideration. In addition to making no change, these included:

1. Adjusting to the City of Greenville's standard which prohibits construction noise after 9:00 p.m.;
2. Consider a daylight savings adjustment which generally allows construction to persist longer into the day during daylight savings time;
3. Consider different restriction of hours depending on the type of equipment being used (i.e. noncommercial/nonindustrial tools versus commercial/industrial tools); or
4. Consider different restriction of hours depending on the nature of the activity (i.e. ongoing construction versus short-term activities).

At the April 6, 2020, Building Codes Committee meeting some interest was expressed for adjusting to the City of Greenville's standard. There was not really any interest indicated for the other alternatives presented.

Following the April 6 Committee meeting, staff discussed this with the President of the Greenville Home Builders Association. He indicated that he was not concerned if the City of Mauldin adjusts its restriction on construction noise beginning at 9:00 p.m. instead of 10:00 p.m.

At the May 4, 2020, Building Codes Committee meeting, the Committee voted to forward a recommendation of adjusting its restriction on construction noise beginning at 9:00 p.m. instead of 10:00 p.m.

ATTACHMENTS

Ordinance

ORDINANCE # _____

AN ORDINANCE TO AMEND SECTION 18-95 OF THE NOISE ORDINANCE IN THE MAULDIN MUNICIPAL CODE CHAPTER 18, ENVIRONMENT, ARTICLE II, NUISANCES, DIVISION 3, NOISE.

WHEREAS, in 2019 the City of Mauldin adopted a noise ordinance revising the City of Mauldin’s noise provisions; and

WHEREAS, the City of Mauldin noise ordinance applies to the control of sound originating within the limits of the City of Mauldin; and

WHEREAS, the prohibitions contained and enacted in the City of Mauldin noise ordinance are in pursuance of and for the purpose of securing and promoting the public health, comfort, convenience, safety, welfare, prosperity, peace, and quiet of the city and its inhabitants; and

WHEREAS, the City of Mauldin finds that excessive sound is a serious hazard to the public health, welfare, and safety of citizens and their quality of life.

NOW THEREFORE BE IT ORDAINED by the Mayor and City Council of the City of Mauldin, South Carolina, in council assembled and by the authority thereof that the Mauldin Municipal Code be amended as follows:

Section 1 Amendment. Amend Section 18-95, Specific noise prohibited, of Chapter 18, Article II, Division 3, as follows (*language that is ~~struck through~~ is language proposed to be deleted, underlined language is language proposed to be added, language is not ~~struck through~~ or underlined is not to be changed, and *** represents sections of the Zoning Ordinance that have been skipped and remain unchanged*):

Sec. 18-95. – Specific noises prohibited.

- (a) Operation of certain instruments, devices, and equipment. Noise disturbances shall include, but not be limited to, the use and operation of the following instruments, devices, or pieces of equipment or the human voice when operated or used in the manner prohibited by section 18-93:

- (8) Construction machinery, heavy-duty equipment used in street repair and maintenance, and domestic and commercial power tools when operated from ~~10:00~~ 9:00 p.m. to 7:00 a.m., unless a permit is obtained.

Section 2. This ordinance shall become effective upon and after its final passage.

Passed on First Reading: _____

Passed on Second Reading _____

CITY OF MAULDIN, SOUTH CAROLINA

BY: _____
Terry Merritt, Mayor

ATTEST:

Cindy Miller, Municipal Clerk

APPROVED AS TO FORM:

John Duggan, City Attorney

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 7b

TO: City Council
FROM: Business & Development Services Director, David C. Dyrhaug
SUBJECT: **AT&T Request for a Small Wireless Facility**
***** 2nd Reading *****

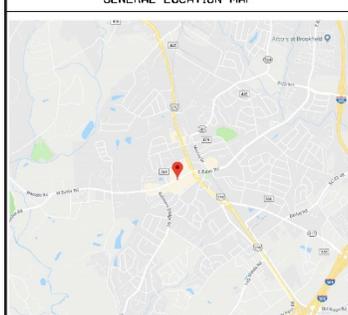
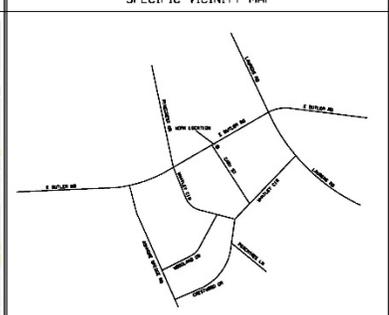
BACKGROUND

The Building Codes Committee has been engaged in considering appropriate regulations for the next wave of communications technology consisting of 5G technology. 5G technology utilizes higher frequencies with the capability to accommodate significantly higher data needs than current 4G/LTE technologies. Because high frequency waves have a harder time traveling over distance and through objects, the 5G network will be built on small cell site technology with antennas much closer than previous technologies.

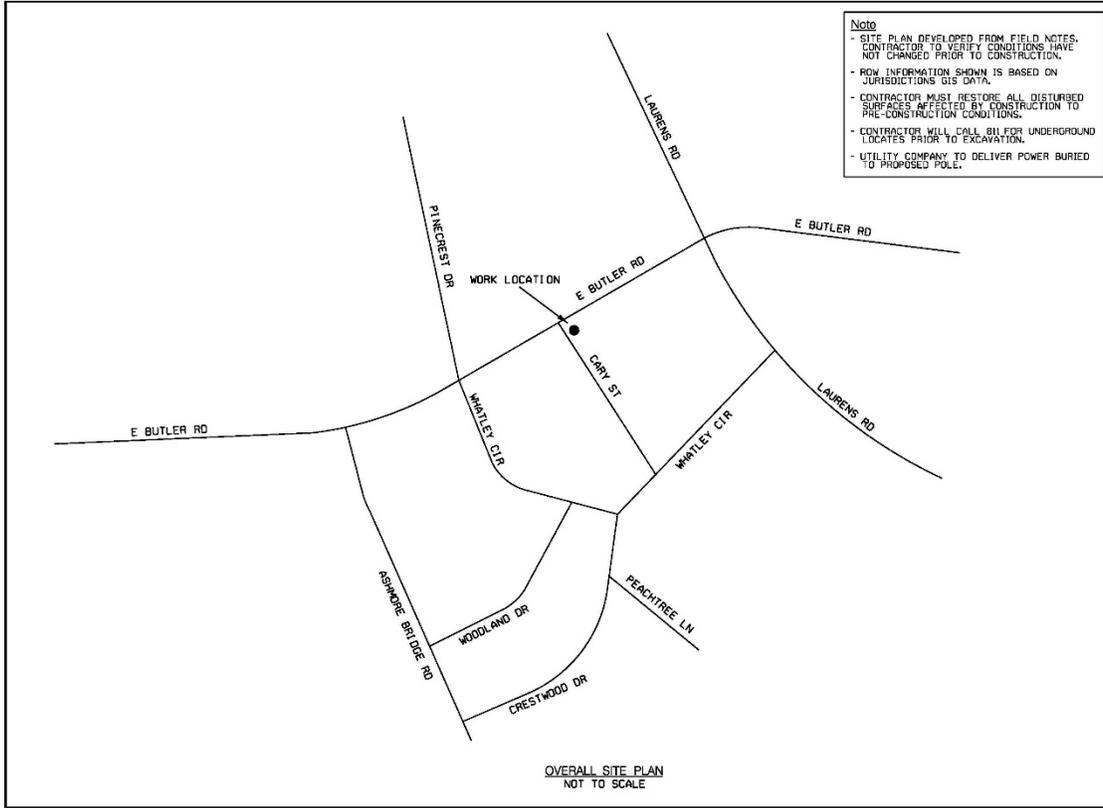
As the Committee continues to work on an appropriate ordinance, AT&T has expressed an urgent need to erect a small wireless facility at the corner of Cary Street and W. Butler Road. This location is adjacent to Chick-fil-a. AT&T is proposing to install a 32- to 34-foot metal stealth pole. The 5G antenna will be concealed in a canister located at the top of the pole. The associated cables and wires will similarly be concealed inside the pole.

ATTACHMENTS

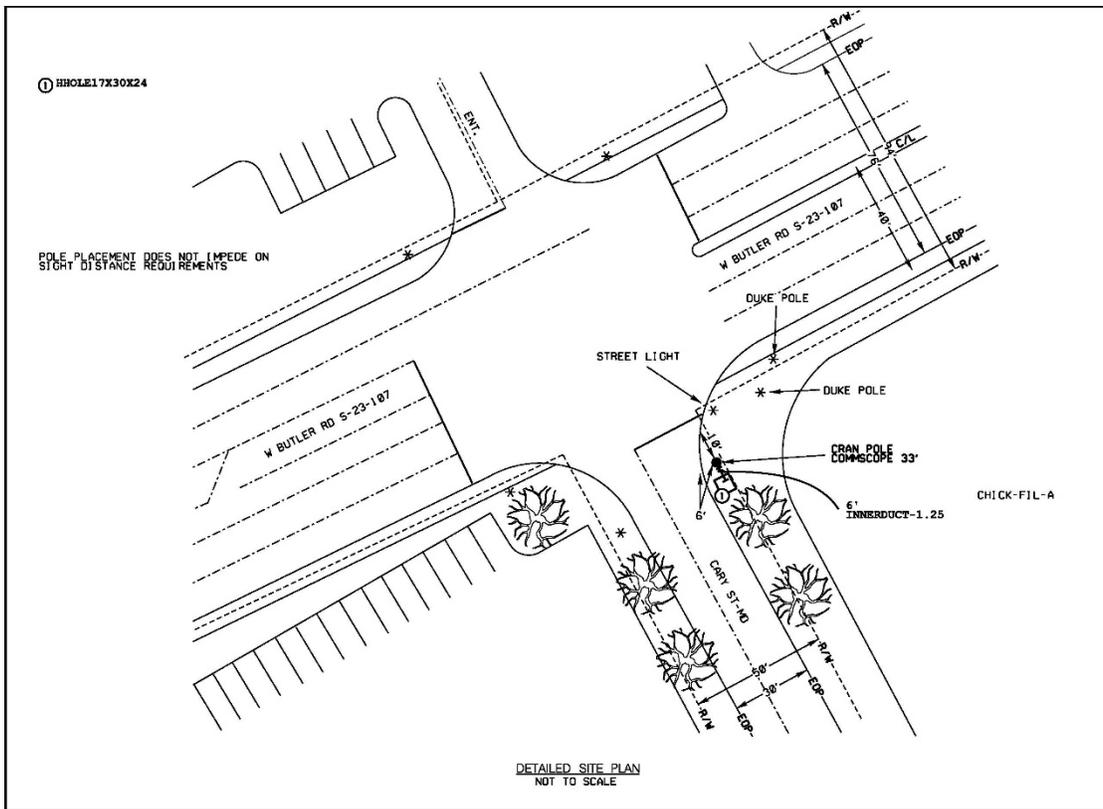
AT&T small wireless facility application package
Proposed agreement drafted by the City Attorney

PROJECT INFORMATION		PREPARED FOR		SHEET INDEX			ATTSE Construction Work Drawing	
SITE ADDRESS:	137-P W BUTLER RD MAULDIN, SC 29662	 CANDIDATE NAME CRAN_RGSC_GRVG6_095 PIN 2310A0N74M PAGE NUMBER MRCAR040865 SITE ID GRVG6_095 STRUCTURE TYPE NEW SMALL CELL CONCEALMENT POLE SITE ADDRESS 137-P W BUTLER RD MAULDIN, SC 29662		DWG	DWG TITLE	REV		 PROPRIETARY INFORMATION Not for disclosure outside the ATTSE family of companies except under written agreement. State: SC District: SOUTHEAST Exchange: 864/288 Wire Ctr: GWSLSCWR Taper Code: Tax District: RZ/CZ: Permit Req'd: YES Designer: EDWARD COGGINS Phone: 864-255-5354 Records Ref:
LATITUDE:	34.777058			1	TITLE SHEET	0	Construction Work Drawing PROPRIETARY INFORMATION Not for disclosure outside the ATTSE family of companies except under written agreement. State: SC District: SOUTHEAST Exchange: 864/288 Wire Ctr: GWSLSCWR Taper Code: Tax District: RZ/CZ: Permit Req'd: YES Designer: EDWARD COGGINS Phone: 864-255-5354 Records Ref:	
LONGITUDE:	-82.312901			2	GENERAL NOTES	0		
JURISDICTION:	CITY OF MAULDIN			3	OVERALL SITE PLAN	0		
PROPERTY OWNER:	CITY RIGHT OF WAY			4	DETAILED SITE PLAN	0		
STRUCTURE OWNER:	AT&T MOBILITY			5	POLE ELEVATION	0		
SCIP ID:	30152-033			6	POWER / GROUNDING DIAGRAM	0		
USID:	264146			7	TYPICAL PLUMBING DIAGRAM	0		
PACE NUMBER:	MRCAR040865			8	ANTENNA SPECS	0		
FA CODE:	14934452			9	RADIO SPECS	0		
APPLICANT:	NE CONSIGLAS WIRELESS LLC (DBA AT&T MOBILITY) 1000 WOODBRIDGE DR ATLANTA, GA 30224			10	AC DISCONNECT SPECS	0		
PROJECT MANAGER:	TOBY RUTH - AT&T 960-222-6713 TR9462@ATT.COM			11	DISCONNECT SPECS	0		
UTILITIES:		12	CONCEALMENT SPECS	0				
ENGINEER:	EDDIE COGGINS- AT&T 864-255-5354 ec2306@att.com	12	POLE SPECS	0				
GENERAL LOCATION MAP		SPECIFIC VICINITY MAP		SITE LOCATION PHOTO			CALL BEFORE YOU DIG  Job Description: Job Number / CRIS Project Number: 30152-033 / DWG 1 OF 12	
								

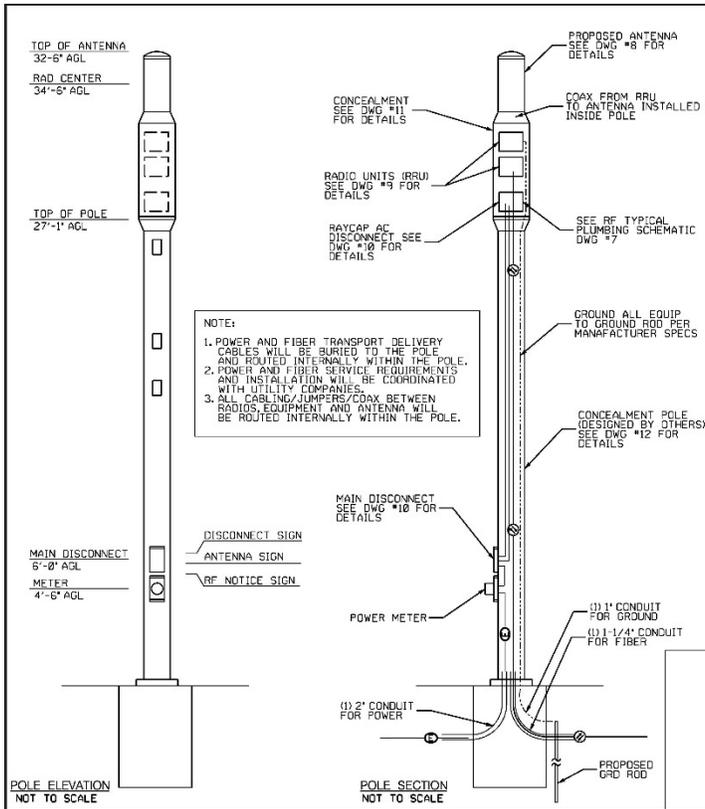
GENERAL NOTES		ANTENNA MOUNTING		ATTSE Construction Work Drawing
<ol style="list-style-type: none"> FOR THE PURPOSE OF CONSTRUCTION DRAWINGS, THE FOLLOWING DEFINITIONS SHALL APPLY. GENERAL CONTRACTOR (CONTRACTOR) OWNER-AT&T ALL SITE WORK SHALL BE COMPLETED AS INDICATED ON THE DRAWINGS AND AT&T PROJECT SPECIFICATIONS. GENERAL CONTRACTOR SHALL VISIT THE SITE AND SHALL FAMILIARIZE HIMSELF WITH ALL CONDITIONS AFFECTING THE PROPOSED WORK AND SHALL MAKE PROVISIONS, GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR FAMILIARIZING HIMSELF WITH ALL CONTRACT REQUIREMENTS AS SHOWN PRIOR TO PROCEEDING WITH CONSTRUCTION. ANY DISCREPANCIES SHALL BE BROUGHT TO THE ATTENTION OF THE ENGINEER PRIOR TO THE COMMENCEMENT OF WORK. ALL MATERIALS FURNISHED AND INSTALLED SHALL BE IN STRICT ACCORDANCE WITH ALL APPLICABLE CODES, REGULATIONS, AND ORDINANCES. GENERAL CONTRACTOR SHALL ISSUE REGULATIONS AND LAWFUL ORDERS OF ANY PUBLIC AUTHORITY REGARDING THE PERFORMANCE OF WORK. ALL WORK CARRIED OUT SHALL COMPLY WITH ALL APPLICABLE MUNICIPAL AND UTILITY COMPANY SPECIFICATIONS AND LOCAL JURISDICTIONAL CODES, ORDINANCES, AND APPLICABLE REGULATIONS. UNLESS NOTED OTHERWISE, THE WORK SHALL INCLUDE FURNISHING MATERIALS, EQUIPMENT, APPURTENANCES, AND LABOR NECESSARY TO COMPLETE ALL INSTALLATIONS AS INDICATED ON THE DRAWINGS. PLANS ARE NOT TO BE SCALES. THESE PLANS ARE INTENDED TO BE A DIAGRAMMATIC OUTLINE ONLY UNLESS OTHERWISE NOTED. DIMENSIONS SHOWN ARE TO FINISH SURFACES UNLESS OTHERWISE NOTED. SPACING BETWEEN EQUIPMENT IS THE MINIMUM REQUIRED CLEARANCE. THEREFORE, IT IS CRITICAL TO FIELD VERIFY DIMENSIONS SHOULD THERE BE ANY QUESTIONS REGARDING THE CONTRACT DOCUMENTS, THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING A CLARIFICATION FROM THE ENGINEER PRIOR TO PROCEEDING WITH THE WORK. DETAILS ARE INTENDED TO SHOW DESIGN INTENT. MODIFICATIONS MAY BE REQUIRED TO SUIT JOB DIMENSIONS OR CONDITIONS AND SUCH MODIFICATIONS SHALL BE INCLUDED AS PART OF WORK AND PREPARED BY THE ENGINEER PRIOR TO PROCEEDING WITH WORK. THE CONTRACTOR SHALL INSTALL ALL EQUIPMENT AND MATERIALS IN ACCORDANCE WITH MANUFACTURER'S RECOMMENDATIONS UNLESS SPECIFICALLY STATED OTHERWISE. IF THE SPECIFIED EQUIPMENT CANNOT BE INSTALLED AS SHOWN ON THESE DRAWINGS, THE CONTRACTOR SHALL PURCHASE AN ALTERNATIVE INSTALLATION SPACE FOR APPROVAL BY THE ENGINEER PRIOR TO PROCEEDING. GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR THE SAFETY OF WORK AREA, ADJACENT AREAS AND BUILDING OCCUPANTS LIKELY TO BE AFFECTED BY THE WORK UNDER THIS CONTRACT. WORK SHALL CONFORM TO ALL OSHA REQUIREMENTS AND THE LOCAL JURISDICTION. GENERAL CONTRACTOR SHALL COORDINATE WORK AND SCHEDULE WORK ACTIVITIES WITH OTHER DISCIPLINES. ERECTOR SHALL BE DONE IN A WORKMANLIKE MANNER BY COMPETENT EXPERIENCED WORKMEN IN ACCORDANCE WITH APPLICABLE CODES AND THE BEST ACCEPTED PRACTICES. ALL MEMBERS SHALL BE LAD PLUMB AND TRUE AS INDICATED ON THE DRAWINGS. THE SCOPE OF WORK FOR THIS PROJECT IS REPRESENTED BY DARK SHAKED LINES AND NOTES. CONTRACTOR SHALL NOTIFY THE GENERAL CONTRACTOR OF ANY EXISTING CONDITIONS THAT DEVIATE FROM THE DRAWINGS PRIOR TO BEGINNING CONSTRUCTION. CONTRACTOR SHALL PROVIDE WRITTEN NOTICE TO THE CONSTRUCTION MANAGER 48 HOURS PRIOR TO COMMENCEMENT OF WORK. THE CONTRACTOR SHALL PROTECT EXISTING IMPROVEMENTS, PAVEMENTS, CURBS, LANDSCAPING AND STRUCTURES. ANY DAMAGED PART SHALL BE REPAIRED AT CONTRACTOR'S EXPENSE TO THE SATISFACTION OF THE OWNER. THE CONTRACTOR SHALL CONTACT UTILITY LOCATING SERVICES MINIMUM 48 HOURS PRIOR TO THE START OF CONSTRUCTION. GENERAL CONTRACTOR SHALL COORDINATE AND MAINTAIN ACCESS FOR ALL TRADES AND CONTRACTORS TO THE SITE AND/OR BUILDING. 	<ol style="list-style-type: none"> THE GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR THE SECURITY OF THE SITE FOR THE DURATION OF CONSTRUCTION UNTIL JOB COMPLETION. GENERAL CONTRACTOR SHALL MAINTAIN IN GOOD CONDITION ONE COMPLETE SET OF PLANS WITH ALL REVISIONS, ORDERS, AND CHANGE ORDERS ON THE PREMISES AT ALL TIMES. THE GENERAL CONTRACTOR SHALL PROVIDE PORTABLE FIRE EXTINGUISHERS WITH A RATING OF NOT LESS THAN 2-A OR 2-A10-BC AND SHALL BE WITHIN 20 FEET OF TRAVEL DISTANCE TO ALL PORTIONS OF WHERE THE WORK IS BEING COMPLETED DURING CONSTRUCTION. ALL EXISTING ACTIVE SEWER, WATER, GAS, ELECTRIC, AND OTHER UTILITIES SHALL BE PROTECTED AT ALL TIMES, AND WHERE REQUIRED FOR THE PROPER EXECUTION OF THE WORK, SHALL BE RELOCATED AS DIRECTED BY THE COVERING UTILITY COMPANY ENGINEER. EXTREME CAUTION SHOULD BE USED BY THE CONTRACTOR WHEN EXCAVATING OR DRILLING PIERS AROUND OR NEAR UTILITIES. CONTRACTOR SHALL PROVIDE SAFETY TRAINING FOR THE WORKING CREW. THIS SHALL INCLUDE, BUT NOT BE LIMITED TO, A FALL PROTECTION, B) CONTACT SMALL ELECTRICAL SAFETY, AND D) TRENCHING AND EXCAVATION. ALL EXISTING INACTIVE SEWER, WATER, GAS, ELECTRIC, AND OTHER UTILITIES WHICH INTERFERE WITH THE EXECUTION OF THE WORK, SHALL BE REMOVED, CAPPED, PLUGGED OR OTHERWISE DISCONNECTED AT POINTS WHICH WILL NOT INTERFERE WITH THE EXECUTION OF THE WORK AS DIRECTED BY THE RESPONSIBLE ENGINEER, AND SUBJECT TO THE APPROVAL OF THE OWNER AND/OR LOCAL UTILITIES. CONTRACTOR SHALL MINIMIZE DISTURBANCE TO THE EXISTING SITE DURING CONSTRUCTION. EROSION CONTROL MEASURES, IF REQUIRED DURING CONSTRUCTION, SHALL BE IN CONFORMANCE WITH THE FEDERAL AND LOCAL JURISDICTION FOR EROSION AND SEDIMENT CONTROL. THE SUBGRADE SHALL BE BROUGHT TO A SMOOTH UNIFORM GRADE AND COMPACTED TO 95 PERCENT STANDARD PROCTOR DENSITY UNDER PAVEMENT AND STRUCTURES, AND 90 PERCENT STANDARD PROCTOR DENSITY IN OPEN SPACES. ALL TRENCHES IN PUBLIC RIGHT OF WAY SHALL BE BACKFILLED WITH FLOWABLE FILL OR OTHER MATERIAL, PRE-APPROVED BY THE LOCAL JURISDICTION. ALL NECESSARY RUBBISH, STUMPS, DEBRIS, STICKS, STONES, AND OTHER REFUSE SHALL BE REMOVED FROM THE SITE AND DISPOSED OF IN A LAWFUL MANNER. ALL BROCHURES, OPERATING AND MAINTENANCE MANUALS, CATALOGS, SHOP DRAWINGS, AND OTHER DOCUMENTS SHALL BE TURNED OVER TO THE GENERAL CONTRACTOR AT COMPLETION OF CONSTRUCTION AND PRIOR TO PAYMENT. CONTRACTOR SHALL SUBMIT A COMPLETE SET OF AS-BUILT RECORDS TO THE GENERAL CONTRACTOR UPON COMPLETION OF PROJECT AND PRIOR TO FINAL PAYMENT. CONTRACTOR SHALL LEAVE PREMISES IN A CLEAN CONDITION. STRUCTURE IS LIMITED TO PERIODIC MAINTENANCE AND INSPECTION APPROXIMATELY 2 TIMES PER MONTH BY AT&T TECHNICIANS. NO OUTDOOR STORAGE OF SOLID WASTE CONTAINERS ARE PROPOSED. ALL MATERIAL SHALL BE FURNISHED AND WORK SHALL BE PERFORMED IN ACCORDANCE WITH THE LATEST REVISION AT&T MOBILITY GROUNDING STANDARD TECHNICAL SPECIFICATION FOR CONSTRUCTION OF GSM/PCS WIRELESS SITES AND TECHNICAL SPECIFICATION FOR FACILITY GROUNDING. IN CASE OF A CONFLICT BETWEEN THE CONSTRUCTION SPECIFICATION AND THE DRAWINGS, THE DRAWINGS SHALL GOVERN. CONTRACTORS SHALL BE RESPONSIBLE FOR OBTAINING ALL PERMITS AND INSPECTIONS REQUIRED FOR CONSTRUCTION IF CONTRACTOR CANNOT OBTAIN A PERMIT, THEY MUST NOTIFY THE GENERAL CONTRACTOR IMMEDIATELY. CONTRACTOR SHALL REMOVE ALL TRASH AND DEBRIS FROM THE SITE ON A DAILY BASIS. THESE PLANS WERE CREATED USING DATA PROVIDED BY ANSD AND THE LOCAL MUNICIPALITY. CONTRACTORS SHALL NOTIFY THE ENGINEER OF ANY DISCREPANCIES PRIOR TO ORDERING MATERIAL OR PROCEEDING WITH CONSTRUCTION. ALL CABLE INSTALLATIONS TO FOLLOW MANUFACTURER'S INSTRUCTIONS AND RECOMMENDATIONS. 	<ol style="list-style-type: none"> DESIGN AND CONSTRUCTION OF ANTENNA SUPPORTS SHALL CONFORM TO CURRENT ANSI/TIA-222 OR APPLICABLE LOCAL CODES. ALL STEEL MATERIALS SHALL BE GALVANIZED AFTER FABRICATION IN ACCORDANCE WITH ASTM A322 ZINC HOT-DIP GALVANIZED CONTAINERS IN IRON AND STEEL PRODUCTS UNLESS NOTED OTHERWISE. ALL BOLT, NUTS, ANCHORS, AND MISCELLANEOUS HARDWARE SHALL BE GALVANIZED IN ACCORDANCE WITH ASTM A153 ZINC-COATING HOT-DIP ON IRON AND STEEL HARDWARE UNLESS NOTED OTHERWISE. DAMAGED GALVANIZED SURFACES SHALL BE REPAIRED BY COLD GALVANIZING IN ACCORDANCE WITH ASTM A788. ALL ANTENNA MOUNTS SHALL BE INSTALLED WITH LOCK NUTS, DOUBLE NUTS AND SHALL BE TORQUED TO MANUFACTURER'S RECOMMENDATIONS. CONTRACTOR SHALL INSTALL ANTENNA PER MANUFACTURER'S RECOMMENDATION FOR INSTALLATION AND GROUNDING. 	<ol style="list-style-type: none"> COAXIAL CABLE NOTES: TYPES AND SIZES OF THE ANTENNA CABLE ARE BASED ON ESTIMATED LENGTHS. PRIOR TO ORDERING CABLE, CONTRACTOR SHALL VERIFY ACTUAL LENGTH BASED ON CONSTRUCTION LAYOUT AND NOTIFY THE PROJECT MANAGER IF ACTUAL LENGTHS EXCEED ESTIMATED LENGTHS. CONTRACTOR SHALL CONFIRM COAX CABLE COLOR CODING PRIOR TO CONSTRUCTION REFER TO WATTSWAIN SYSTEM LAYOUT STANDARD NO-00027 LATEST VERSION. ALL JUMPERS TO THE ANTENNAS SHALL BE 1/2" DIAMETER LDF AND SHALL NOT EXCEED 5' BY. ALL COAXIAL CABLE SHALL BE SECURED TO THE DESIGNED SUPPORT STRUCTURE IN AN APPROVED MANNER AT DISTANCES NOT TO EXCEED 4'-8" O.C. CONTRACTOR SHALL FOLLOW ALL MANUFACTURER'S RECOMMENDATIONS REGARDING BOTH THE INSTALLATION AND GROUNDING OF ALL COAXIAL CABLES, CONNECTORS, ANTENNAS, AND ALL OTHER EQUIPMENT. 	
<ol style="list-style-type: none"> CONTRACTOR SHALL BE RESPONSIBLE TO VERIFY ANTENNA, TOWER, BRACKET, AND COAX CONFIGURATION, MAKE AND MODELS PRIOR TO INSTALLATION. ALL CONNECTIONS FOR HANGERS, SUPPORTS, BRACING, ETC. SHALL BE INSTALLED PER MANUFACTURER'S SPECIFICATIONS. ALL OUTDOOR RO CONNECTORS/CONNECTIONS SHALL BE WEATHERPROOFED EXCEPT THE RET CONNECTORS USING BUTYL TAPE AFTER INSTALLATION AND FINAL CONNECTIONS ARE MADE. BUTYL TAPE SHALL HAVE A MINIMUM OF ONE-HALF TAPE WITH OVERLAP ON EACH TURN AND EACH LAYER SHALL BE WRAPPED THREE TIMES. WEATHERPROOFING SHALL BE SMOOTH WITHOUT BULGING. BUTYL BLEEDING IS NOT ALLOWED. ALL PROPOSED GROUND BAR DOWNLOADS ARE TO BE TERMINATED TO THE EXISTING ADJACENT GROUND BAR OR DOWNLEADS A MINIMUM DISTANCE OF 4'-8" BELOW GROUND BAR. TERMINATIONS MAY BE EXPLOSTIC OR COMPRESSION. ALL CONNECTIONS FOR HANGERS, SUPPORTS, BRACING, ETC. SHALL BE INSTALLED PER MANUFACTURER'S SPECIFICATION AND RECOMMENDATIONS. BOLT PROTRUDE MORE THAN 1-1/2" (0.38M). NO SHORT SHEEPS UNDER ANTENNA ARM. ALL CABLES MUST ONLY TRANSITION ON THE INSIDE OR BOTTOM OF ARMS AND CABLE ON TOP OF ARMS). USE 90° CONNECTOR AT CABLE CONNECTION TO ANTENNAS. PLACE IPS ARM WITH SOUTHERN SKY EXPOSURE AT MINIMUM 6" (1.53M) FROM TRANSIT ANTENNA WHICH IS 24" (6.10M) FROM CENTER POLE. USE 1/2" (0.0127M) CABLE ON ANTENNAS UNLESS OTHERWISE SPECIFIED. FILL VOID AROUND CABLES AT CONDUIT OPENING WITH FOAM SEALANT TO PREVENT WATER INTRUSION. 	Job Description: Job Number / CRIS Project Number: 30152-033 / DWG 2 OF 12			



ATTSE Construction Work Drawing	
PROPRIETARY INFORMATION Not for disclosure outside the ATTSE family of companies except under written agreement.	
State: SC District: SOUTHEAST Exchange: 864/288 Wire Ctr: GWVLSORR	
Taper Code: Tax District: RZ/C2 Permit Req'd: YES	
Designer: EDWARD COGGINS Phone: 864-255-5354 Records Ref:	
Job Description:	
Job Number / GIS Project Number: 30HS2-033 /	
DWC 3 of 12	



ATTSE Construction Work Drawing	
PROPRIETARY INFORMATION Not for disclosure outside the ATTSE family of companies except under written agreement.	
State: SC District: SOUTHEAST Exchange: 864/288 Wire Ctr: GWVLSORR	
Taper Code: Tax District: RZ/C2 Permit Req'd: YES	
Designer: EDWARD COGGINS Phone: 864-255-5354 Records Ref:	
Job Description:	
Job Number / GIS Project Number: 30HS2-033 /	
DWC 4 of 12	



DISCONNECT AC & DC POWER BOTH BEFORE WORKING ON POLE

Contact AT&T at 800-638-2822, opt. 9, 3 and follow their instructions prior to performing any maintenance or repairs above this point.

Cell site use only.

CRAN POLE POWER DISCONNECT SIGN

NOT TO SCALE

THIS SIGN IS TO BE PLACED RIGHT ABOVE THE POLE POWER DISCONNECT. SIGN IS TOO LARGE TO BE PLACED ON DISCONNECT.



CRAN RF ANTENNA SIGNAGE PLACEMENT

NOT TO SCALE

NOTICE

AT&T operates antennas at this location. Above this point you are entering an area where radio frequency (RF) fields may exceed the FCC General Population Exposure limits.

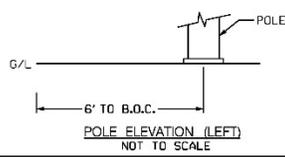
Follow safety guidelines for working in an RF environment.

Contact AT&T at 800-638-2822, opt. 9, 3 and follow their instructions prior to performing any maintenance or repairs above this point.

This is AT&T Site Usage.

CRAN RF NOTICE SIGN

NOT TO SCALE



ATTSE
Construction Work Drawing

PROPRIETARY INFORMATION
Not for disclosure outside the AT&T family of companies except under written agreement.

State: SC
District: SOUTHEAST
Exchange: 864/288
Wire Ctr: GNL/SCWR

Tower Code:
Tax District: RZ/CZ
Permit Req'd: YES

Designer: EDWARD COGGINS
Phone: 864-255-5354
Records Ref:

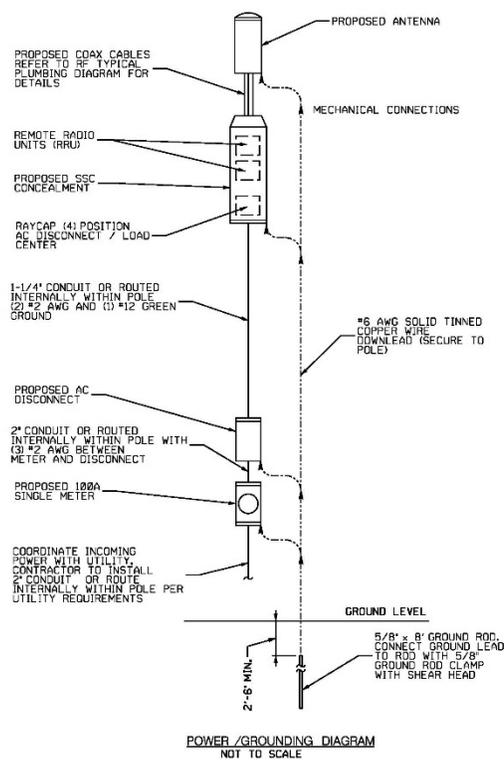
Job Description:

Job Number / CRIS Project Number:
30152-033 /

DWG 5 OF 12

- ELECTRICAL NOTES:**
1. THE CONTRACTOR SHALL VERIFY THE SYSTEM IS ESSENTIALLY COMPLETE BY RECEIVING FROM THE UTILITY AND THE ACCEPTABLE AUTHORITY HAVING ELECTRICAL AND GROUNDING SPECIFICATION.
 2. THE CONTRACTOR SHALL VERIFY THE SYSTEM IS ESSENTIALLY COMPLETE BY RECEIVING FROM THE UTILITY AND THE ACCEPTABLE AUTHORITY HAVING ELECTRICAL AND GROUNDING SPECIFICATION.
 3. ELECTRICAL DRAWINGS ARE DIAGNOSTIC IN NATURE AND NOT TO BE USED FOR CONSTRUCTION. THE CONTRACTOR SHALL VERIFY THE SYSTEM IS ESSENTIALLY COMPLETE BY RECEIVING FROM THE UTILITY AND THE ACCEPTABLE AUTHORITY HAVING ELECTRICAL AND GROUNDING SPECIFICATION.
 4. ALL WIRING SHALL BE IN ACCORDANCE WITH THE NATIONAL ELECTRICAL CODE (NEC) AND THE NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) 70B. ALL WIRING SHALL BE IN ACCORDANCE WITH THE NATIONAL ELECTRICAL CODE (NEC) AND THE NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) 70B.
 5. ALL WIRING SHALL BE IN ACCORDANCE WITH THE NATIONAL ELECTRICAL CODE (NEC) AND THE NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) 70B. ALL WIRING SHALL BE IN ACCORDANCE WITH THE NATIONAL ELECTRICAL CODE (NEC) AND THE NATIONAL FIRE PROTECTION ASSOCIATION (NFPA) 70B.
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- GROUNDING:**
1. THE CONTRACTOR SHALL VERIFY THE SYSTEM IS ESSENTIALLY COMPLETE BY RECEIVING FROM THE UTILITY AND THE ACCEPTABLE AUTHORITY HAVING ELECTRICAL AND GROUNDING SPECIFICATION.
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ATTSE
Construction Work Drawing

PROPRIETARY INFORMATION
Not for disclosure outside the AT&T family of companies except under written agreement.

State: SC
District: SOUTHEAST
Exchange: 864/288
Wire Ctr: GNL/SCWR

Tower Code:
Tax District: RZ/CZ
Permit Req'd: YES

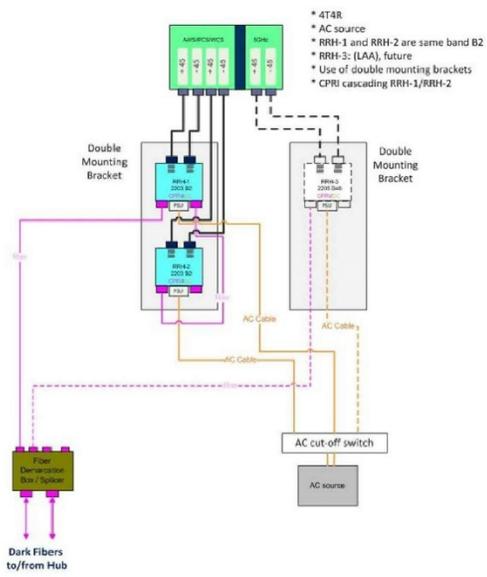
Designer: EDWARD COGGINS
Phone: 864-255-5354
Records Ref:

Job Description:

Job Number / CRIS Project Number:
30152-033 /

DWG 6 OF 12

E/// Pico – dense urban/urban, RAD center < 35'
(Markets with 15/20 MHz Max Contiguous BW in Mid-band)



TYPICAL PLUMBING DIAGRAM
 NOT TO SCALE



PROPRIETARY INFORMATION
 Not for disclosure outside the ATTSE family of companies except under written agreement.

State: SC
 District: SOUTHEAST
 Exchange: 864/288
 Wire Ctr: DNVLSCHWR
 Topo Code:
 Tax District: RZ/CZ
 Permit Req'd: YES
 Designer: EDWARD COGGINS
 Phone: 864-255-5354
 Records Ref:

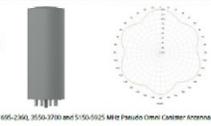
Job Description:
 Job Number / OFAS Project Number:
 30152-033 /
 DWG 7 OF 12



24" x 10" Pseudo Omni 10-Port Canister Antenna [1695-2360, 3550-3700 and 5150-5925 Mhz]

GQ2410-06621

- Descriptions:
- Pseudo Omni Canister Antenna for Outdoor DAS and Small Cells.
 - 4x ports for AWS/PCS/WCS Band 1695-2360 MHz
 - 4x ports for CBS Band 3550-3700 MHz
 - 2x ports for UHII Band 5150-5925 MHz*



*Compliant to 789033 D03 General UNE Test Procedures New Rules v1104: Guidelines for Compliance Testing of Unlicensed National Information Infrastructure (U-NII) Devices - Part 15, Subpart E

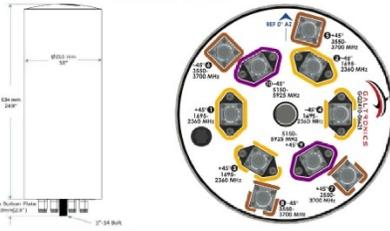
Electrical Specifications				
Frequency Band (MHz)	1695-2360	2365-2360	3550-3700	5150-5925
Input Connector Type	4x 4.3-10 (F)		4x 4.3-10 (F)	2x 4.3-10 (F)
Isolation (Typ.)		30 dB		
VSWR/Return Loss (Typ.)		1.5:1 / 14.0 dB		
Impedance	50Ω			
Polarization	Dual Slant 45° (±4°)			
Horizontal Beamwidth	Omni (360°)			
Vertical Beamwidth	19°	15.4°	18.7°	23.0°
Max. Gain	8.9 dB	8.3 dB	8.0 dB	5.5 dB
Avg. Gain	7.7 dB	7.9 dB	7.6 dB	4.7 dB
Downlink	0° Fixed			
Max Power / Port	50 Watts		50 Watts	1 Watt
PIM @ 2x42 dBm	< -15.0 dBc		N/A	N/A

Mechanical Specifications	
Operating Temperature	-40° to 150°F (-40° to 70°C)
Antenna Height	17.2 lbs (7.8 kg)
Antenna Diameter	10.0" (255 mm)
Antenna Height	24.9" (634 mm)
Radome Material	ASA
Radome Color	Gray, Brown, Black, 3M™ Conical Film, Custom Colors Possible
Wind Survival Rating	150 mph (241 km/h)



Additional Technical Information

Mechanical Dimensions



Part Numbers, Ordering Options and Accessories

Description:	Part Number:
Antenna with 10x 4.3-10(F) Connectors, Gray	GQ2410-06621-111
Antenna with 10x 4.3-10(F) Connectors, Brown	GQ2410-06621-111
Antenna with 10x 4.3-10(F) Connectors, Black	GQ2410-06621-111
Antenna with 10x 4.3-10(F) Connectors, Chrome (3M™ Conical Film)	GQ2410-06621-111
Antenna with 10x 4.3-10(F) Connectors, Gray (including MK-06678 and MK-06679 mounting kits)	GQ2410-06621-112
Antenna with 10x 4.3-10(F) Connectors, Brown (including MK-06678 and MK-06679 mounting kits)	GQ2410-06621-112
Antenna with 10x 4.3-10(F) Connectors, Black (including MK-06678 and MK-06679 mounting kits)	GQ2410-06621-112
Antenna with 10x 4.3-10(F) Connectors, Chrome (3M™ Conical Film) (including MK-06678 and MK-06679 mounting kits)	GQ2410-06621-112
Mounting Brackets:	Part Number:
1" Mount Rod Adapter (wind speed of 150 mph) Universal interface for pole top installation.	MK-06678
Pole Top Mounting Bracket (wind speed of 150 mph) Bracket base attached directly to wood, metal and cement poles.	MK-06679

Mating Male Connector Torque:
 4.3-10: 3.7 ft-lb (1 Nm)
 Copyright © 2018 - Galtronics Corporation Ltd.
 Proprietary information. All rights reserved. Galtronics reserves the right to modify or amend any antenna or specification without prior notice.

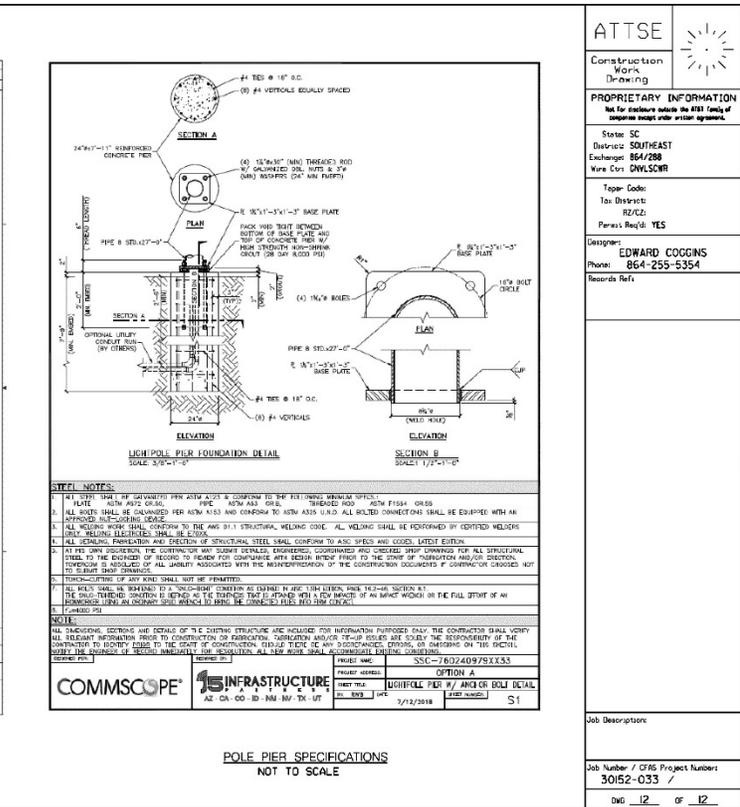
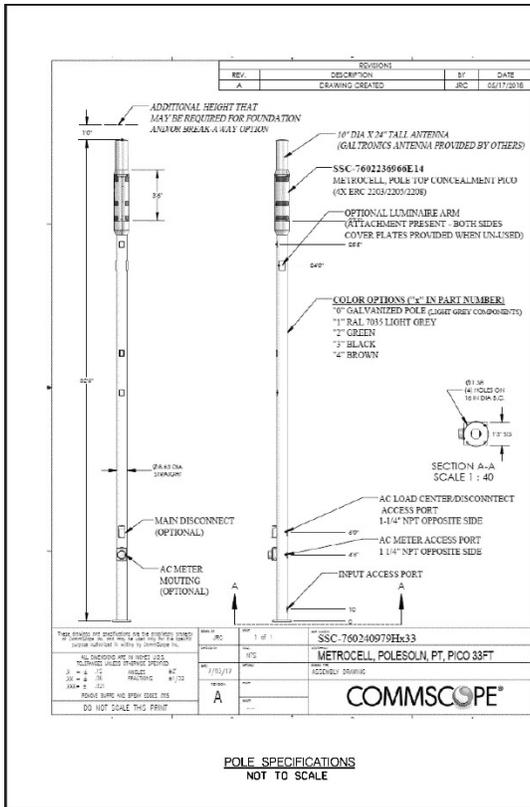
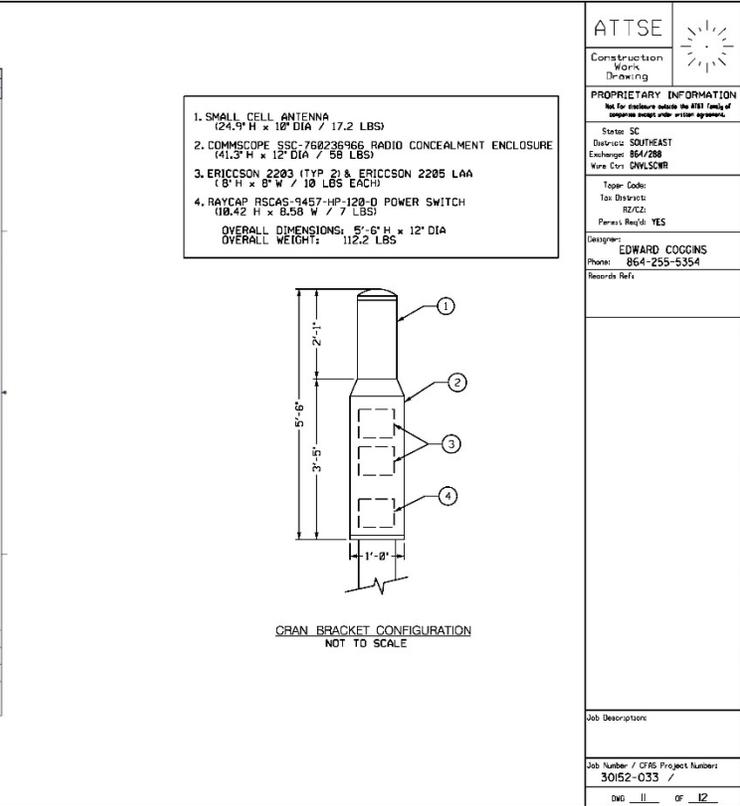
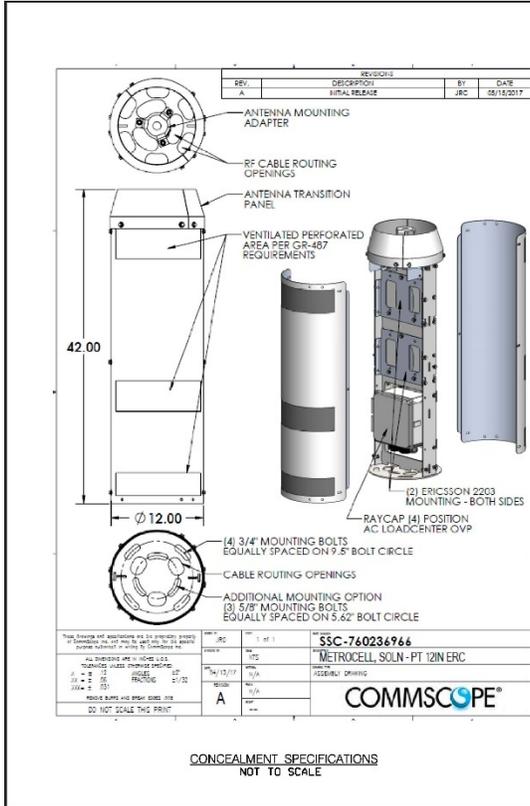


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 Tax District: RZ/CZ
 Permit Req'd: YES
 Designer: EDWARD COGGINS
 Phone: 864-255-5354
 Records Ref:

Job Description:
 Job Number / OFAS Project Number:
 30152-033 /
 DWG 8 OF 12

ANTENNA SPECIFICATIONS
 NOT TO SCALE



ORDINANCE NO. _____

AN ORDINANCE TO AUTHORIZE A LICENSE AGREEMENT BETWEEN THE CITY OF MAULDIN AND NEW CINGULAR WIRELESS PCS, LLC D/B/A AT&T MOBILITY FOR THE PLACEMENT OF A SMALL CELL WIRELESS FACILITY AT 137-P W. BUTLER ROAD, MAULDIN, SOUTH CAROLINA

WHEREAS, New Cingular Wireless PCS, LLC d/b/a AT&T Mobility (“Licensee”), desires to obtain a license from the City of Mauldin (“City”) to install a new small cell concealment pole with a small cell wireless facility attached thereto within the City’s ten (10’) foot right-of-way at 137-P W. Butler Road, Mauldin, SC 29662 pursuant to the specifications and the location shown on the Licensee’s permit application attached hereto; and,

WHEREAS, the City recognizes that Small Wireless Facilities may be effectively deployed in Public Rights-of-Way and are critical to deliver wireless access; and,

WHEREAS, the City desires to enter into a License Agreement with the Licensee on the terms and conditions set forth therein; and,

NOW THEREFORE BE IT ORDAINED by the Mayor and City Council of the City of Mauldin, South Carolina, in council assembled and by the authority thereof:

1. License of Property: The City Council hereby approves and authorizes the execution by the Mayor, on behalf of the City, of that certain License Agreement, which Agreement is attached hereto as Exhibit “A,” for the non-exclusive use of the Property described therein with a small cell wireless facility.
2. To the extent the terms of this Ordinance conflict with any existing ordinance or resolution, the terms of this Ordinance shall control.
3. This Ordinance shall be effective upon second reading approval thereof and no further authorization is required to execute and deliver all documents related to License Agreement contemplated by this Ordinance.

Terry W. Merritt, Mayor

ATTEST:

Cindy Miller, Municipal Clerk

First Reading: _____

Second Reading: _____

Approved as to Form:

City Attorney

5. Licensee shall be responsible for and pay any and all utilities used in connection with the Facility.

6. Licensee shall indemnify and hold Licensor harmless against any claim of liability or loss from personal injury or property damage resulting from or arising out of the negligence or willful misconduct of Licensee, its employees, contractors or agents, except to the extent such claims or damages may be due to or caused by the negligence or willful misconduct of Licensor, or its employees, contractors or agents. Licensee shall maintain at its own expense during the terms of this Agreement a commercial general liability policy of insurance per ISO form CG 00 01 or equivalent including Licensor as an additional insured by endorsement as respects this Agreement, with a combined single limit of \$1,000,000.00 per occurrence and in the aggregate for bodily injury or property damage. The Licensee shall provide a certificate of insurance to the Licensor as proof of said coverage. Except with respect to the indemnification set forth in this paragraph, neither party shall be liable to the other, or any of their respective agents, representatives or employees for any lost revenue, lost profits, loss of technology, rights or services, incidental, punitive, indirect, special or consequential damages, loss of data, or interruption or loss of use of service.

7. All of Licensee's equipment stored or installed on the Property shall remain at Licensee's sole risk, and Licensor shall not be liable for any damage to, or loss of such personal property arising from any acts of negligence or any person or from any cause whatsoever.

8. This Agreement may be sold, assigned or transferred by Licensee to Licensee's principal, affiliates, subsidiaries of its principal or to any entity which acquires all or substantially all of Licensee's assets without the consent of the Licensor. As to any other parties, any sale, assignment, or transfer must be with the written consent of the Licensor, which consent shall not be unreasonably withheld.

9. Miscellaneous Provisions.

a. This Agreement is to be governed, construed and enforced in accordance with the laws of the State of South Carolina.

b. This Agreement contains the sole and entire agreement of the Licensor and Licensee with respect to the matters contemplated hereunder, and no representation, inducement, promise or agreement, oral or written between the Licensor and Licensee which is not incorporated herein shall be of any force or effect. Any amendment to this Agreement shall be in writing and executed by the Licensor and Licensee.

c. The failure of the Licensor or Licensee to exercise any of the rights herein granted shall not be construed as a waiver or abandonment of the rights herein conferred.

d. All notices hereunder must be in writing and shall be personally delivered or shall be sent by certified mail, return receipt requested to:

Licensor: City of Mauldin
5 E. Butler Road
Mauldin, SC 29662

Licensee: New Cingular Wireless PCS, LLC d/b/a AT&T Mobility
1025 Lenox Park Blvd. NE, 3rd Floor
Atlanta, GA 30319

IN WITNESS WHEREOF, the Licensor and Licensee have affixed their signatures and seals to this document this ____ day of _____, 2019.

IN THE PRESENCE OF:

City of Mauldin, South Carolina

BY: Terry W. Merritt
ITS: Mayor

IN THE PRESENCE OF:

New Cingular Wireless PCS, LLC d/b/a AT&T
Mobility

BY:
ITS:



City Council

Agenda Item Summary

Staff Contacts:
Holly Abercrombie, City Administrator

Date: June 15, 2020

Agenda Item: 7c

Subject: FY20 Budget Amendment

Background: Throughout the year Council has approved various expenditures, projects, and grants. Staff has accumulated all items to present in one budget amendment. Below is a running list of items approved through the year with date of approval.

Table 1 *Items Approved*

Revenue	Amount	Fund	Month Approved
Laurens Electric UTC money	\$ 100,000.00	General	July
PW old equipment sales	\$ 26,000.00	Capital	October
Insurance proceeds for damage to sign	\$ 9,857.32	Capital	February
Reduction to bond proceeds money not spent	\$ (28,813.43)	Capital	April
Total Council Approved Revenues	\$ 107,043.89		

Expenditure			
Moved from capital for container purchase	\$ 28,813.43	General	April
Recycling added costs	\$ 34,517.00	General	December
Laurens electric UTC money	\$ 100,000.00	General	July
Cost to fix damage to entry way sign	\$ 10,057.32	Capital	February
Bus purchase for PW out of equipment sales	\$ 26,000.00	Capital	October
Reduction to Sanitation capital (sidewinder savings)	\$ (28,813.43)	Capital	April
Additional road paving	\$ 41,954.41	Capital	August
Cultural center chairs	\$ 15,982.17	H&A	November
Cultural center fire alarm	\$ 12,005.99	H&A	November
Cultural center spray foam insulation	\$ 3,600.00	H&A	November
Cultural center repairs to window and floor	\$ 25,000.00	H&A	September

Cost added to Utilities to pay pump station bills	\$ 30,000.00	Sewer	April
City's portion of Rothwell Dr project	\$ 668,434.00	Capital	September/April
Total Council Approved Expenditures	\$ 967,550.89		

Table 2 Totals per Fund

<u>Fund</u>	<u>Revenue</u>	<u>Expenditure</u>	<u>Transfer In/(Out)</u>	<u>Inc/(Dec) to Fund Bal</u>
General	\$ 100,000.00	\$ 163,330.43	\$ (468,434.00)	\$ (531,764.43)
H&A	\$ -	\$ 56,588.16		\$ (56,588.16)
Capital	\$ 7,043.89	\$ 717,632.30	\$ 668,434.00	\$ (42,154.41)
Grants	\$ -	\$ -	\$ (200,000.00)	\$ (200,000.00)
Sewer	\$ -	\$ 30,000.00		\$ (30,000.00)
Totals	\$ 107,043.89	\$ 967,550.89		\$ (860,507.00)

Findings / Current Activity:

Financial Impact:

Table 2 Totals per Fund

<u>Fund</u>	<u>Revenue</u>	<u>Expenditure</u>	<u>Transfer In/(Out)</u>	<u>Inc/(Dec) to Fund Bal</u>
General	\$ 100,000.00	\$ 163,330.43	\$ (468,434.00)	\$ (531,764.43)
H&A	\$ -	\$ 56,588.16		\$ (56,588.16)
Capital	\$ 7,043.89	\$ 717,632.30	\$ 668,434.00	\$ (42,154.41)
Grants	\$ -	\$ -	\$ (200,000.00)	\$ (200,000.00)
Sewer	\$ -	\$ 30,000.00		\$ (30,000.00)
Totals	\$ 107,043.89	\$ 967,550.89		\$ (860,507.00)

Action Options / Recommendations:

Staff recommends approval of the budget amendment on final reading.

Attachments:

Budget Amendment Ordinance

Ordinance # _____

An Ordinance To Provide Amended Appropriations For The Fiscal Year Beginning July 1, 2019 And Ending June 30, 2020 For Ordinary And Other City Purposes; To Provide For A Levy Of Taxes On All Taxable Property In The City Of Mauldin For All City Purposes, Including Sufficient Tax For Any Principal And Interest On Outstanding Indebtedness Maturing In The Fiscal Year; To Provide For The Expenditure Of Said Taxes And Other Revenues Coming To The City During The Fiscal Year.

WHEREAS, the South Carolina Code of Laws requires that a municipal council shall act by ordinance to adopt a budget and levy taxes pursuant to public notice;

NOW THEREFORE BE IT ORDAINED by the Mayor and City Council of the City of Mauldin, South Carolina, in council assembled and by the authority thereof:

Section 1. That the prepared budget, the estimated revenues for payment, and the attached disbursement schedules attached hereto, the terms of which are hereby incorporated herein as if set forth fully, are hereby adopted in the following amounts: the amount of \$12,561,843 for the General Fund; the amount of \$1,935,354 for the Capital Projects Fund; the amount of \$808,210 for the Sewer Fund; the amount of \$1,009,088 for the Hospitality and Accommodations Tax Fund; the amount of \$4,116,559 for the Fire Service Fund; the amount of \$682,613 for the Sports Center Fund; the amount of \$500,725 for the Debt Service Fund; the amount of \$194,276 for the Property Management Fund; the amount of \$83,696 for the Victim Advocate Fund; and; the amount of \$206,340 for the Grant Fund.

Section 2. That for the purpose of defraying all expenses, including the payment of debt service from July 1, 2019 through June 30, 2020, and for other corporate purposes, a tax of sufficient millage to pay for the appropriations, after crediting against said appropriations other revenues anticipated to accrue to the City during the fiscal period not earmarked for specific purposes, are hereby levied and the same shall hereafter be collected as follows:

For each one hundred dollars (\$100.00) of assessed value of all real estate and personal property on which this municipal corporation is authorized and empowered by law to impose a tax in the City of Mauldin, and in proportion of all real estate and personal property of less than one hundred dollars in value, the total millage on each One dollar (\$1.00) shall not exceed 0.0563 or \$5.63 on each \$100.00 assessed value for General Fund and debt service requirements.

Should the amount levied exceed the amount required for General Fund and debt service requirements, such excess shall remain in the General Fund to be used as City Council may direct.

Section 3. That the FY 2019 budget includes \$500,725 in debt service for the purpose of bond retirement and lease purchases and other long-term obligations, as well as debt service in the amount of \$234,739 for retirement of the revenue bond in the Sewer Fund.

Section 4. That for the purpose of defraying all expenses including the payment of debt service from July 1, 2019 through June 30, 2020 and for other corporate purposes, franchise fees for Duke Power, Laurens Electric Cooperative, and Piedmont Natural Gas will be set at a rate of 5%.

Section 5. That the sewer pump station fee previously established for FY 2017-2018 in the amount of \$410 per affected parcel is hereby readopted and approved.

Section 6. That City taxes are collected by Greenville County in a Cooperative Consolidation joint collection Agreement dated May 1,1990, shall be due and payable between October 1, 2018 and January 15, 2019. After January 15th 3% shall be added to the base tax amount. After February 1st,10% shall be added to the base tax amount. After March 16th, 15% shall be added to the base tax amount.

Section 7. That funds sufficient to cover all fiscal year 2018-2019 budget items encumbered but unpaid at the close of the fiscal year shall be carried forward from the fiscal year 2018-2019 budget to the succeeding 2019-2020 budget to meet such lawful obligations of the City of Mauldin.

Section 8. That this budget may be amended by ordinance of the City Council as may be required from time to time.

Section 9. That it is the intention of the City Council that the sections, subsections, paragraphs, sentences, clauses, and phrases of this ordinance are severable. If any phrase, clause, sentence, paragraph, subsection, or section of this ordinance be declared invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining portions of this ordinance.

Section 10. That this ordinance supersedes all previous or inconsistent legislation. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

Section 11. That this ordinance shall take effect immediately upon its passage.

Passed on first reading on,
Passed on second reading on

Mayor Terry Merritt

Attest:

Municipal Clerk

Approved as to form:

City Attorney

Reviewed:

City Administrator

City Council

AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 7d-f

TO: City Council

FROM: City Administrator, Brandon Madden

SUBJECT: Proposed FY2021 Budget

REQUEST

Council is requested to provide final reading approval to the FY2021 budget.

HISTORY/BACKGROUND

During its March 12, 2020 budget workshop, the proposed FY2021 budget was presented to Council for its consideration. Additional budget workshops were held on April 16, 2020, April 30, 2020, and May 7, 2020 as Council deliberated on the various aspects of the proposed budget.

ANALYSIS / STAFF FINDINGS

The FY2021 budget totals \$34,301,561. The General Fund millage rate for FY 2020-2021 is 56.3 mills, representing no change from the current year's millage. The budget is balanced, requires no tax increase and serves as an efficient expenditure plan for meeting the needs of the City's residents through excellent service delivery.

Pursuant to Council's workshop deliberations, please note the following adjustments to the FY2021 budget:

- \$18,500 was appropriated for a part-time event coordinator position for the Community Development Department.
- The \$75,000 appropriated in the FY2021 capital improvement program for the construction of a shelter in Pineforest Park was re-assigned for improvements to existing recreational shelters. Any funding remaining after the improvement to the existing shelters will remain in that line item. Staff will obtain cost proposals for constructing a shelter at Pineforest Park and should the remaining funding in that line item be sufficient to cover the costs of a shelter at Pineforest Park, staff will present that item to Council for its consideration.
- \$8,000 in the Streets Division was moved from the asphalt supplies line item to the drainage line item.

FINANCIAL IMPACT

The FY2021 budget totals \$34,301,561.

RECOMMENDATION

Staff recommends final reading approval of the FY2021 budget ordinance.

ATTACHMENTS

FY2021 budget ordinance

General Obligation Bond Ordinance

Third Supplemental Ordinance (Accommodations Tax / Hospitality Tax Revenue Bonds)

Installment Purchase Revenue Bond (IPRB) Ordinance

Indenture (approved by IPRB Ordinance)

Base Lease and Conveyance Agreement (approved by IPRB Ordinance)

Municipal Facilities Purchase and Occupancy Agreement (approved by IPRB Ordinance)

Ordinance # _____

An Ordinance To Provide Appropriations For The Fiscal Year Beginning July 1, 2020 And Ending June 30, 2021 For Ordinary And Other City Purposes; To Provide For A Levy Of Taxes On All Taxable Property In The City Of Mauldin For All City Purposes, Including Sufficient Tax For Any Principal And Interest On Outstanding Indebtedness Maturing In The Fiscal Year; To Provide For The Expenditure Of Said Taxes And Other Revenues Coming To The City During The Fiscal Year.

WHEREAS, the South Carolina Code of Laws requires that a municipal council shall act by ordinance to adopt a budget and levy taxes pursuant to public notice;

NOW THEREFORE BE IT ORDAINED by the Mayor and City Council of the City of Mauldin, South Carolina, in council assembled and by the authority thereof:

Section 1. That the prepared budget, the estimated revenues for payment, and the attached disbursement schedules attached hereto, the terms of which are hereby incorporated herein as if set forth fully, are hereby adopted in the following amounts: the amount of \$16,559,321 for the General Fund; the amount of \$2,641,556 for the Capital Projects Fund; the amount of \$779,575 for the Sewer Fund; the amount of \$5,948,531 for the Hospitality and Accommodations Tax Fund; the amount of \$4,194,492 for the Fire Service Fund; the amount of \$687,072 for the Sports Center Fund; the amount of \$508,270 for the Debt Service Fund; the amount of \$98,865 for the Property Management Fund; the amount of \$83,880 for the Victim Advocate Fund; the amount of \$2,700,000 for Capital Projects Transportation Fund and; the amount of \$100,000 for the Grant Fund.

Section 2. That for the purpose of defraying all expenses, including the payment of debt service from July 1, 2020 through June 30, 2021, and for other corporate purposes, a tax of sufficient millage to pay for the appropriations, after crediting against said appropriations other revenues anticipated to accrue to the City during the fiscal period not earmarked for specific purposes, are hereby levied and the same shall hereafter be collected as follows:

For each one hundred dollars (\$100.00) of assessed value of all real estate and personal property on which this municipal corporation is authorized and empowered by law to impose a tax in the City of Mauldin, and in proportion of all real estate and personal property of less than one hundred dollars in value, the total millage on each One dollar (\$1.00) shall not exceed 0.0563 or \$5.63 on each \$100.00 assessed value for General Fund and debt service requirements.

Should the amount levied exceed the amount required for General Fund and debt service requirements, such excess shall remain in the General Fund to be used as City Council may direct.

Section 3. That the FY 2021 budget includes \$508,270 in debt service for the purpose of bond retirement and lease purchases and other long term obligations, as well as debt service in the amount of \$234,956 for retirement of the revenue bond in the Sewer Fund.

Section 4. That for the purpose of defraying all expenses including the payment of debt service from July 1, 2020 through June 30, 2021 and for other corporate purposes, franchise fees for Duke Power, Laurens Electric Cooperative, and Piedmont Natural Gas will be set at a rate of 5%.

Section 5. That the sewer pump station fee previously established for FY 2017-2018 in the amount of \$410 per affected parcel is hereby readopted and approved.

Section 6. That City taxes are collected by Greenville County in a Cooperative Consolidation Joint collection Agreement dated May 1, 1990, and shall be due and payable between October 1, 2018 and January 15, 2019. After January 15th 3% shall be added to the base tax amount. After February 1st, 10% shall be added to the base tax amount. After March 16th, 15% shall be added to the base tax amount.

Section 7. That funds sufficient to cover all fiscal year 2019-2020 budget items encumbered but unpaid at the close of the fiscal year shall be carried forward from the fiscal year 2019-2020 budget to the succeeding 2020-2021 budget to meet such lawful obligations of the City of Mauldin.

Section 8. That this budget may be amended by ordinance of the City Council as may be required from time to time.

Section 9. That it is the intention of the City Council that the sections, subsections, paragraphs, sentences, clauses, and phrases of this ordinance are severable. If any phrase, clause, sentence, paragraph, subsection, or section of this ordinance be declared invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining portions of this ordinance.

Section 10. That this ordinance supersedes all previous or inconsistent legislation. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

Section 11. That this ordinance shall take effect immediately upon its passage.

Passed on first reading on,
Passed on second reading on

Mayor Terry Merritt

Attest:

Municipal Clerk

Approved as to form:

City Attorney

Reviewed:

City Administrator

ORDINANCE NO. _____

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING THREE MILLION DOLLARS (\$3,000,000) CITY OF MAULDIN, SOUTH CAROLINA, GENERAL OBLIGATION BONDS, SERIES 2020; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO.

June 15, 2020

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**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MAULDIN, SOUTH CAROLINA
IN MEETING DULY ASSEMBLED:**

FINDINGS OF FACT

As an incident to the enactment of this Ordinance and the issuance of the bonds provided for herein, the City Council of the City of Mauldin (the “*Council*”), the governing body of the City of Mauldin, South Carolina (the “*City*”), finds that the facts set forth in this Article exist, and the statements made with respect thereto are true and correct.

Objectives

(a) By virtue of Article 5 of Chapter 21 of Title 5, as supplemented by Section 11-27-40, Code of Laws of South Carolina, 1976, as amended (the “*South Carolina Code*”), the City is empowered to issue general obligation bonds for any “corporate purpose” as therein defined. The above-referenced article, chapter and section of the South Carolina Code are hereinafter collectively referred to as the “*Enabling Act*.”

(b) After due investigation, the Council has determined that it is in the best interest of the City that it finance the costs of various transportation improvements throughout the City including improvements to roads, trails, sidewalks and greenways (collectively, the “*Project*”).

(c) The Council has further determined to issue general obligation bonds of the City in an aggregate principal amount of not exceeding \$3,000,000 to finance a portion of the cost of the Project. In so authorizing the issuance of such general obligation bonds, the Council finds that the benefits arising from the Project will accrue to all persons and property within the City.

Recital of Applicable Constitutional Provisions

Section 14 of Article X of the Constitution of the State of South Carolina, 1895, as amended (the “*State Constitution*”) provides that the municipalities of the State of South Carolina (the “*State*”) may issue bonded indebtedness in an amount not exceeding eight percent of the assessed value of all taxable property therein. Paragraph (6) of Section 14 of Article X of the State Constitution further provides that general obligation debt authorized by a majority of the qualified electors of the issuer may be issued without consideration of the 8% limit otherwise imposed by Section 14 of Article X. The Council is informed that assessed value of all taxable property located within the City for the year 2019, which is the last completed assessment thereof, is not less than the sum of \$116,577,406 exclusive of new industrial property exempt from taxation pursuant to Section 3(g) of Article X of the State Constitution. Thus, the eight percent debt limit of the City is not less than \$9,326,192. At present, \$1,830,000 of general obligation debt is chargeable against this limit. Thus, the Council may issue a general obligation bond in the aggregate principal amount of not exceeding \$3,000,000 at the present time without the authorization required by Section 14(6) of Article X of the State Constitution.

Notice of Adoption of Ordinance

Section 5-17-20 of the South Carolina Code provides that within 60 days following the adoption by the Council of an ordinance authorizing the issuance of general obligation debt, a petition signed by not less than fifteen percent of the qualified electors of the City may be filed with the City Clerk requesting that such ordinance be repealed. However, said Section 5-17-20 does not apply in the event the Council publishes notice of the adoption of such ordinance in accordance with the provisions of Section 11-27-40(8) of the South Carolina Code. Under said

Section 11-27-40(8), a notice signed by five qualified electors requesting the repeal of such ordinance may be filed with the City Clerk and with the Clerk of the Court of Common Pleas of Greenville County within 20 days of the published notice. In accordance with this provision, the notice prescribed thereby may, at the option of the City Administrator, be published subsequent to the second and final reading of this Ordinance. The notice, if published, is to be published substantially in the form attached hereto as ***Exhibit D***.

[End of Article I]

DEFINITIONS AND CONSTRUCTION

Definitions

As used in this Ordinance unless the context otherwise requires, the following terms shall have the following respective meanings:

“Authorized Investments” means any investments that are at the time legal for investment of the City’s funds under the laws of the State and of the United States.

“Authorized Officer” means the Mayor or the City Administrator and any other officer or employee of the City designated from time to time as an Authorized Officer by a certificate of the Mayor, and when used with reference to any act or document also means any other person authorized by a certificate of the Mayor to perform such act or sign such document.

“Beneficial Owner” means, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant or such person’s subrogee.

“Bond” or **“Bonds”** means any of the Bonds of the City authorized by this Ordinance.

“Bondholder” or **“Holder”** or **“Holders of Bonds”** or **“Owner”** or similar term means, when used with respect to a Bond or Bonds, any person who shall be registered as the owner of any Bond Outstanding.

“Bond Payment Date” means each April 1 and October 1 on which interest on any of the Bonds shall be payable or on which both a Principal Installment and interest shall be payable on any of the Bonds.

“City” means the City of Mauldin, South Carolina.

“City Clerk” means the City Clerk of the City or the interim City Clerk or acting City Clerk, as the case may be.

“City Administrator” means the City Administrator of the City or the interim City Administrator or acting City Administrator, as the case may be.

“City Request” means a written request of the City signed by an Authorized Officer.

“Code” means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations applicable thereto.

“Continuing Disclosure Undertaking” shall mean that certain Continuing Disclosure Undertaking in the form prescribed by United States Securities and Exchange Commission Rule 15c2-12 authorized pursuant to **Section 11.07(b)** hereof, as originally executed and as the same may be amended from time to time in accordance with the terms thereof.

“Corporate Trust Office”, when used with respect to any Fiduciary operating in the capacity of Paying Agent or Registrar, means the office at which its corporate trust business with respect to the Bonds shall be administered.

“**Council**” means the City Council of the City of Mauldin, South Carolina, the governing body of the City or any successor governing body of the City.

“**DTC**” means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

“**Enabling Act**” means Article 5 of Chapter 21 of Title 5 of the South Carolina Code, as supplemented by Section 11-27-40, as amended, of the South Carolina Code.

“**Fiduciary**” means any financial institution appointed to serve as the Paying Agent, the Registrar and their successors and assigns.

“**Government Obligations**” means and includes direct general obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which is fully and unconditionally guaranteed by the United States of America.

“**Mayor**” means the Mayor of the City or in the absence of the Mayor for any reason, the Mayor Pro Tempore.

“**Nominee**” means the nominee of the Securities Depository which shall be the Holder of Bonds while held under a book-entry only system and any successor appointed by the Securities Depository. The initial Nominee shall be Cede & Co.

“**Ordinance**” means this Ordinance as the same may be amended or supplemented from time to time in accordance with the terms hereof.

“**Outstanding**,” when used in this Ordinance with respect to Bonds means, as of any date, all Bonds theretofore authenticated and delivered pursuant to this Ordinance except:

- (i) any Bond cancelled or delivered to the Registrar for cancellation on or before such date;
- (ii) any Bond (or any portion thereof) deemed to have been paid in accordance with the provisions of **Section 7.01** hereof; and
- (iii) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to **Section 3.11** of this Ordinance.

“**Participants**” means those broker-dealers, banks and other financial institutions for which the Securities Depository holds Bonds as securities depository.

“**Paying Agent**” means the City or any bank, trust company or national banking association which is authorized to pay the Principal Installment or Redemption Price of or interest on any Bonds and having the duties, responsibilities and rights provided for in this Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. The institution named as Paying Agent may also act as Registrar.

“**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.

“**Principal Installment**” means, as of any date of calculation, the principal amount of all Bonds due on a specified date.

“Project” means those certain public improvements as defined in **Section 1.01** hereof.

“Record Date” means the 15th day of the month immediately preceding each Bond Payment Date.

“Redemption Price,” when used with respect to a Bond or portion thereof to be redeemed, means the principal amount of such Bond or such portion thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to this Ordinance.

“Registrar” means the City or any bank, trust company, or national banking association which is authorized to maintain an accurate list of those who from time to time shall be the Holders of the Bonds and shall effect the exchange and transfer of Bonds in accordance with the provisions of this Ordinance and having the duties, responsibilities, and rights provided for in this Ordinance and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. The institution named as Registrar may also act as Paying Agent.

“Representation Letter” means the Letter of Representations from the City to DTC with respect to the Bonds, which shall be deemed to be a part of this Ordinance and shall be the binding obligation of the City.

“Securities Depository” means the administrator of the book-entry only system for the Bonds, as further described in **Section 3.19** hereof and any successor appointed as provided in **Section 3.19(c)** hereof. The initial Securities Depository shall be DTC.

“South Carolina Code” means the Code of Laws of South Carolina 1976, as amended.

“State” means the State of South Carolina.

“Term Bonds” shall have the meaning provided in **Section 3.02** hereof.

Construction

In this Ordinance, unless the context otherwise requires:

(a) Articles and Sections referred to by number shall mean the corresponding Articles and Sections of this Ordinance.

(b) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms refer to this Ordinance, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of adoption of this Ordinance.

(c) Words of the masculine gender shall mean and include correlative words of the female and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(d) Any Fiduciary shall be deemed to hold an Authorized Investment in which money is invested pursuant to the provisions of this Ordinance, even though such Authorized Investment is evidenced only by a book entry or similar record of investment.

[End of Article II]

ISSUANCE OF BONDS

Ordering the Issuance of Bonds

Pursuant to the provisions of the Enabling Act, and for the purpose of obtaining funds to defray the costs of the Project described in **Section 1.01** hereof, there shall be issued not exceeding Three Million Dollars (\$3,000,000) aggregate principal amount of general obligation bonds of the City. Such Bonds shall be designated “City of Mauldin, South Carolina General Obligation Bonds, Series 2020” or such other designation as may be determined by the City Administrator.

Maturity Schedule of Bonds

(a) Unless determined otherwise by the City Administrator, interest on the Bonds shall be payable on April 1, 2021 (or, if the Bonds are not issued until a date which is less than 60 days prior to such date, on October 1, 2021) and semiannually thereafter on April 1 and October 1 of each year until payment of the principal thereof. Subject to the requirements of the Enabling Act, the Bonds shall mature on April 1 of such years, beginning not later than April 1, 2022, and ending not later than April 1, 2038, and in such amounts, as shall be determined by the City Administrator upon advice from the Financial Advisor. In this regard, the City Administrator, in his discretion, may determine that certain maturities of the Bonds will be subject to mandatory sinking fund redemption prior to their stated maturity date (such Bonds, the “*Term Bonds*”). In such event, the City Administrator shall also determine the respective principal amounts of such mandatory sinking fund redemptions and the years (on April 1 thereof) in which such redemptions shall occur.

(b) In the absence of a determination by the City Administrator that certain Bonds should be made subject to mandatory sinking fund redemption, the purchaser of the Bonds, as determined pursuant to **Sections 3.15** and **5.02** herein, may elect to combine one or more consecutive maturities to create one or more term maturities, each of which will be subject to annual mandatory sinking fund redemption at par plus accrued interest to the redemption date (to the extent not previously redeemed) on April 1 in the principal amounts and for the years shown in the maturity schedule established by the City Administrator pursuant to this **Section 3.02**. To the extent Bonds subject to mandatory sinking fund redemption in a given year have been purchased by the City or redeemed by the City pursuant to the optional redemption provisions set forth in **Article IV** herein, the amount of mandatory sinking fund redemption in such year shall be reduced in such manner as the City shall direct, or, absent such direction, on a pro rata basis.

(c) Pursuant to the provisions of **Section 4.01** hereof, certain Bonds shall be made subject to redemption at the option of the City.

Provision for Payment of Interest on the Bonds

The original issue date of the Bonds shall be the date of delivery of the Bonds or such other date as may be selected by the City Administrator. The Bonds shall be authenticated on such dates as they shall, in each case, be delivered. Each Bond shall bear interest from the original issue date 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 such Bond’s authentication. The interest payment on a Bond shall be made in accordance with **Section 3.04(c)** hereof to the Person in whose name such Bond is registered in accordance with **Section 3.08** hereof at the close of business on the Record Date with respect to such payment.

Medium of Payment; Form and Denomination of Bonds; Place of Payment of Principal

(a) The Bonds shall be payable as to Principal Installment or Redemption Price and interest at the rates per annum determined in the manner prescribed by **Section 3.15** hereof (on the basis of a 360 day year of twelve 30-day months) 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.

(b) The Bonds shall be issued in the form of fully registered, book-entry Bonds. The Bonds shall be issued in the denomination of \$5,000 or any whole multiple thereof, not exceeding the principal amount of the Bonds maturing in such year. The Bonds shall be identified in such fashion as to maintain a proper record thereof.

(c) The Principal Installment or Redemption Price of all Bonds shall be payable at the Corporate Trust Office of the Paying Agent; and payment of the interest on each Bond shall be made by the Paying Agent to the Person appearing on the applicable Record Date on the registration books of the City, which books shall be held by the Registrar as provided in **Section 3.08** hereof, as the registered owner thereof, by check or draft mailed to such registered owner at his address as it appears on such registration books in sufficient time to reach such registered owner on the Bond Payment Date. Payment of the Principal Installment or Redemption Price of all Bonds shall be made upon the presentation and surrender for cancellation of such Bonds as the same shall become due and payable.

Agreement to Maintain Registrar and Paying Agent

As long as any of the Bonds remain Outstanding there shall be a Registrar and a Paying Agent each of which shall be the City or a financial institution maintaining Corporate Trust Offices where (i) the Bonds may be presented for registration of transfers and exchanges, (ii) notices and demands to or upon the City in respect of the Bonds may be served, and (iii) the Bonds may be presented for payment, exchange and transfer. The City Administrator determine whether the City will act as Registrar and Paying Agent or appoint a Fiduciary to act as Registrar and Paying Agent prior to the issuance of the Bonds.

Execution and Authentication

(a) The Bonds shall be executed in the name and on behalf of the City by the manual or facsimile signature of an Authorized Officer, with its corporate seal impressed, imprinted or otherwise reproduced thereon, and attested by the manual or facsimile signature of the City Clerk or other Authorized Officer (other than the officer executing such Bonds). Bonds bearing the manual or facsimile signature of any Person who shall have been such an Authorized Officer at the time such Bonds were so executed shall bind the City notwithstanding the fact that he may have ceased to be such Authorized Officer prior to the authentication and delivery of such Bonds or was not such Authorized Officer at the date of the authentication and delivery of the Bonds.

(b) No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication in the form set forth in this Ordinance, duly executed by the manual or facsimile signature of the Registrar; and such certificate of authentication upon any Bond executed on behalf of the City shall be conclusive evidence that the Bond so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefit of the terms and provisions of this Ordinance.

Exchange of Bonds

Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered Holder or his duly authorized attorney, may, at the option of the registered Holder thereof, be exchanged for an equal aggregate principal amount of Bonds in authorized denominations

of the same interest rate and maturity. So long as any of the Bonds remain Outstanding, the City shall make all necessary provisions to permit the exchange of Bonds at the Corporate Trust Office of the Registrar.

Transferability and Registry

All Bonds shall at all times, when the same are Outstanding, be payable, both as to Principal Installment, Redemption Price and interest to a Person, and shall be transferable, only in accordance with the provisions for registration and transfer contained in this Ordinance and in the Bonds. So long as any of the Bonds remain Outstanding, the City shall maintain and keep, at the Corporate Trust Office of the Registrar, books for the registration and transfer of Bonds, and, upon presentation thereof for such purpose at the Corporate Trust Office of the Registrar, the City shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Registrar may prescribe, any Bond, except that under no circumstances shall any Bond be registered or transferred to bearer. So long as any of the Bonds remain Outstanding, the City shall make all necessary provisions to permit the transfer of Bonds at the Corporate Trust Office of the Registrar.

Transfer of Bonds

Each Bond shall be transferable only upon the books of the City, which shall be kept for such purpose at the Corporate Trust Office of the Registrar which shall be maintained for such purpose by the Registrar, upon presentation and surrender thereof by the Holder of such Bond in person or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered Holder or his duly authorized attorney. Upon surrender for transfer of any such Bond, the City shall execute and the Registrar shall authenticate and deliver, in the name of the Person who is the transferee, one or more new Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond. All action taken by the Registrar pursuant to this section shall be deemed to be the action of the City.

Regulations with Respect to Exchanges and Transfers

All Bonds surrendered in any exchanges or transfers shall forthwith be cancelled by the Registrar. For each such exchange or transfer of Bonds, the City or the Registrar may make a charge sufficient to reimburse it or them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the Holder requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer. The City shall not be obligated to (i) issue, exchange or transfer any Bond after the Record Date with respect to any Bond Payment Date of the Bonds; (ii) issue, exchange or transfer any Bond during a period beginning at the opening of business 15 days next preceding any selection of Bonds to be redeemed and ending at the close of business on the date of the mailing of notice of such redemption; or (iii) transfer or exchange any Bonds called or being called for redemption in whole or in part.

Mutilated, Destroyed, Lost and Stolen Bonds

(a) If any mutilated Bond is surrendered to the Registrar and the Registrar or the City receives evidence to their satisfaction of the destruction, loss or theft of any Bond, and there is delivered to the Registrar and the City such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice that such Bond has been acquired by a *bona fide* purchaser, the City shall execute, and upon City Request, the Registrar shall authenticate and deliver, in exchange for any such mutilated Bond or in lieu of any such destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number unlike that of a Bond contemporaneously Outstanding. The Registrar shall thereupon cancel any such mutilated Bond so surrendered. In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a new Bond, pay such Bond.

(b) Upon the issuance of any new Bond under this **Section 3.11**, the City may require the payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees or other fees, of the City or the Registrar connected therewith.

(c) Each new Bond issued pursuant to this **Section 3.11** in lieu of any destroyed, lost or stolen Bond, shall constitute an additional contractual obligation of the City, whether or not the destroyed, lost or stolen Bond shall at any time be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued pursuant to this Ordinance. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds or securities.

Holders as Owner of Bond

Subject to the provisions of **Section 3.19** hereof, the City, the Registrar and any Paying Agent may treat the Holder of any Bond as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Principal Installment or Redemption Price of and interest on such Bond and for all other purposes, and payment of the Principal Installment, Redemption Price and interest shall be made only to, or upon the order of, such Holder. All payments to such Holder shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the City nor any Paying Agent shall be affected by any notice to the contrary.

Cancellation of Bonds

The Registrar shall destroy all Bonds surrendered to it for cancellation and shall deliver a certificate to that effect to the City. No such Bonds shall be deemed Outstanding under this Ordinance and no Bonds shall be issued in lieu thereof.

Payments Due on Saturdays, Sundays and Holidays

In any case where the Bond Payment Date shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest on or Principal Installment or Redemption Price of the Bonds need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the Bond Payment Date and no interest shall accrue for the period after such date.

Conditions Relating to Naming of Interest Rates

The Bonds shall bear such rate or rates of interest as shall at the sale of such Bonds reflect the lowest net interest cost to the City calculated in the manner hereinafter prescribed in this **Section 3.15** at a price of not less than par, but:

- (a) all Bonds of the same maturity shall bear the same rate of interest;
- (b) no rate of interest named shall be more than four (4) percentage points higher than the lowest rate of interest named;
- (c) each interest rate named shall be a multiple of 1/20th or 1/8th of one (1) percentage point; and
- (d) any premium offered must be paid in cash as a part of the purchase price;

provided, however, that the City Administrator, upon the advice of the Financial Advisor, is hereby authorized to make any such adjustments to any of the above criteria except (d) as he shall determine prior to offering the Bonds for sale.

For the purpose of determining lowest net interest cost, the aggregate of interest on all Bonds from the dated date of the Bonds, which is the original issue date, until their respective maturities, less any sum named by way of premium, shall be determined on each bid and the smallest amount to be paid by the City shall reflect the lowest net interest cost.

State Tax Exemption

Both the Principal Installment and interest on said Bonds shall be exempt from all State, county, municipal, school district, and all other taxes or assessments of 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.

Order of Tax Levy to Pay Principal and Interest of Bonds

For the payment of the Principal Installment and interest on the Bonds as the same respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the City are hereby irrevocably pledged, and there shall be levied and collected annually by the City, in the same manner as City taxes are levied and collected, a tax on all taxable property in said City, sufficient to pay the Principal Installment and interest on such Bonds as they respectively mature, and to create such sinking fund as may be necessary therefor.

Form of Bonds

The form of the Bonds, and registration provisions to be endorsed thereon shall be substantially as set forth in *Exhibit A* attached hereto and made a part of this Ordinance.

Book-Entry

(a) Except as provided in paragraph (c) of this **Section 3.19**, the Bonds shall be held under a book-entry only system administered by the Securities Depository and shall be registered in the name of the Nominee. Payment of interest on any Bond registered in the name of the Nominee shall be made by New York Clearing House or equivalent next day funds to the account of the Nominee on the interest payment date for the Bonds at the address indicated for the Nominee on the registration books kept by the Registrar.

(b) The Bonds shall be initially issued in the form of separate, single, authenticated fully-registered Bonds in the amount of each separately stated maturity of Bonds. Upon initial issuance, the ownership of each such Bond shall be registered on the registration books kept by the Registrar in the name of the Nominee. The City may treat the Securities Depository (or the Nominee) as the sole and exclusive owner of the Bonds registered in the name of the Nominee for the purposes of (A) paying the principal of or interest on the Bonds, (B) selecting the Bonds or portions thereof to be redeemed, (C) giving any notice permitted or required to be given to Holders of Bonds under the Ordinance, (D) registering the transfer of Bonds, and (E) requesting any consent or other action to be taken by the Holders of the Bonds and for all other purposes whatsoever; and neither the Registrar nor the City shall be affected by any notice to the contrary. Neither the Registrar nor the City shall have any responsibility or obligation to any Participant, any Beneficial Owner or any other person claiming a beneficial ownership interest in the Bonds under or through the Securities Depository or any Participant, or any other person which is not shown on the registration books of the Registrar as being a Holder of Bonds, with respect to (1) the accuracy of any records maintained by the Securities Depository or any Participant, (2) the payment to the Securities Depository, any Participant or any Beneficial Owner of any amounts in respect of the principal of or interest on the Bonds, (3) any notice which is permitted or required to be given to Holders of the Bonds under this Ordinance, or (4) any consent given or other action taken by the Securities

Depository as such Holder. The City shall pay all principal of and interest on the Bonds only to the Securities Depository (or the Nominee), and all such payments shall discharge the City's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. Except as provided in paragraph (c) below, no person other than the Securities Depository shall receive an authenticated Bond certificate. Upon delivery by the Securities Depository to the City of written notice to the effect that the Securities Depository has determined to substitute a new Nominee in place of Cede & Co., the Bonds shall be transferable to such new Nominee in accordance with the provisions of this Ordinance.

(c) In the event the City determines, consistent with the operating rules of the Securities Depository, that it is in the best interest of the City not to continue the book-entry only system of transfer with respect to the Bonds, or that the interests of the Beneficial Owners might be adversely affected if the book-entry only system of transfer is continued with respect to the Bonds, then the City may notify the Securities Depository of such determination, whereupon the Securities Depository will notify the participants of the availability through the Securities Depository of Bond certificates. In such event, the Registrar shall issue, transfer and exchange Bond certificates as requested by the Securities Depository and any Participant or Beneficial Owner in appropriate amounts in accordance with this Ordinance. The Securities Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law or the City may determine that the Securities Depository is incapable of discharging its duties as such and may so advise the Securities Depository. In either such event, the City shall either (A) establish its own book-entry only system, (B) locate another Securities Depository, or (C) deliver Bond certificates as provided herein and as requested by any Participant or Beneficial Owner, subject to the rules and procedures of the Securities Depository.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payment with respect to the principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided in the Representations Letter.

(e) In connection with any notice or other communications to be provided to the Holders of Bonds pursuant to this Ordinance by the City with respect to any consent or other action to be taken by the Holders of Bonds, the City shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Such early notice to DTC shall be given when DTC is the Securities Depository.

[End of Article III]

REDEMPTION OR PURCHASE OF BONDS

Authorization of Redemption

(a) Optional Redemption. All Bonds maturing subsequent to April 1, 2030, shall be subject to redemption at any time on and after April 1, 2030 at the option of the City, in whole or in part, but if in part in the order determined by the City, at the Redemption Price equal to the par amount of the principal amount of the Bonds to be redeemed, together in each case, with accrued interest to the date fixed for redemption. Provided, however, that the City Administrator is hereby authorized to make any such adjustment to the redemption provisions set forth in the preceding sentence as he, upon the advice of the Financial Advisor, shall determine prior to offering the Bonds for sale.

(b) Mandatory Redemption. In the event the City Administrator, upon the advice of the Financial Advisor, shall determine that a portion of the Bonds shall be Term Bonds subject to mandatory sinking fund redemption prior to their stated maturity date:

(1) Such Term Bonds, to the extent not previously redeemed, shall be redeemed at a redemption price of one hundred percent (100%) of the applicable principal amount, plus interest accrued to the redemption date, on the applicable April 1.

(2) The amount of any such mandatory sinking fund redemptions shall be reduced to the extent Term Bonds of the applicable maturity have been purchased by the City or redeemed by the City pursuant to **Section 4.01(a)** above, in such manner as the City shall direct, or, absent such direction, on a pro rata basis.

(3) At its option, to be exercised on or before the 45th day next preceding any date set for scheduled mandatory redemption with respect to the Term Bonds, the City may (i) deliver to the Paying Agent for cancellation Term Bonds in any aggregate principal amount desired or (ii) receive a credit in respect of its scheduled mandatory redemption payment obligation for any Term Bonds which prior to said date have been redeemed (otherwise than through a scheduled mandatory redemption) and cancelled by the Paying Agent and not theretofore applied as a credit against any scheduled mandatory redemption payment obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Paying Agent at 100% of the principal amount thereof against the obligation of the City on such scheduled mandatory redemption payment date; and the principal amount of such Term Bonds to be redeemed by operation of scheduled mandatory redemption shall be accordingly reduced.

(4) The City will on or before the 45th day next preceding each date set for scheduled mandatory redemption with respect to the Term Bonds, furnish to the Paying Agent a certificate indicating whether or not and to what extent the provisions of (i) and (ii) of the preceding paragraph are to be availed of with respect to such scheduled mandatory redemption and confirm that monies equal to the balance of such redemption payment will be paid on or before the next succeeding date set for scheduled mandatory redemption.

City's Election to Redeem

In the event that the City shall, in accordance with the provisions of **Section 4.01**, elect to redeem Bonds, it shall give notice by City Request to the Registrar and Paying Agent of each optional redemption. Each City Request shall specify the date fixed for redemption and the Bonds which are to be redeemed. Such notice shall be given at least 60 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Registrar.

Notice of Redemption

(a) When any Bonds are to be redeemed, the Registrar shall give notice of the redemption of the Bonds in the name of the City specifying (i) the Bonds and maturities to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Bonds Outstanding are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; and (vi) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. The Registrar shall mail by registered mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the registered Holders of all Bonds or portions of Bonds which are to be redeemed at their addresses which appear upon the registration books, but failure to so mail any such notice to any of such Holders shall not affect the validity of the proceedings for the redemption of Bonds held by Holders to whom written notice has been mailed. The obligation of the Registrar to give the notice required by this **Section 4.03** shall not be conditioned upon the prior payment to the Paying Agent of money or the delivery to the Paying Agent of Authorized Investments or Government Obligations sufficient to pay the Redemption Price of the Bonds to which such notice relates or the interest thereon to the redemption date.

(b) Notice of redemption having been given as provided in subsection (a) hereof, the Bonds or portions thereof so to be redeemed shall, on the date fixed for redemption, become due and payable at the Redemption Price specified therein plus accrued interest to the redemption date, and upon presentation and surrender thereof at the place specified in such notice, such Bonds or portions thereof shall be paid at the Redemption Price, plus accrued interest to the redemption date. On and after the redemption date (unless the City shall default in the payment of the Redemption Price and accrued interest), such Bonds shall cease to bear interest, and such Bonds shall no longer be considered as Outstanding hereunder. If money sufficient to pay the Redemption Price and accrued interest has not been made available by the City to the Paying Agent on the redemption date, such Bonds shall continue to bear interest until paid at the same rate as they would have borne, had they not been called for redemption, until the same shall have been paid.

Selection by Registrar of Bonds to be Redeemed

(a) If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds or portions of Bonds to be redeemed shall be selected, not less than 45 days prior to the date fixed for redemption, by the Registrar by lot or in such other manner as the Registrar in its discretion may deem fair and appropriate; provided that the selection shall be in accordance with the rules of the Securities Depository.

(b) In making such selection, the Registrar shall treat each Bond to be redeemed as representing that number of Bonds of the lowest authorized denomination as is obtained by dividing the principal amount of such Bond by such denomination. If any Bond is to be redeemed in part, the portion to be so redeemed shall be in a principal amount of an authorized denomination.

(c) The Registrar shall promptly notify the City in writing of the Bonds so selected for redemption.

Deposit of Redemption Price

On or before any date fixed for redemption of any Bonds, cash and/or a principal amount of non-callable Government Obligations maturing or redeemable at the option of the Holder thereof not later than the date fixed for redemption which, together with income to be earned on such Government Obligations prior to such date fixed for redemption, will be sufficient to provide cash to pay the Redemption Price of and accrued interest on all Bonds or portions thereof which are to be redeemed on such date, shall be deposited with the Paying Agent unless such amount shall have been previously deposited with the Paying Agent.

Partial Redemption of Bonds

In the event part but not all of a Bond Outstanding shall be selected for redemption, upon presentation and surrender of such Bond by the Holder thereof or his attorney duly authorized in writing (with, if the City or the Paying Agent so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the City and the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) to the Registrar, the City shall execute and the Registrar shall authenticate and deliver to or upon the order of such Holder, without charge therefor, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of any authorized denomination of like tenor. Bonds so presented and surrendered shall be cancelled in accordance with **Section 3.13** hereof.

Purchases of Bonds Outstanding

Purchases of Bonds Outstanding may also be made by the City at any time with money available to it from any source. Upon any such purchase the City shall deliver such Bonds to the Registrar for cancellation.

[End of Article IV]

SALE OF BONDS; APPROVAL OF OFFICIAL STATEMENT

Determination of Time to Receive Bids – Form of Notice of Sale

The Bonds shall be sold at public sale, at a price of not less than par. Bids shall be received at a time and on a date to be selected by the City Administrator. The form of the Official Notice of Sale, and the conditions of sale, shall be substantially those set forth in *Exhibit B* attached hereto and made a part hereof. The said Bonds shall be advertised for sale in, at the discretion of the City Administrator, *The Bond Buyer* or *The Greenville News*, or both, which advertisement(s) shall each appear at least once, not less than seven (7) days before the date set for said sale. The date of sale may be adjusted in accordance with Section 11-27-40 of the South Carolina Code. The form of the advertisement(s) may be an abbreviated form of the Official Notice of Sale as shown in *Exhibit C* attached hereto and made a part hereof.

Award of Bonds

Upon the receipt of bids for the purchase of the Bonds, unless all bids are rejected, the City Administrator shall award the Bonds to the bidder offering to purchase them at the lowest net interest cost to the City, as determined pursuant to **Section 3.15** hereof.

Approval of Official Statement

The Council hereby authorizes the distribution of a Preliminary Official Statement of the City in connection with the sale of the Bonds, with any modification as the City Administrator approves and hereby authorizes the City Administrator to deem it final within the meaning of S.E.C. Rule 15(c)(2)-12. The Preliminary Official Statement may be distributed in electronic as well as print format. The Council further authorizes and approves the distribution and delivery of a final Official Statement in print and electronic format by the successful bidders in connection with the reoffering and sale of the Bonds by the successful bidder. The City Administrator is hereby authorized and directed to execute copies of the Official Statement and deliver them to the purchaser of the Bonds.

[End of Article V]

DISPOSITION OF PROCEEDS OF SALE OF BONDS

Disposition of Bond Proceeds Including Temporary Investments

The proceeds derived from the sale of the Bonds issued pursuant to this Ordinance shall be paid to the City, to be deposited in a Bond Account Fund for the City, and shall be expended and made use of by the City as follows:

(a) any premium shall be applied to the payment of the first installment of debt service of such Bonds;

(b) the remaining proceeds shall be expended and made use of by the Council to defray the cost of issuing the Bonds and to defray the costs of constructing and acquiring the Project or such other project as approved by supplemental ordinance pursuant to Section 10.01 hereof. Pending the use of Bond proceeds, the same shall be invested and reinvested by the City in Authorized Investments. Subject to the obligation of the City to rebate certain investment earnings to the United States Treasury in accordance with Section 148(f) of the Code, earnings from such investments shall be applied, at the direction of the Council, either (i) to defray the cost of the Project and if not required for this purpose, then (ii) to pay the first installments of debt service on the Bonds; and

(c) if any balance remains, it shall be held by the City in a special fund and used to effect the retirement of the Bonds authorized by this Ordinance;

provided, that neither the purchaser nor any Holder of the Bonds shall be liable for the proper application of the proceeds thereof.

[End of Article VI]

DEFEASANCE OF BONDS

Discharge of Ordinance – Where and How Bonds are Deemed to Have Been Paid and Defeased

If all of the said Bonds issued pursuant to this Ordinance and all interest thereon shall have been paid and discharged, then the obligations of the City under this Ordinance and all other rights granted hereby shall cease and determine. The Bonds shall be deemed to have been paid and discharged within the meaning of this **Article VII** under each of the following circumstances:

(a) The Paying Agent shall hold, at the stated maturities of the Bonds, in trust and irrevocably appropriated thereto, sufficient moneys for the payment of the Principal Installment and interest thereof; or

(b) If default in the payment of the principal of the Bonds or the interest thereon shall have occurred on any Bond Payment Date, and thereafter tender of such payment shall have been made, and at such time as the Paying Agent shall hold in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or

(c) If the City shall elect to provide for the payment of the Bonds prior to their stated maturities and shall have deposited with the Paying Agent in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with the Paying Agent at the same time, shall be sufficient to pay when due the Principal Installment or Redemption Price and interest, due and to become due on the Bonds on and prior to their maturity dates or redemption dates, as the case may be. In the event that the City shall elect to redeem Bonds prior to their stated maturities, the City shall proceed in the manner prescribed by **Article IV** hereof.

Neither the Government Obligations nor moneys deposited with the Paying Agent pursuant to this **Section 7.01** nor the principal or interest payments thereon shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal Installment of, or Redemption Price and interest on, said Bonds; provided that any cash received from such principal or interest payments on Government Obligations deposited with the Paying Agent, if not then needed for such purpose, shall to the extent practicable, be invested and reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal Installment or Redemption Price and interest to become due on said Bonds on the redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments not required for the payment of the Principal Installment, or Redemption Price and interest, may be paid over to the City, as received by the Paying Agent, free and clear of any trust, lien or pledge.

[End of Article VII]

CONCERNING THE FIDUCIARIES

Fiduciary; Appointment and Acceptance of Duties

If the City determines not to be the Paying Agent and Registrar hereunder, the financial institution chosen hereunder to act initially as Paying Agent and Registrar hereunder, shall accept the duties and trusts imposed upon it by this Ordinance and shall agree in writing to perform such trusts but only upon the terms and conditions set forth in this **Article VIII**. Similarly, each financial institution appointed as a successor Registrar or as a successor Paying Agent, if the City itself is not so appointed, shall signify its acceptance of the duties and trusts imposed by this Ordinance by a written acceptance.

Responsibilities of Fiduciaries

The recitals of fact herein and in the Bonds shall be taken as the statements of the City and no Fiduciary assumes any responsibility for the correctness of the same except in respect of the authentication certificate of the Registrar endorsed on the Bonds. No Fiduciary makes any representations as to the validity or sufficiency of this Ordinance or of any Bonds or as to the security afforded by this Ordinance, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof or to advance any of its own moneys, unless indemnified to its reasonable satisfaction. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

Evidence on Which Fiduciaries May Act

(a) Each Fiduciary, upon receipt of any notice, ordinance, resolution, request, consent order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Ordinance, shall examine such instrument to determine whether it conforms to the requirements of this Ordinance and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be counsel to the City, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Ordinance in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter to be proved or established prior to taking or suffering any action under this Ordinance, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Ordinance upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided in this Ordinance any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the City to any Fiduciary shall be sufficiently executed if executed in the name of the City by an Authorized Officer.

Compensation

The City shall pay to each Fiduciary from time to time reasonable compensation based on the then standard fee schedule of the Fiduciary for all services rendered under this Ordinance, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Ordinance.

Certain Permitted Acts

Any Fiduciary may become the owner or underwriter of any Bonds, notes or other obligations of the City or conduct any banking activities with respect to the City, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depository for, and permit any of its officers or directors to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Ordinance.

Resignation of Any Fiduciary

Any Fiduciary may at any time resign and be discharged of the duties and obligations created by this Ordinance by giving not less than 60 days written notice to the City and not less than 30 days written notice to the Holders of the Bonds as established by the books of registration prior to the next succeeding Bond Payment Date and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the City pursuant to **Section 8.08** hereof in which event such resignation shall take effect immediately on the appointment of such successor. In no event, however, shall such a resignation take effect until a successor has been appointed.

Removal of Fiduciary

Any Fiduciary may be removed at any time (i) by an instrument or concurrent instruments in writing, filed with the City and such Fiduciary, and signed by the Bondholders representing a majority in principal amount of the applicable series of Bonds then Outstanding or their attorneys in fact duly authorized, excluding any Bonds held by or for the account of the City or (ii) by the City so long as no payment default has occurred with respect to the Bonds.

Appointment of Successor Fiduciaries

In case any Fiduciary hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the City. Every such Fiduciary appointed pursuant to the provisions of this **Section 8.08** shall be a trust company or bank organized under the laws of the United States of America or any state thereof and which is in good standing, within or outside the State of South Carolina, having a stockholders' equity of not less than \$500,000,000 if there be such an institution willing, qualified and able to accept the trust upon reasonable and customary terms.

If in a proper case no appointment of a successor Fiduciary shall be made by the City pursuant to the foregoing provisions of this **Section 8.08** within 45 days after any Fiduciary shall have given to the City written notice as provided in **Section 8.06** hereof or after a vacancy in the office of such Fiduciary shall have occurred by reason of its removal or inability to act, the former Fiduciary or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor.

Transfer of Rights and Property to Successor

Any successor Fiduciary appointed under this Ordinance shall execute, acknowledge and deliver to its predecessor, and also to the City, an instrument accepting such appointment. Thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Fiduciary, with like effect as if originally named in such capacity. The Fiduciary ceasing to act shall nevertheless, however, on the written request of the City, or of the successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of the predecessor Fiduciary in and to any property held by it under this Ordinance, and shall pay over, assign and deliver to the successor Fiduciary any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the City be required by such successor Fiduciary for more fully and certainly vesting in and confirming to such successor any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the City. Any such successor Fiduciary shall promptly notify other Fiduciaries and depositaries, if any, of its appointment as Fiduciary.

Merger or Consolidation

Any company into which any Fiduciary may be merged or converted or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which any Fiduciary may be party, or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, and shall be authorized by law to perform all the duties imposed upon it by this Ordinance, shall with the consent of the City be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Adoption of Authentication

In case any of the Bonds contemplated to be issued under this Ordinance shall have been authenticated but not delivered, any successor Registrar may adopt the certificate of authentication of any predecessor Registrar so authenticating such Bonds and may deliver such Bonds so authenticated. In case any such Bonds shall not have been authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in the name of the successor Registrar, and in all such cases such certificate shall be of full force and effect.

[End of Article VIII]

CERTAIN TAX CONSIDERATIONS

General Tax Covenant

The City will comply with all requirements of the Code in order to preserve the tax-exempt status of the Bonds, including without limitation, the requirement to file the information report with the Internal Revenue Service. 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 Bonds are not “arbitrage bonds” within the meaning of Section 148 of the Code.

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 Bonds to become includable in the gross income of the Holder thereof for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder. Without limiting the generality of the foregoing, the City represents and covenants that:

(a) All property financed or refinanced by the net proceeds of the Bonds will be owned by the City in accordance with the rules governing the ownership of property for federal income tax purposes.

(b) The City shall not permit the proceeds of the Bonds or any facility financed or refinanced with the proceeds of the Bonds to be used in any manner that would result in (a) ten percent (10%) or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any natural person or in any activity carried on by a person other than a natural person other than a governmental unit as provided in Section 141(b) of the Code, or (b) five percent (5%) or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code.

(c) The City is not a party to, nor will the City enter into, any contracts with any person for the use or management of any facility financed or refinanced with the proceeds of the Bonds that do not conform to the guidelines set forth in Revenue Procedure 2017-13, as amended.

(d) The City will not sell or lease any property financed or refinanced by the Bonds to any person unless it obtains the opinion of nationally recognized bond counsel that such lease or sale will not affect the tax exemption of the Bonds.

(e) The Bonds will not be federally guaranteed within the meaning of Section 149(b) of the Code. The City will not enter into any leases or sales or service contracts with respect to any facility financed or refinanced with the proceeds of the Bonds with any federal government agency unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax exemption of the Bonds.

Rebate

(a) In addition to the covenants contained in **Sections 9.01** and **9.02** hereof, the City covenants that:

(1) It will comply with the provisions of Section 148(f) of the Code and applicable Treasury Regulations pertaining to the rebate of certain investment earnings on the proceeds of the Bonds to the United States Government. In this connection, the City covenants to compute, on or before the dates required of it in Section 148(f) of the Code and the applicable Treasury Regulations, the rebateable amounts, if any, pertaining to the Bonds and to pay to the United States Government in a timely fashion all amounts required to be so paid under said Section 148(f) and applicable Treasury Regulations with respect to the Bonds. In this respect, the City will pay to the United States Government in the manner described in subparagraph (a)(2) below an amount equal to the sum of:

(i) the excess of:

a. The amount earned on all non-purpose investments (as defined in the Treasury Regulations) with respect to the Bonds over

b. The amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield (as defined in the Treasury Regulations) on the Bonds, plus

(ii) any income attributable to such excess.

(2) Such payments shall be made to the United States Government, at the address prescribed in Section 148(f) of the Code and applicable Treasury Regulations, as follows:

(i) Not less frequently than once each five (5) years after the date of issuance of the Bonds, an amount such that, together with prior amounts paid to the United States Government, the total paid to the United States Government is equal to ninety percent (90%) of the amount due as of the date of such payments, and

(ii) Not later than sixty (60) days after the date on which all of the Bonds have been paid in full, all of the amount due as of the date of payment.

Qualified Tax-Exempt Obligations

It is expected that during calendar year 2020 the City and all entities subordinate thereto will not borrow on a tax-exempt basis (other than private activity bonds which are not qualified 501(c)(3) bonds as defined in Section 145 of the Code) in the aggregate an amount exceeding \$10,000,000. The Bonds are hereby accordingly designated as “qualified tax-exempt obligations” in accordance with Section 265(b)(3)(B) of the Code.

[End of Article IX]

AMENDING AND SUPPLEMENTING OF ORDINANCE

Amending and Supplementing of Ordinance Without Consent of Holders of Bonds

(a) The Council, from time to time and at any time and without the consent or concurrence of any Holder of any Bond, may enact an ordinance amendatory hereof or supplemental thereto, if the provisions of such supplemental ordinance shall not materially adversely affect the rights of the Holders of the Bonds then outstanding, for any one or more of the following purposes:

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

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

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

(4) To grant or confer upon the Bondholders any additional right, remedies, powers, authority or security that lawfully may be granted to or conferred upon them; or

(5) To make such additions, deletions or modifications as may be necessary to assure compliance with Section 148(f) of the Code relating to required rebate to the United States or otherwise as

may be necessary to assure the exclusion from gross income of interest on the Bonds for purposes of federal income taxation.

(b) The City shall not enact any supplemental ordinance authorized by the foregoing provisions of this **Section 10.01** unless in the opinion of counsel (which opinion may be combined with the opinion required by **Section 10.04** hereof) the enactment of such supplemental ordinance is permitted by the foregoing provisions of this **Section 10.01** and the provisions of such supplemental ordinance do not adversely affect the rights of the Holders of the Bonds then outstanding.

Amending and Supplementing of Ordinance With Consent of Holders of Bonds

(a) With the consent of the Holders of not less than a majority in principal amount of the Bonds then Outstanding the Council from time to time and at any time may enact an ordinance amendatory hereof or supplemental hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Ordinance, or modifying or amending the rights and obligations of the City under this Ordinance, or modifying or amending in any manner the rights of the Holders of the Bonds then Outstanding; provided, however, that, without the specific consent of the Holder of each such Bond which would be affected thereby, no supplemental ordinance amending or supplementing the provisions hereof shall: (i) change the fixed maturity date of any Bond or the dates for the payment of interest thereon or the terms of the redemption thereof, or reduce the principal amount of any Bond or the rate of interest thereon or the redemption price (or the redemption premium) payable upon the redemption or prepayment thereof; (ii) reduce the aforesaid percentage of Bonds, the Holders of which are required to consent to any supplemental ordinance amending or supplementing the provisions of this Ordinance; or (iii) give to any Bond or Bonds any preference over any other Bond or Bonds secured hereby. Nothing in this paragraph contained, however, shall be construed as making necessary the approval of the Holders of the Bonds of the enactment of any supplemental ordinance authorized by the provisions of **Section 10.01** hereof.

(b) It shall not be necessary that the consents of the Holders of the Bonds approve the particular form of wording of the proposed amendment or supplement or of the supplemental ordinance affecting such amending or supplementing hereof pursuant to this **Section 10.02**. The City shall mail a notice at least once, not more than thirty (30) days after the effective date of such amendment or supplement of such amendment or supplement postage prepaid, to each Holder of Bonds then Outstanding at his address, if any, appearing upon the Books of Registry and to the Paying Agent, but failure to mail copies of such notice to any of the Holders shall not affect the validity of the supplemental ordinance effecting such amendments or supplements or the consents thereto. Nothing in this **Section 10.02(b)** contained, however, shall be construed as requiring the giving of notice of any amendment or supplement of this Ordinance authorized by **Section 10.01** hereof. No action or proceeding to set aside or invalidate such supplemental ordinance or any of the proceedings for its enactment shall be instituted or maintained unless such action or proceeding is commenced within sixty (60) days after the mailing of the notice required by this **Section 10.02(b)**.

Notation Upon Bonds; New Bonds Issued Upon Amendments

Bonds delivered after the effective date of any action taken as provided in this **Article X** may bear a notation as to such action, by endorsement or otherwise and in form approved by the City. In that case, upon demand of the Holder of any Bond Outstanding after such effective date and upon the presentation of the Bond for such purpose at the office of the Paying Agent, and at such additional offices, if any, as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. If the City shall so determine, new Bonds, so modified as in the opinion of the City upon the advice of counsel to conform to the amendments or supplements made pursuant to this **Article X**, shall be prepared, executed, and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged without cost to such Holder for Bonds then Outstanding, upon surrender of such Outstanding Bonds.

Effectiveness of Supplemental Ordinance

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

Supplemental Ordinance Affecting Fiduciaries

No supplemental ordinance changing, amending or modifying any of the rights, duties and obligations of any Fiduciary appointed by or pursuant to the provisions of this Ordinance may be enacted by the Council or be consented to by the Holders of the Bonds without written consent of such Fiduciary affected thereby.

[End of Article X]

MISCELLANEOUS

Failure to Present Bonds

Anything in this Ordinance to the contrary notwithstanding, any money held by the Paying Agent in trust for the payment and discharge of any of the Bonds, or the interest thereon, which remains unclaimed for such period of time, after the date when such Bonds have become due and payable, that the Holder thereof shall no longer be able to enforce the payment thereof, the Paying Agent shall at the written request of the City pay such money to the City as its absolute property free from trust. The Paying Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the City for the payment of such Bonds. Provided, however, the Paying Agent shall forward to the City all moneys which remain unclaimed during a period five (5) years from a Bond Payment Date; and further provided, however, that before being required to make any such payment to the City, the Paying Agent, at the expense of the City, may conduct such investigations as may in the opinion of the Paying Agent be necessary to locate the Holders or those who would take if the Holder shall have died.

Severability of Invalid Provisions

If any one or more of the covenants or agreements provided in this Ordinance 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 Ordinance.

Successors

Whenever in this Ordinance the City is named or referred to, it shall be deemed to include any entity, which may succeed to the principal functions and powers of the City; and all the covenants and agreements contained in this Ordinance by or on behalf of the City shall bind and inure to the benefit of said successor whether so expressed or not.

Ordinance to Constitute Contract

In consideration of the purchase and acceptance of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Ordinance shall be deemed to be and shall constitute a contract between the City and the Holders from time to time of the Bonds. Such provisions are covenants and agreements with such Holders 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 equal benefit, protection, and security of the Holders of any and all of the Bonds, all of which shall be of equal rank without preference, priority or distinction of any Bonds over any other Bonds.

Filing of Copies of Ordinance

Copies of this Ordinance shall be filed in the office of the City Clerk, the office of the Clerk of Court for Greenville County (as a part of the Transcript of Proceedings) and at the offices of the Paying Agent and Registrar.

Further Action by Officers of City

The proper officers of the City are fully authorized and empowered to take the actions required to implement the provisions of this Ordinance and to furnish such certificates and other proofs as may be required of them.

Continuing Disclosure

(a) Pursuant to Section 11-1-85 of the South Carolina Code, the City covenants to file with a central repository for availability in the secondary bond market when requested:

- (1) An annual independent audit, within thirty days of the City's receipt of the audit; and
- (2) Event specific information within thirty days of an event adversely affecting more than five percent of revenue or the City's tax base.

The only remedy for failure by the City to comply with the covenant in this **Section 11.07(a)** 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 (including any repeal of) Section 11-1-85, without the consent of any Bondholder.

(b) In addition, the City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Ordinance, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an event of default; 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 11.07(b)**. The Continuing Disclosure Undertaking shall be executed by an Authorized Officer prior to the delivery of the Bonds and shall be in such form as is set forth in *Exhibit E* hereto, together with such modifications and amendments thereto as shall be deemed necessary by such Authorized Officer, upon advice of counsel. 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.

Effective Date of this Ordinance

This Bond Ordinance shall take effect upon its second reading.

[End of Article XI]

DONE in meeting duly assembled, this 15th day of June, 2020.

CITY OF MAULDIN, SOUTH CAROLINA

Mayor

(SEAL)

Attest:

City Clerk

Approval of City Attorney as to form:

City Attorney

First reading: May 18, 2020
Second reading: June 15, 2020

EXHIBIT A
(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF MAULDIN
GENERAL OBLIGATION BONDS
SERIES 2020

No. R-_____ \$_____

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP
	April 1, 20____	_____, 2020	

Registered Holder:

Principal Amount: [_____] DOLLARS

CITY OF MAULDIN, SOUTH CAROLINA (the “*City*”) acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Holder (named above) or registered assigns, the Principal Amount set forth above on the Maturity Date stated above, unless this Bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Bond at the Corporate Trust Office of _____, in the City of _____, State of _____ (the “*Paying Agent*”), and to pay interest on such Principal Amount at the annual Interest Rate stated above (calculated on the basis of a 360-day year of twelve 30-day months), until the obligation of the City with respect to the payment of such Principal Amount shall be discharged.

This Bond bears interest from the original issue date 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 this Bond’s authentication. Interest on this Bond is payable on April 1 and October 1 (each, a “*Bond Payment Date*”) of each year beginning April 1, 2021. The interest so payable on any April 1 or October 1 shall be payable to the person in whose name this Bond is registered at the close of business on the 15th day of the March or on the 15th day of the September (each a “*Record Date*”) next preceding such April 1 or October 1.

The principal of all Bonds shall be payable at maturity at the Corporate Trust Office of the Paying Agent and payment of the interest on each Bond shall be made on each Bond Payment Date by the Paying Agent. Interest hereon shall be payable by check or draft mailed at the times provided in the Ordinance (as defined below) from the office of the Paying Agent to the person in whose name this Bond is registered on the applicable Record Date at the address shown on the registration books. The principal of, redemption premium, if any, and interest on this 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; provided, however, that payment of the interest on this Bond shall be effected by check or draft as set forth above.

This Bond is one of an issue of Bonds in the aggregate principal amount of _____ Dollars (\$_____) of like tenor, except as to number, rate of interest, date of maturity and redemption provisions and issued pursuant to and in accordance with the State Constitution and statutes of the State of South Carolina, including particularly the provisions of Article 5 of Chapter 21 of Title 5, as supplemented by Section 11-27-40, of the Code of Laws of South

Carolina 1976, as amended (collectively, the “*Enabling Act*”), and an Ordinance duly enacted by the City Council of the City on June 15, 2020 (the “*Ordinance*”).

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the City Clerk, in the offices of the Paying Agent and Registrar and in the office of the Clerk of Court of Greenville County, South Carolina.

For the prompt payment thereof, both principal and interest, as the same shall become due, the full faith, credit and taxing power of the City are irrevocably pledged.

This Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes. The Bonds are issuable only as fully registered Bonds without coupons in the denomination of \$5,000 or any multiple thereof not exceeding the principal amount of the Bonds maturing in each year.

This Bond is transferable, as provided in the Ordinance, only upon the registration books kept for that purpose at the Corporate Trust Office of the Registrar by the Registered Holder in person or by his duly authorized attorney, upon (i) surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his duly authorized attorney and (ii) payment of the charges, if any, prescribed in the Ordinance. Thereupon a new fully registered Bond or Bonds of like maturity, interest rate and redemption provisions and in a like aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance. The City, the Paying Agent and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or Redemption Price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of the Bonds, the City, the Paying Agent, or the Registrar 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.

So long as Cede & Co., as nominee of Depository Trust Company (“*DTC*”) is the Registered Owner of the Bonds, references in this Bond to the Bondholders or Registered Owners of the Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners.

The City, the Registrar and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purpose of the payment of the principal of or interest or premium, if any, on the Bonds, giving any notice permitted or required to be given to Bondholders under the Ordinance, registering the transfer of Bonds, obtaining any consent or action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The City, the Registrar and the Paying Agent shall not have any responsibility or obligation to any direct participant, any person claiming a beneficial ownership in the Bonds under or through DTC or any Direct Participant or any other person which is not shown on the Registration Books of the City (kept by the Registrar) as being a Bondholder with respect to: the accuracy of any records maintained by DTC or any Direct Participant; the payment by DTC or any Direct Participant of any amount in respect of the principal of or interest or premium, if any, on the Bonds; any notice which is permitted or required to be given to Bondholders thereunder or under the conditions for transfers or exchanges adopted by the City; or any consent given or other action taken by DTC as a Bondholder.

All Bonds maturing subsequent to April 1, 2030 shall be subject to redemption at any time at the option of the City, in whole or in part, but if in part in the order determined by the City, commencing April 1, 2030 and thereafter

at the Redemption Price equal to the par amount of the principal amount of the Bonds to be redeemed, together in each case, with accrued interest to the date fixed for redemption.

In the event that the City shall, in accordance with the provisions of Section 4.01 of the Ordinance, elect to redeem Bonds, it shall give notice by City Request to the Registrar and Paying Agent of each optional redemption. Each City Request shall specify the date fixed for redemption and the Bonds which are to be redeemed. Such notice shall be given at least 60 days prior to the date fixed for redemption or such lesser number of days as shall be acceptable to the Registrar.

[The Bonds maturing on April 1, ____, shall be subject to mandatory sinking fund redemption (to the extent not previously redeemed) at a redemption price of one hundred percent (100%) of such principal amount, plus interest accrued to the redemption date, on April 1 of each of the following years in the respective principal amounts for each year specified below:

<u>Year</u>	<u>Amount</u>
-------------	---------------

*Final Maturity

The amount of any mandatory sinking fund redemptions shall be reduced to the extent Bonds of the applicable maturity have been purchased by the City or redeemed by the City pursuant to any optional redemption provisions, in such manner as the City shall direct, or, absent such direction, on a pro rata basis.]

If less than all of the Bonds of like maturity are to be redeemed, the particular Bonds or portions of Bonds to be redeemed shall be selected not less than 45 days prior to the date fixed for redemption by the Registrar by lot. Bonds in a denomination of more than \$5,000 may be redeemed in part from time to time in one or more units of \$5,000 in the manner provided in the Ordinance.

In the event that any Bonds are to be called for redemption as aforesaid, the Paying Agent shall give notice of the redemption of the Bonds in the name of the City specifying (i) the principal amount and the maturities of the Bonds to be redeemed; (ii) the redemption date; (iii) the Redemption Price; (iv) the numbers and other distinguishing marks of the Bonds to be redeemed unless all of the Outstanding Bonds are to be redeemed; (v) the place or places where amounts due upon such redemption will be payable; and (vi) in the case of Bonds to be redeemed in part only, the respective portions of the principal thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and that, from and after such date, interest thereon shall cease to accrue. The Paying Agent shall mail by registered mail a copy of such notice, postage prepaid, not less than 30 days before the redemption date to the Registered Holders of any Bonds or portions of Bonds which are to be redeemed at their last addresses appearing upon the registration books, but failure to so mail any such notice to any one of such Registered Holders shall not affect the redemption of those registered Bonds to whose Registered Holders such notice was mailed.

On the specified redemption date (unless the City shall default in the payment of the Redemption Price and accrued interest), all Bonds so called for redemption shall cease to bear interest, shall no longer be secured by the Ordinance and shall no longer be considered as Outstanding.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Statutes of the State of South Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have

been performed and have happened, that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by such State Constitution or Statutes, and that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on this Bond and the issue of Bonds of which this Bond is one.

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

IN WITNESS WHEREOF, the City of Mauldin, South Carolina has caused this Bond to be signed in its name by the Mayor of the City, and its corporate seal to be hereunto reproduced and attested to by the City Clerk.

(SEAL)

CITY OF MAULDIN, SOUTH CAROLINA

By: _____
Mayor

Attest:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Ordinance.

as Registrar

By: _____
Its: Authorized Officer

Date: _____

(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 Guaranteed

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

Authorized Individual or Officer

NOTICE: The signature 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.

EXHIBIT B

OFFICIAL NOTICE OF SALE

**\$ _____
CITY OF MAULDIN, SOUTH CAROLINA
GENERAL OBLIGATION BONDS
SERIES 2020**

Notice is hereby given that bids will be received by the City of Mauldin, South Carolina (the “City”), for the purchase of all, but not a part, of the City’s \$ _____ General Obligation Bonds, Series 2020 (the “Bonds”), as more fully described herein. The bids will be received in the manner and until the time specified below (unless postponed as described herein).

Delivery of Bids: Proposals may only be delivered via *PARITY*®. Electronic proposals will be received via *PARITY*®, in the manner described below, until 11:00 a.m. (EDT), on _____, 2020. No bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in *PARITY*® conflict with this Notice, the terms of this Notice shall control. For further information about *PARITY*®, potential bidders may contact Bond Counsel – Brad Love, Haynsworth Sinkler Boyd, P.A., at (864) 240-3388 or *PARITY*® at (212) 849-5021.

Either the City Administrator or his designee will publicly read the bids at the time and date set forth above. Unless all bids are rejected, the Bonds will be awarded to the bidder offering the lowest net interest cost to the City.

Bonds: The Bonds will be issued under the DTC Book-Entry Only System. The Bonds will be dated as of _____, 2020; will be in denominations of \$5,000 each or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; and will mature in successive annual installments on April 1 in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
-------------	-----------------------------	-------------	-----------------------------

The aggregate principal amount and the principal amount of each maturity of the Bonds described above are subject to adjustment, both before and after the receipt and review of bids for their purchase. Such changes prior to the sale will be announced through the Bloomberg Wire or the Bond Buyer Wire not later than 9:00 a.m. prevailing local time on the date of sale and will be used to compare bids and select a winning bidder. As promptly as reasonably practicable after the bids are opened, the City will notify the bidder to whom the Bonds will be awarded, if and when such award is made, and such bidder, upon such notice, shall advise the City of the initial reoffering prices and yields to the public of each maturity of the Bonds. Such reoffering prices and yields, among other things, will be used by the City to calculate the final aggregate principal amount of the Bonds and the final principal amount of each maturity. It is anticipated that the final aggregate principal amount of the Bonds and the final principal amount for each maturity of the Bonds will be communicated to the successful bidder within 24 hours of the bond sale. The dollar amount bid for principal by the successful bidder will be adjusted proportionately to reflect any reduction or increase in the aggregate principal amount of the Bonds, but the coupon rates specified by the successful bidder for all maturities will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

The Bonds will bear interest from the date thereof payable April 1, 2021 and semiannually on April 1 and October 1 of each year thereafter.

Qualified Bond: The Bonds are designated as “qualified tax-exempt obligations” as defined in Section 265 of the Internal Revenue Code of 1986, as amended.

Purpose: The proceeds of the Bonds will be used to defray the costs of various transportation improvements throughout the City including improvements to roads, trails, sidewalks and greenways and to pay costs of issuance of the Bonds.

Security: The Bonds will constitute a binding general obligation of the City. For the payment of the principal and interest thereof, as they respectively mature, and to create such sinking fund to aid in the retirement and payment thereof, the full faith, credit and taxing power of the City will be irrevocably pledged, and there will be levied and collected annually upon all taxable property in the City an ad valorem tax, without limitation as to rate or amount, sufficient for such purposes.

Redemption Provisions: The Bonds maturing on or prior to April 1, 2030 are not subject to redemption prior to maturity. The Bonds maturing subsequent to April 1, 2030 shall be subject to redemption on and after April 1, 2030, at the option of the City, in whole or in part at any time, but if in part, in such maturities as designated by the City and by lot as to Bonds or portions of Bonds within a maturity (but only in integral multiples of \$5,000), at the redemption price of par, together in each case, with accrued interest to the date fixed for redemption.

Term Bonds: Bidders may combine two or more consecutive maturities of Bonds to create one or more term maturities, each of which will be subject to annual mandatory sinking fund redemption at par plus accrued interest to the redemption date (to the extent not previously redeemed) in the principal amounts for the years shown above on April 1 of such year. To the extent Bonds subject to mandatory sinking fund redemption in a given year have been purchased by the City or redeemed by the City pursuant to the optional redemption provisions set forth above, the amount of mandatory sinking fund redemption in such year shall be reduced in such manner as the City shall direct, or, absent such direction, on a pro rata basis.

Registrar/Paving Agent: _____ has been designated as Registrar/Paying Agent.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 of 1% with no greater difference than four (4%) percent between the highest and lowest rates of interest named by a bidder. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. A bid for less than all the Bonds will not be considered. Any premium offered must be paid in cash as part of the purchase price. The City Administrator reserves the right to reject any and all bids or to waive irregularities in any bid.

Reoffering Price: To provide the City with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986, as amended, relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the successful bidder will be required to complete, execute, and deliver to the City, at the time that the Bonds are delivered, a "Certificate of Reoffering Price." If the successful bidder will not reoffer the Bonds for sale or has not sold a substantial amount of the Bonds of any maturity by the date of delivery, such certificate may be modified in the manner approved by the City. In no event will the City fail to deliver the Bonds as a result of the successful bidder's inability to certify actual sales of Bonds at a particular price prior to delivery. Each bidder, by submitting its bid, agrees to complete, execute, and deliver such a certificate by the date of the delivery of the Bonds if its bid is accepted by the City. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certifications with reasonable certainty.

Form of Bid: Each bid must be submitted through *PARITY*[®]. Every bid must be unconditional and irrevocable. Each bid must be in accordance with the terms and conditions set forth in this Official Notice of Sale.

Basis for Award: If satisfactory bids are received, the Bonds will be awarded to the lowest responsible bidder by the City not later than 24 hours after the time established for the receipt of bids. The lowest bidder shall be the bidder offering to purchase the Bonds at the lowest net interest cost to the City. For the purpose of determining lowest net interest cost, the aggregate of interest on the Bonds from the dated date of the Bonds, which is the original issue date, until final maturity, less any sum named by way of premium, shall be determined on each bid and the smallest amount to be paid by the City shall reflect lowest net interest cost. In the event that two or more bidders have bid the same net interest cost, the award shall be made by lot. The determination by the City of the net interest cost of each bid and the City's award of the bid will be final.

CUSIP Numbers: CUSIP identification numbers and CUSIP Service Bureau charges for assignment of the numbers will be the responsibility of the successful bidder and should be provided to the City within five (5) days of being selected as the winning bidder, but any delay, error or omission with respect thereto shall not constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale. The successful bidder shall also be responsible for securing DTC eligibility.

Preliminary and Final Official Statements: The City has distributed an Official Statement in connection with the sale of the Bonds in preliminary form (the “*Preliminary Official Statement*”). The City, by accepting the bid of the successful bidder, (a) certifies to such successful bidder as of the date of acceptance of such bid that the Preliminary Official Statement furnished prior to the date of such acceptance has been “deemed final” as of its date by the City within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“*Rule 15c2-12*”), although subject to revision, amendment and completion; and (b) agrees to provide such successful bidder, in order to permit such successful bidder to comply with Rule 15c2-12, with an electronic version or up to 50 printed copies of the final Official Statement approved by the City in relation to the sale by the City of the Bonds within the period of time allowed under Rule 15c2-12, at the sole cost and expense of the City, with any additional printed copies which such successful bidder shall reasonably request to be provided at the sole cost and expense of the successful bidder. Such successful bidder, by executing its bid, agrees to comply with all applicable provisions of Rule 15c2-12. Such successful bidder shall notify the City of the date which is the “end of the underwriting period” within the meaning of Rule 15c2-12. Copies of the Preliminary Official Statement may be obtained at the offices listed in this Official Notice of Sale under the caption “**Additional Information.**”

In the Ordinance enacted by the City Council on June 15, 2020, the City has committed to provide certain annual information and notices of material events as required by Rule 15c2-12 as promulgated by the Securities and Exchange Commission and as described in the Official Statement.

The successful bidder’s obligation to purchase the Bonds shall be conditioned upon its receiving, at or prior to the delivery of the Bonds, in form and substance reasonably satisfactory to the successful bidder, a copy of the continuing disclosure undertaking set forth above, which shall constitute a written agreement for the benefit of the Holders of the Bonds as required by Rule 15c2-12.

Blue Sky Laws: The City has not undertaken to register the Bonds under the securities laws of any state, nor has the City investigated the eligibility of any institution or person to purchase or participate in the underwriting of the Bonds under any applicable legal investment, insurance, banking or other laws. By submitting a bid for the Bonds, the Purchaser represents that the sale of the Bonds in states other than South Carolina will be made only under exemptions from registration or, wherever necessary, the Purchaser will register the Bonds in accordance with the securities laws of the state in which Bonds are offered or sold. The City agrees to cooperate with the Purchaser, at the Purchaser’s written request and expense, in registering the Bonds or obtaining an exemption from registration in any state where such action is necessary, but shall not be required to consent to service of process in any such state.

Legal Opinion: The City shall furnish upon delivery of the Bonds the final approving opinion of Haynsworth Sinkler Boyd, P.A., Greenville, South Carolina, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds.

Certificates as to Issue Price and Yield:

- (a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an “*issue price*” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Exhibit A*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel.
- (b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “*competitive sale*” for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the “*competitive sale requirements*”) because:
 - (1) the City shall disseminate this Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
 - (2) all bidders shall have an equal opportunity to bid;
 - (3) the City may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

- (c) In the event that the City does not receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds, the City shall so advise the winning bidder. The City shall treat the first price at which 10% of a maturity of the Bonds (the “*10% test*”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. The City will not require bidders to comply with the “*hold-the-offering-price rule*.” Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Bidders should prepare their bids on the assumption that all of the maturities of the Bonds will be subject to the 10% test in order to establish the issue price of the Bonds.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Bonds, the winning bidder agrees to promptly report to the City the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold.

By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to report the prices at which it sells to the Public the unsold Securities of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among Underwriters relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such retail distribution agreement to report the prices at which it sells to the Public the unsold Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the Public, if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires.

Sales of any Bonds to any person that is a related party to an Underwriter shall not constitute sales to the Public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (1) “*Public*” means any person other than an Underwriter or a related party,
- (2) “*Underwriter*” means (A) any person that agrees pursuant to a written contract with the City (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public),
- (3) a purchaser of any of the Bonds is a “*related party*” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as

applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

- (4) “*sale date*” means the date that the Bonds are awarded by the City to the winning bidder.

Delivery: The Bonds will be delivered on or about _____, 2020, in New York, New York through the facilities of The Depository Trust Company, at the expense of the City. The purchase price then due must be paid in federal funds or other immediately available funds.

Postponement: The City reserves the right to postpone from time to time the date established for receipt of bids. The City will communicate any such change in the sale date through the Bloomberg Wire or the Bond Buyer Wire prior to the time bids are to be received. If any date fixed for the receipt of bids and the sale of the Bonds is postponed, any alternative sale date will be announced through the Bloomberg Wire or the Bond Buyer Wire at least 48 hours prior to such alternative sale date. On any such alternative sale date, any bidder may submit a bid for the purchase of the Bonds in conformity in all respects with the provisions of this Official Notice of Sale, except for the date of sale and except for the changes announced through the Bloomberg Wire or the Bond Buyer Wire at the time the sale date and time are announced.

Continuing Disclosure: A description of the City’s undertaking with respect to the Continuing Disclosure Undertaking is set forth in the Preliminary Official Statement.

Additional Information: For copies of the Preliminary Official Statement and Official Notice of Sale, please go to www.munios.com.

s/ Brandon Madden
City Administrator, City of Mauldin, South Carolina

Dated: _____, 2020

EXHIBIT A

\$ _____
CITY OF MAULDIN, SOUTH CAROLINA
GENERAL OBLIGATION BONDS
SERIES 2020

ISSUE PRICE CERTIFICATE

_____, the undersigned, hereby certifies to the City of Mauldin, South Carolina (the “City”) as set forth below with respect to the sale of the above-captioned obligations (the “Bonds”).

[IF THREE QUALIFYING BIDS ARE RECEIVED:

Reasonably Expected Initial Offering Prices. As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by _____ are the prices listed in Schedule A (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by _____ in formulating its bid to purchase the Bonds. Attached as Schedule B is a true and correct copy of the bid provided by _____ to purchase the Bonds.

_____ was not given the opportunity to review other bids prior to submitting its bid.

The bid submitted by _____ constituted a firm offer to purchase the Bonds.]

[IF THREE QUALIFYING BIDS ARE NOT RECEIVED:

Sale of the Bonds. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.]

Defined Terms.

“**Maturity**” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

“**Public**” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “**related party**” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

“**Sale Date**” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2020.

“**Underwriter**” means (i) any person that agrees pursuant to a written contract with the City (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents _____’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the

federal income tax rules affecting the Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G and other federal income tax advice that it may give to the City from time to time relating to the Bonds.

By: _____

Name: _____

Dated: _____

EXHIBIT C

SUMMARY NOTICE OF SALE

\$ _____
CITY OF MAULDIN, SOUTH CAROLINA
GENERAL OBLIGATION BONDS
SERIES 2020

Electronic bids (via *PARITY*[®]) will be received by the City of Mauldin, South Carolina (the “*Issuer*”) pursuant to the Official Notice of Sale dated _____, 2020.

Sale Date: _____, 2020

Sale Time: 11:00 a.m., Eastern Time Zone

Bonds Dated: _____, 2020

Form of Bonds: Book-entry only; \$5,000 denominations.

Interest Payments: April 1 and October 1, commencing April 1, 2021.

Maturity: Payable April 1, 2020 through April 1, 20__, inclusive.

Redemption Provisions: The Bonds maturing on or prior to April 1, 2030 are not subject to redemption prior to maturity. The Bonds maturing subsequent to April 1, 2030 shall be subject to redemption on and after April 1, 2030, at the option of the Issuer, in whole or in part at any time, but if in part, in such maturities as designated by the Issuer and by lot as to Bonds or portions of Bonds within a maturity (but only in integral multiples of \$5,000), at the redemption price of par, together, with accrued interest to the date fixed for redemption.

Legal Opinion: Haynsworth Sinkler Boyd, P.A., Greenville, South Carolina.

**Official Notice of Sale
and Preliminary**

Official Statement: Available at www.munios.com.

For the payment of principal and interest on the Bonds, as they respectively mature, the full faith, credit, and taxing power of the Issuer are pledged. See “THE BONDS – Security” in the Preliminary Official Statement for a description.

This Notice is given to evidence the Issuer’s intent to receive bids for and award the Bonds on the date stated above. Such sale may be postponed upon notice given prior to the time bids are to be received as disseminated by the Bloomberg Wire or the Bond Buyer Wire. If canceled, the sale may be thereafter rescheduled and notice of such rescheduled date of sale will be disseminated at least 48 hours prior to the time for receipt of bids by the Bloomberg Wire or the Bond Buyer Wire.

EXHIBIT D

NOTICE OF ADOPTION

NOTICE IS HEREBY GIVEN that the City Council of the City of Mauldin, South Carolina, on June 15, 2020, enacted an Ordinance entitled: “AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING THREE MILLION DOLLARS (\$3,000,000) CITY OF MAULDIN, SOUTH CAROLINA, GENERAL OBLIGATION BONDS, SERIES 2020; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO” (the “*Ordinance*”) which authorized the issuance of not exceeding \$3,000,000 General Obligation Bonds (the “*Bonds*”) of the City of Mauldin, South Carolina (the “*City*”). The proceeds of the Bond will be used to defray the costs of various transportation improvements throughout the City including improvements to roads, trails, sidewalks and greenways, which purposes will serve a public and corporate purpose of the City and benefit the general welfare of the City.

Unless a notice, signed by not less than five (5) qualified electors of the City, of the intention to seek a referendum is filed in the office of the Clerk of Court of Greenville County and the office of the City Clerk of the City in accordance with Section 11-27-40(8), Code of Laws of South Carolina, 1976, as amended, the initiative and referendum provisions of South Carolina law contained in Section 5-17-20, Code of Laws of South Carolina, 1976, as amended, shall not be applicable to the Ordinance. The notice of intention to seek a referendum must be filed within twenty (20) days following the publication of this notice.

City Administrator, City of Mauldin, South Carolina

EXHIBIT E

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “*Disclosure Undertaking*”) is executed and delivered by the City of Mauldin, South Carolina (the “*Issuer*”) pursuant to Securities and Exchange Commission Rule 15c2-12 (the “*Rule*”) and in connection with the issuance of \$_____ General Obligation Bonds, Series 2020, of the Issuer (the “*Bonds*”). The Bonds are being issued pursuant to an Ordinance enacted _____, 2020 (the “*Ordinance*”). The Issuer represents, covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Issuer for the benefit of the Holders and Beneficial Owners and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 hereof.

“*Beneficial Owner*” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“*Dissemination Agent*” shall mean the Issuer or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“*Financial Obligation*” shall mean (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee or either (i) or (ii). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

“*Holdings*” or “*Holdings of the Bonds*” shall mean the registered owners of the Bonds.

“*Listed Events*” shall mean any of the events listed in Section 5 hereof.

“*National Repository*” shall mean the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (“*EMMA*”) system at www.emma.msrb.org or any successor National Repositories as determined by the Securities and Exchange Commission.

“*Official Statement*” shall mean the official statement of the Issuer dated _____, 2020, prepared in connection with the issuance of the Bonds.

“*Participating Underwriter*” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“*Repository*” shall mean each National Repository and each State Depository, if any.

“*Rule*” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“*State*” shall mean the State of South Carolina.

“*State Depository*” shall mean any public or private repository or entity designated by the State as a state information depository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date of this Disclosure Undertaking, there is no State Depository.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than the end of the eventh month after the end of the Issuer’s fiscal year (currently, June 30) commencing with the report for the fiscal year ending June 30, 2020, provide to each Repository an Annual Report which is consistent with the requirements of Section 4 hereof. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by cross-reference other information as provided in Section 4 hereof; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Issuer’s fiscal year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 5.

(b) Not later than fifteen (15) business days prior to the date specified in subsection (a) above for providing the Annual Report to Repositories, the Issuer shall provide the Annual Report to the Dissemination Agent, if such is appointed. If the Issuer is unable to provide to the Repositories an Annual Report by the date required in subsection (a) above, the Issuer shall send a notice to the National Repositories, the Municipal Securities Rulemaking Board and the State Depository, if any, in a timely manner in substantially the form attached as Schedule I.

(c) The Dissemination Agent, if any, shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of each National Repository and the State Depository, if any; and

(ii) (if the Dissemination Agent is other than the Issuer) file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Reports. The Issuer’s Annual Report shall contain or include by reference the Issuer’s complete audited financial statements for the preceding fiscal year prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer’s audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a) hereof, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement and the audited financial statements shall be filed in the same manner as the Annual Report when they become available. The following shall also be filed as part of the Annual Report:

1. Ad valorem property tax collections for the preceding fiscal year;
2. Assessed values of property for the preceding fiscal year;
3. Ten largest taxpayers for the preceding fiscal year; and
4. The amount of any general obligation indebtedness incurred in the preceding fiscal year.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer or related public entities which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Issuer shall clearly identify each such other document so included by reference.

The Issuer may discharge its undertaking described above by transmitting the documents referred to above to any entity and by any method authorized by the Securities and Exchange Commission.

SECTION 5. Reporting of Significant Events.

Unless otherwise required by the Securities and Exchange Commission pursuant to the provisions of this Section 5, the Issuer shall give or cause to be given, to the Repositories, notice of the occurrence of any of the following events with respect to the Bonds, in a timely manner not in excess of ten (10) business days after the occurrence thereof:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications to rights of Holders of the Bonds, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution or sale of property securing repayment of the Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership or similar event of the obligated person;
Note to Section 5(12): For the purposes of the event described in Section 5(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.
13. consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. appointment of a successor or additional trustee, or the change of name of a trustee, if material.
15. incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; or
16. default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

SECTION 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Undertaking. The initial Dissemination Agent shall be the Issuer.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Undertaking, any Holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Ordinance or the Bonds, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Issuer to comply with this Disclosure Undertaking shall be an action to compel performance.

SECTION 11. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Dissemination Agent, if any, the Participating Underwriter, Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

CITY OF MAULDIN, SOUTH CAROLINA

City Administrator

Date: _____, 2020

SCHEDULE I

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: CITY OF MAULDIN, SOUTH CAROLINA
Name of Bond Issue: \$ _____ GENERAL OBLIGATION BONDS, SERIES 2020
Date of Issuance: _____, 2020
CUSIP Prefix: 577421

NOTICE IS HEREBY GIVEN that the above-named Issuer has not provided an Annual Report with respect to the above-named Bonds. The Issuer anticipates that the Annual Report will be filed by_____.

CITY OF MAULDIN, SOUTH CAROLINA

By: _____
City Administrator

Date: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

CERTIFICATE OF ORDINANCE

I, the undersigned, City Clerk of the City of Mauldin, South Carolina (the “*City*”) **DO HEREBY CERTIFY:**

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance which was given two readings on two separate days, with an interval of at least six days between the readings by the City Council of the City (the “*City Council*”). The original of this Ordinance is duly entered in the permanent records of minutes of meetings of the City Council, in my custody as such City Clerk.

That each of said meetings was duly called, and all members of the City Council were notified of the same; that a quorum of the membership remained throughout the proceedings incident to the adoption of this Ordinance.

IN WITNESS WHEREOF, I have hereunto set my Hand this 15th day of June, 2020.

City Clerk
City of Mauldin, South Carolina

First reading: May 18, 2020
Second reading: June 15, 2020

THIRD SUPPLEMENTAL ORDINANCE NO. _____

A THIRD SUPPLEMENTAL ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF NOT EXCEEDING \$2,900,000 CITY OF MAULDIN, SOUTH CAROLINA ACCOMMODATIONS TAX AND HOSPITALITY TAX REVENUE BONDS, IN ONE OR MORE SERIES; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED by the City Council of the City of Mauldin (the “*Council*”), the governing body of the City of Mauldin, South Carolina (the “*City*”):

Section 1. Findings of Fact.

As an incident to the enactment of this ordinance, and the issuance of the bonds provided for herein, the Council finds that the facts set forth in this **Section 1** exist and the following statements are in all respects true and correct:

(a) On October 18, 2010, the Council enacted a General Bond Ordinance (the “*General Bond Ordinance*”) providing for the issuance of Accommodations Tax and Hospitality Tax Revenue Bonds.

(b) On February 17, 2014 the Council enacted a Second Supplemental Ordinance providing for the issuance and sale of its \$875,000 City of Mauldin, South Carolina Accommodations Tax and Hospitality Tax Revenue Bond, Series 2014B (the “*Series 2014B Bond*”), which is currently Outstanding in the principal amount of \$507,302.

(d) The Council has determined that it is in the best interest of the City to issue a Series of Bonds for the purposes of defraying the costs of the acquisition, construction, renovation, installation and equipping of a pedestrian bridge (the “*Project*”), and (ii) paying Costs of Issuance related thereto.

Section 2. Definitions. The terms defined above and in this **Section 2** and all words and terms defined in the General Bond Ordinance (the General Bond Ordinance, as from time to time amended or supplemented by Supplemental Ordinances, being defined as the “*Ordinance*”) (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this Third Supplemental Ordinance have the respective meanings given to them in the Ordinance and in this **Section 2**.

“*2020 Construction Fund*” shall mean the Construction Fund established pursuant to **Section 6** hereof.

“*Commitment Letter*” shall mean the commitment letter, term sheet, bond purchase agreement or purchase contract, as the case may be, of the Purchaser relating to the purchase of the Series 2020 Bonds.

“*Continuing Disclosure Undertaking*” means that certain Continuing Disclosure Undertaking, if any, relating to the Series 2020 Bonds, hereby authorized to be executed by the City Administrator on behalf of the City and dated the date of issuance and delivery of the Series 2020 Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Interest Payment Date” shall mean, with respect to the Series 2020 Bonds, April 1, 2021, and any April 1 or October 1 thereafter until the principal of the Series 2020 Bonds has been paid in full.

“Project” shall mean the acquisition, construction, renovation, installation and equipping of a pedestrian bridge.

“Purchaser” shall mean the successful purchaser of the Series 2020 Bonds pursuant to a commitment letter or term sheet of the successful purchaser, if privately placed, or pursuant to a purchase contract or bond purchase agreement between the City and the successful investment banking firm, if publicly offered.

“Series 2020 Bonds” shall mean the City’s Accommodations Tax and Hospitality Tax Revenue Bonds, Series 2020, in the aggregate principal amount of not exceeding \$2,900,000 authorized to be issued hereunder in one or more Series.

Section 3. Authorization of Series 2020 Bonds, Maturities and Interest Rate.

(a) There is hereby authorized to be issued one or more Series of Bonds designated “Accommodations Tax and Hospitality Tax Revenue Bonds, Series 2020” (the **“Series 2020 Bonds”**) in the total principal amount of not exceeding Two Million Nine Hundred Thousand Dollars (\$2,900,000) for the purpose of providing funds for defraying the Project Costs and paying the Costs of Issuance of the Series 2020 Bonds. The Series 2020 Bonds may be issued in one or more Series for the purpose described in this **Section 3**.

(b) The Series 2020 Bonds shall be issued in one or more Series and, at the direction of the City Administrator, upon advice of the City’s Municipal Advisor, as either fully-registered Bonds in the denominations of \$5,000 and integral multiples of \$5,000 or as a single fully-registered Bond in the denomination of \$2,900,000 or such lesser amount as is actually issued. If more than one Series of Bonds is issued hereunder, the Series designation will reflect such multiple Series as deemed appropriate by the City Administrator by naming such subsequent Series “Series 2020A Bonds” and so forth. The Series 2020 Bonds shall be dated as of their date of delivery, shall mature on April 1 in the years and in the principal amounts, and shall be subject to mandatory sinking fund redemption on such dates and in such amounts, if any, as approved by the City Administrator, upon advice of the Municipal Advisor, provided that the aggregate principal amount may not exceed \$2,900,000 and the final maturity date shall not be later than April 1, 2040. The Series 2020 Bonds shall bear interest at such rate or rates as agreed to by the City and the Purchaser to be set forth in the Commitment Letter of the Purchaser; provided that the net interest rate shall not exceed 5.0% per annum. The Series 2020 Bonds shall be numbered R-1 and upward, as needed.

(c) Principal of and premium, if any, on the Series 2020 Bonds when due, shall be payable by the City without presentation or surrender of the Series 2020 Bonds. Interest on the Series 2020 Bonds shall be payable from the date of initial issuance of the Series 2020 Bonds. No accrued interest shall be due. Interest on the Series 2020 Bonds (calculated on the basis of a 360-day year of twelve 30-day months) shall be payable on each Interest Payment Date, in each case to the Holders as of the immediately preceding Record Date, interest to be paid by check or draft mailed to each Holder at his address as it appears on the Books of Registry maintained by the City; provided that payment to a Holder of \$1,000,000 or more may be made by wire transfer to an account within the continental United States in accordance with written instructions filed with the City no later than the Record Date.

(d) The Series 2020 Bonds shall be executed on behalf of the City by the Mayor and the City Administrator and attested by the City Clerk and be in substantially the form attached hereto as **Exhibit**

A, with any necessary or appropriate variations, omissions, and insertions as are incidental to the series, numbers, denominations, maturities, interest rate or rates, redemption provisions, the purpose of issuance, and other details thereof or as are otherwise permitted or required by law or by the Ordinance, including this Third Supplemental Ordinance.

Section 4. Optional Redemption of the Series 2020 Bonds. The Series 2020 Bonds shall be subject to redemption prior to maturity upon the terms directed by the City Administrator, upon advice of the City's Municipal Advisor, and such terms shall be included or provided for in the Commitment Letter.

Section 5. Book-Entry System; Recording and Transfer of Ownership of Series 2020 Bonds. If the Series 2020 Bonds are sold as publicly offered Bonds and at the direction of the City Administrator, upon advice of the City's Municipal Advisor, the Series 2020 Bonds will be available only in book-entry form in principal amounts of \$5,000 or any integral multiple thereof. In such case, the Depository Trust Company, New York, New York ("**DTC**"), will act as securities depository for the Series 2020 Bonds, and the ownership of one fully registered Series 2020 Bond for each maturity, each in the aggregate principal amount of such maturity, will be registered in the name of Cede & Co., as nominee for DTC.

So long as Cede & Co., as nominee of DTC, is the registered owner of the Series 2020 Bonds, references in this Supplemental Ordinance to the Bondholders or registered owners of the Series 2020 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners. The City, the trustee, if any, the Registrar and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Series 2020 Bonds registered in its name for the purpose of payment of the principal of or interest or premium, if any, on the Series 2020 Bonds, giving any notice permitted or required to be given to Bondholders under the Ordinance, registering the transfer of Series 2020 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The City, the trustee, if any, the Registrar and the Paying Agent shall not have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the Series 2020 Bonds under or through DTC or any DTC Participant, or any other person which is not shown on the registration books kept by the Registrar as being a Bondholder, with respect to the accuracy of any records maintained by DTC or any DTC Participant; the payment by DTC or any DTC Participant of any amount in respect of the principal of or interest or premium, if any, on the Series 2020 Bonds; any notice which is permitted or required to be given to Bondholders thereunder or under the conditions to transfers or exchanges adopted by the City or the trustee, if any; or any consent given or other action taken by DTC as a Bondholder.

While the book-entry system is used for the Series 2020 Bonds, the City or the trustee, if any, will give any notice of redemption or any other notice required to be given to holders of the Series 2020 Bonds only to DTC.

Neither the City, the trustee, if any, the Registrar nor the Paying Agent will have any responsibility or obligation to such DTC Participants, or the persons for whom they act as nominees, with respect to payments actually made to DTC or its nominee, Cede & Co., as registered owner of the Series 2020 Bonds in book-entry form, or with respect to the providing of notice for the DTC Participants, the Indirect Participants, or the Beneficial Owners of the Series 2020 Bonds in book-entry form.

For every transfer and exchange of a beneficial ownership interest in the Series 2020 Bonds, a Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto. If for any such reason the system of book-entry-only transfers through DTC is discontinued, Series 2020 Bond certificates will be delivered in fully registered form in

denominations of \$5,000 or any integral multiple thereof in the names of Beneficial Owners or DTC Participants; provided, however, that in the case of any such discontinuance the City may within 90 days thereafter appoint a substitute securities depository which, in the City's opinion, is willing and able to undertake the functions of DTC upon reasonable and customary terms.

In the event the book-entry system is discontinued, the persons to whom Series 2020 Bond certificates are delivered will be treated as "Bondholders" for all purposes of the Ordinance, including the giving to the City or the trustee, if any, of any notice, consent, request or demand pursuant to the Ordinance for any purpose whatsoever. In such event, the Series 2020 Bonds will be transferable to such Bondholders, interest on the Series 2020 Bonds will be payable as provided in Section 3(c) hereof.

Section 6. 2020 Construction Fund.

(a) There is hereby created and established the 2020 Construction Fund to be held in a separate account of the City. Withdrawals from the 2020 Construction Funds shall be made only for the purposes of paying Project Costs and Costs of Issuance.

(b) Promptly after the completion of the Project Date, the City shall transfer any moneys held in the 2020 Construction Fund and not needed to pay Project Costs or Costs of Issuance to the Debt Service Fund and such funds shall be used only to (i) pay the principal of, premium, if any, and interest on the Series 2020 Bonds; (ii) acquire outstanding Series 2020 Bonds at a price (exclusive of accrued interest) not exceeding the face amount thereof; or (iii) be applied to other lawful purposes as permitted under the Enabling Act, provided an opinion of Bond Counsel is provided to the City that such disposition will not jeopardize the tax-exemption of interest on the Series 2020 Bonds.

Section 7. ~~Reserved~~ Amendment to Section 6.03(b) of the General Bond Ordinance.

Upon (i) the issuance of the Series 2020 Bonds, (ii) the City's receipt of the consent of the Holder of the Series 2014B Bond as to the following amendment, and (iii) the delivery to the City of an opinion of Bond Counsel to the effect that such amendment has been lawfully enacted in accordance with the provisions of the General Bond Ordinance and is in full force and effect, then Section 6.03(b) of the General Bond Ordinance shall be deemed, as of such time and without further action by the Council, amended and restated in its entirety to read as follows:

Section 6.03 Debt Service Fund.

(b) There shall be transferred by the Custodian from the Pledged Fee Revenue Fund to the City or the Trustee, if such has been appointed, for deposit into the Debt Service Fund sufficient moneys so as to comply with the following provisions for the payment of the Principal and Interest Requirements on the Bonds then Outstanding:

(i) On or before the twenty-fifth day of the month immediately preceding each interest payment date into the Interest Account of the Debt Service Fund, that amount which, together with any other funds on deposit from whatever source in the Interest Account of the Debt Service Fund which will be applied to the next interest payment, will provide sufficient funds to pay the aggregate amount of interest to become due on the Bonds on the next interest payment date. If any Bonds are issued with provision that the interest rate thereon is subject to adjustment from time to time, the City shall provide in the Supplemental Ordinance pursuant to which the Bonds are issued for any further and additional or alternate credits to the Interest Account as are necessary to provide for the payment of interest thereon when due, taking into account any other funds as will be available for that payment. In making the transfers required by this paragraph, any

amounts credited to the Interest Account representing accrued interest received on the sale of Bonds, interest accruing during the month in which the credit is made from capitalized proceeds of Bonds, and any other transfers and credits otherwise made or required to be made to the Interest Account shall be taken into consideration and allowed for.

(ii) On or before the twenty-fifth day of the month immediately preceding each date upon which the installment of principal on any Serial Bond falls due into the Principal Account of the Debt Service Fund, that amount which, together with any other funds on deposit from whatever source in the Principal Account of the Debt Service Fund which will be applied to the payment of principal next to become due, will provide sufficient funds to pay the aggregate amount of the principal of Serial Bonds to become due on the next principal payment date.

(iii) On or before the twenty-fifth day of the month immediately preceding each date upon which a mandatory redemption of Term Bonds of a Series falls due an amount such that the aggregate of the amount so credited to the Bond Redemption Account for the purpose of redeeming the Term Bonds of that Series would be equal to the amount (excluding accrued interest) required to redeem the principal amount of those Term Bonds required by the sinking fund installment then falling due on the Term Bonds of that Series. At any time before Bonds of a Series subject to redemption from amounts deposited pursuant to this paragraph have been selected for redemption, or after the redemption date thereof, the City may, in lieu of making all or any portion of a payment with respect to that Series of Bonds required by this paragraph, deliver to the City Clerk or the Trustee, if a Trustee has been appointed, for cancellation Bonds of that Series subject to redemption from amounts so paid, in which event the payments required by this paragraph shall be reduced by the applicable redemption price of the Bonds delivered for cancellation. The Trustee or the City Clerk, as applicable, shall apply the moneys credited to the Bond Redemption Account as mandatory redemption requirements to the retirement of the Term Bonds of each Series by redemption in accordance with the Supplemental Ordinance providing for the issuance of that Series of Bonds, without further authorization or direction, on each mandatory redemption date with respect to the Term Bonds of that Series; provided, however, that if the last mandatory redemption requirement for the Term Bonds becomes due on the stated maturity date thereof, the amount of the mandatory redemption requirement may be applied to the payment thereof at maturity. The Trustee shall, if so directed in writing by the City, or the City, if no Trustee has been appointed, shall apply the moneys credited to the Bond Redemption Account as mandatory redemption requirements for the retirement of the Term Bonds of a Series to the purchase of the Bonds at a purchase price (including accrued interest and any brokerage or other charge) not to exceed the redemption price then applicable upon the redemption of those Bonds from mandatory redemption requirements, plus accrued interest, in which event the principal amount of the Bonds required to be redeemed on the next ensuing mandatory redemption date shall be reduced by the principal amount of the Bonds purchased; provided, however, that no Bonds of the Series shall be purchased during the interval between the date on which notice of redemption of the Bonds from mandatory redemption requirements is given and the mandatory redemption date set forth in the notice, unless the Bonds so purchased are Bonds called for redemption in the notice or are purchased from moneys other than those credited to the Bond Redemption Account with respect to the mandatory redemption requirements.

In the event that moneys in the Bond Redemption Account, other than moneys credited thereto as mandatory redemption requirements, are to be applied to the retirement of one or more Series of Bonds, the City may direct in writing the Trustee, or the City may determine, if no Trustee has been appointed, within thirty (30) days of the deposit of the moneys to apply the moneys to the purchase of Bonds of that Series and may direct from which of the Series of Bonds purchases may be made and may elect that all purchases shall be made from only one Series or from more than one Series. The price payable on any purchase shall not exceed the highest redemption price applicable at the time or any time thereafter with respect to the Series of Bonds. Any moneys not applied to the purchase of Bonds shall be applied to the redemption of Bonds of any Series then subject to redemption from those moneys. In the event that the moneys may be applied to the redemption of more than one Series of Bonds, the moneys shall be applied by the Trustee or the City, if applicable, to the redemption of Bonds of each Series in proportion to which the principal amount of Bonds of each Series then Outstanding and subject to redemption from the moneys bears to the total principal amount of Bonds of all Series then Outstanding and subject to redemption from the moneys. The purchase or redemption of Term Bonds pursuant to this paragraph shall be credited against the mandatory redemption requirement of the Term Bonds in any order of the mandatory redemption dates as determined by the City in writing. The Trustee or the City Clerk, as applicable, shall keep and retain accurate records of application of each deposit of funds under this paragraph. Neither the City nor the Trustee shall be required to redeem Bonds pursuant to this paragraph if the moneys available for redemption are less than \$50,000. The City or the Trustee, in the name and on behalf of the City, shall give notice of all redemptions in accordance with the provisions of Article V hereof. Any purchase of Bonds pursuant to this paragraph may be made with or without tenders of Bonds at public or private sale; provided, however, the City shall direct the Trustee, if so appointed, in writing in any method to be followed in purchasing Bonds. The accrued interest to be paid on the purchase or redemption of Bonds shall be paid from the Interest Account. All Bonds purchased or redeemed pursuant to this paragraph shall be cancelled and not reissued.

(iv) — If, on any occasion when the payments required by paragraphs (i), (ii), and (iii), *supra*, are to be made, the sum total of the payments required by paragraphs (i), (ii), and (iii), *supra*, plus previous payments and the remaining payments to be made prior to the next succeeding interest or principal and interest payment date, will not provide, together with any other funds in the Debt Service Fund to be applied to the payment of principal and interest, sufficient funds to meet the payment of the next succeeding installment of either principal (whether due at stated maturity or by mandatory redemption) or interest, or both, as the case may be, there shall be added to the payments to be made pursuant to paragraphs (i), (ii), and (iii), *supra*, with respect to any Series of Bonds, from the Pledged Fee Revenue Fund and the account, if any, in the Debt Service Reserve Fund established with respect to that Series of Bonds, in that order, a sum equal to the deficiency; the effect of this subparagraph (iv) being to ensure that moneys in the Debt Service Fund and the Pledged Fee Revenue Fund be applied equally and ratably to the payment of Bonds, without priority between Series, but that the moneys, if any, in the Debt Service Reserve Fund account established with respect to any Series of Bonds be applied solely to the payment of debt service on the Bonds of that Series.

Section 8. Use and Disposition of Series 2020 Bond Proceeds. Upon the delivery of the Series 2020 Bonds and receipt of the proceeds thereof, such proceeds shall be deposited into the 2020 Construction Fund with to be utilized to pay Project Costs and Costs of Issuance of the Series 2020 Bonds. Such proceeds shall be invested at the direction of the City in investments authorized for political subdivisions under State law.

Section 9. Certain Findings and Determinations. The City finds and determines:

(a) This Third Supplemental Ordinance supplements the Ordinance, constitutes and is a “Supplemental Ordinance” within the meaning of the quoted term as defined and used in the General Bond Ordinance, and is enacted under and pursuant to the Ordinance.

(b) The Series 2020 Bonds constitute and are “Bonds” within the meaning of the quoted word as defined and used in the Ordinance.

(c) The Pledged Fee Revenues pledged under the Ordinance are not encumbered by any lien or charge thereon or pledge thereof, other than the lien and charge thereon and pledge thereof created by the General Bond Ordinance, as amended and supplemented, providing for payment and security of the Bonds.

(d) As of the date hereof, the Series 2014B Bonds constitute the only Outstanding obligations of the City secured by the Pledged Fee Revenues, and the Series 2020 Bonds have been authorized to be issued pursuant to the Ordinance and this Third Supplemental Ordinance.

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

(f) The Series 2020 Bonds are being issued to defray the Project Costs and to pay Costs of Issuance related thereto.

(g) There is no Debt Service Reserve Requirement for the Series 2020 Bonds and there was not a Debt Service Reserve Requirement for the Series 2014B Bonds.

(h) An estimate of the Project Costs is \$2,900,000.

Section 10. Continuing Disclosure.

(a) Pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended, the City has covenanted to file with a central repository for availability in the secondary bond market, when requested, an annual independent audit, within 30 days of its receipt of the audit; and event specific information within 30 days of an event adversely affecting more than five (5%) percent of its revenue or tax base. The only remedy for failure by the City to comply with the covenant in this **Section 10(a)** shall be an action for specific performance of this covenant. The City specifically reserves the right to amend or repeal this covenant to reflect any change in or repeal of Section 11-1-85, without the consent of any Bondholder.

(b) In addition, if the Series 2020 Bonds are sold as publicly offered Bonds, the City hereby covenants and agrees for the benefit of the Holders of the Series 2020 Bonds that it will execute and deliver a Continuing Disclosure Undertaking to the Purchaser on the date of delivery of the Series 2020 Bonds in the form approved by the City Administrator, and that it will comply with and carry out all of

the provisions of such Continuing Disclosure Undertaking. Notwithstanding any other provision of this Supplemental Ordinance, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an Event of Default under the Ordinance; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this paragraph.

Failure to comply with either paragraph (a) or (b) of this **Section 10** shall not constitute an Event of Default hereunder or under the Series 2020 Bonds.

Section 11. Award of Series 2020 Bonds; Official Statement.

(a) The Series 2020 Bonds are authorized to be sold to the Purchaser pursuant to the Commitment Letter, the form of which is to be approved by the City Administrator. The City Administrator is authorized to execute the Commitment Letter on behalf of the City provided the terms thereof are consistent herewith.

(b) If the Series 2020 Bonds are to be sold as publicly offered Bonds, the provisions of this **Section 11(b)** will apply. In such event, the Council hereby authorizes the use and distribution of the Preliminary Official Statement of the City relating to the Series 2020 Bonds, with any modification as the City Administrator approves, in connection with the sale of the Series 2020 Bonds, and hereby authorizes the City Administrator to deem it final within the meaning of S.E.C. Rule 15(c)(2)-12; the Council further authorizes the preparation and distribution of the final Official Statement following the sale of the Series 2020 Bonds. The City Administrator is hereby authorized and directed to execute copies of the Official Statement and deliver them to the Purchaser. The City hereby authorizes the use of the Official Statement and the information contained therein in connection with the public offering and sale of the Series 2020 Bonds by the Purchaser.

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

(d) The Council hereby authorizes and directs all of the officers and employees of the City to carry out or cause to be carried out all obligations of the City under the Ordinance and to perform all other actions as they shall consider necessary or advisable in connection with the issuance, sale, and delivery of the Series 2020 Bonds.

Section 12. Tax Exemption of Series 2020 Bonds.

(a) The Series 2020 Bonds and the interest thereon shall be exempt from all State, county, municipal, school district, and all other taxes or assessments in the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, or transfer taxes.

(b) The City shall not take any action or permit or suffer any action to be taken if the result would be to cause the Series 2020 Bonds to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(c) The City shall not take, or permit or suffer to be taken, any action with respect to the gross proceeds of the Series 2020 Bonds which would cause the Series 2020 Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code.

(d) Notwithstanding anything in this Ordinance to the contrary, the City, upon the advice of its Municipal Advisor, may issue all or a portion of the Series 2020 Bonds as federally taxable bonds.

Section 13. Interested Parties. Nothing in the Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City and the Registered Holders of the Series 2020 Bonds, any right, remedy or claim under or by reason of the Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in the Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the Registered Holders of the Series 2020 Bonds.

Section 14. Additional Provisions. As supplemented herein, the General Bond Ordinance remains in full force and effect and shall govern the issuance of the Series 2020 Bonds.

Section 15. Additional Documents. The Mayor, the City Administrator, the Finance Director and the City Clerk, acting jointly or individually, are each fully authorized and empowered to take any further action and to execute and deliver any closing documents or agreements as may be necessary and proper to effect the issuance and delivery of the Series 2020 Bonds in accordance with the terms and conditions herein set forth, and the action of the officers or any one or more of them in executing and delivering any documents or agreements, in the form as he, she, or they shall approve, is hereby fully authorized.

Section 16. Section Headings; Table of Contents. The headings and titles of the several sections hereof, and any Table of Contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation, or effect of this Third Supplemental Ordinance.

Section 17. Effective Date. This Third Supplemental Ordinance shall become effective immediately upon its enactment.

DONE in meeting duly assembled this 15th day of June, 2020.

CITY OF MAULDIN, SOUTH CAROLINA

Mayor

ATTEST:

City Clerk

First Reading: May 18, 2020
Second Reading: June 15, 2020

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF MAULDIN
ACCOMMODATIONS TAX AND
HOSPITALITY TAX REVENUE BOND
SERIES 2020

NO. R-__ \$ _____

INTEREST RATE MATURITY DATE ORIGINAL ISSUE DATE

REGISTERED HOLDER: _____

PRINCIPAL SUM: _____ AND NO/100 DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the City of Mauldin, South Carolina (the “City”), a body politic and corporate and a municipal corporation organized and existing under the laws of the State of South Carolina (the “State”), is justly indebted, and, for value received, hereby promises to pay, but only from the Pledged Fee Revenues (as defined in the Ordinance as hereinafter defined) pledged to the payment hereof, to the Registered Holder, or registered assigns, hereof on the Maturity Date set forth above, the Principal Sum set forth above subject to the principal maturity schedule set forth below (unless this bond be subject to redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), and to pay interest on the Principal Sum from the date hereof or from the April 1 or October 1 next preceding the date of authentication to which interest shall have been paid, unless the date of authentication is an April 1 or October 1 to which interest shall have been paid, in which case from that date, interest being payable to the maturity hereof on April 1 and October 1 of each year (those dates being hereinafter referred to as the “Interest Payment Dates”), commencing April 1, 2021, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months), until payment of the Principal Sum.

Principal of this Bond is payable on April 1 in each of the years and in the amounts as follows:

Year Principal Amount Year Principal Amount

The interest so payable and to be punctually paid or duly provided for on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the Interest Payment Date (the “Regular Record Date”), mailed to the Registered Holder hereof by the City at his address as it appears on the registration books (the “Books of Registry”) of the City or at any other address as is

furnished in writing by the Registered Holder to the City; provided that payment to any Registered Holder of \$1,000,000 or more of the Series 2020 Bonds (as hereinafter defined) may be made by wire transfer to an account in the continental United States in accordance with written instructions filed thereto no later than the Regular Record Date. The principal of and premium, if any, of this bond, when due, shall be payable without presentation or surrender. Both the principal of and interest on this bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

THIS BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF SECTION 6-1-760 UTILIZING THE PROCEDURES OF TITLE 6, CHAPTER 17 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED (COLLECTIVELY, THE “**ENABLING STATUTE**”), AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN ANY STATE CONSTITUTIONAL PROVISIONS (OTHER THAN ARTICLE X, SECTION 14, PARAGRAPH 10 OF THE CONSTITUTION OF THE STATE OF SOUTH CAROLINA, 1895, AS AMENDED, AUTHORIZING OBLIGATIONS PAYABLE SOLELY FROM SPECIAL SOURCES PERMITTED THEREIN) OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWERS OF THE CITY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND.

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

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

This bond shall not be entitled to any benefit under the Ordinance (as hereinafter defined) or become valid or obligatory for any purpose until it shall have been authenticated by the execution of the Certificate of Authentication which appears hereon by the signature of an authorized officer of the City as Bond Registrar.

This bond is in the principal amount of _____ Dollars (\$ _____) (the “**Series 2020 Bonds**”) and is issued pursuant to a General Bond Ordinance enacted by the City Council of the City on October 18, 2010, and a Third Supplemental Ordinance enacted by the City Council of the City on _____, 2020 (collectively, the “**Ordinance**”), and under and in full compliance with the Constitution and Statutes of the State, including particularly Article X, Section 14, Paragraph 10 of the Constitution of the State of South Carolina, 1895, as amended, and the Enabling Statute, to obtain funds to (i) defray the Project Costs and (ii) pay Costs of Issuance related thereto (all as defined in the Ordinance).

[The Series 2020 Bond is issuable only as a single fully registered bond in the principal amount of \$_____.]

[The Series 2020 Bonds shall be subject to redemption prior to maturity, at the option of the City Council, _____, at the redemption price of _____, together, in each case, with the interest accrued on the principal amount to the date fixed for redemption.]

In the event any portion or all of the Series 2020 Bonds shall be called for redemption, notice of redemption shall be given by first-class mail, not less than thirty (30) days and not more than sixty (60) days prior to the redemption date, to the Registered Holder of the Series 2020 Bond to be redeemed in whole or in part at the address shown on the Books of Registry. Interest on the Series 2020 Bonds or portion thereof to be redeemed shall cease to accrue from and after the redemption date specified in the notice, unless the City defaults in making due provisions for the payment of the redemption price thereof.

All principal, interest, or other amounts due hereunder shall be payable only to the Registered Holder hereof. The City will maintain the Books of Registry for the registration or transfer of this bond. This bond may not be transferred except by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the City as Bond Registrar duly executed by the Registered Holder of this bond or his duly authorized attorney. Any purported assignment in contravention of the foregoing requirements shall be, as to the City, absolutely null and void. The person in whose name this bond shall be registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of and interest on this bond shall be made only to or upon the order of the Registered Holder or his legal representative. All payments made in this manner shall be valid and effective to satisfy and discharge the liability of the City upon this bond to the extent of the sum or sums paid. No person other than the Registered Holder shall have any right to receive payments, pursue remedies, enforce obligations, or exercise or enjoy any other rights under this bond against the City. Notwithstanding the foregoing, nothing herein shall limit the rights of a person having a beneficial interest in this bond as against a person (including the Registered Holder) other than the City, as in the case where the Registered Holder is a trustee or nominee for two or more beneficial owners of an interest in this bond.

The City shall not be required (a) to exchange or transfer the Series 2020 Bonds (i) from the Regular Record Date to the next succeeding Interest Payment Date or (ii) for a period of fifteen (15) days following any selection of the Series 2020 Bonds to be redeemed or thereafter until after the first publication or mailing of any notice of redemption or (b) to transfer the Series 2020 Bonds called for redemption.

The principal of, premium, if any, and interest on the Series 2020 Bonds are payable solely from the Pledged Fee Revenues (as defined in the Ordinance). The pledge of and lien on the Pledged Fee Revenues made to secure the payment of the Series 2020 Bonds have priority over all other pledges of and liens on the Pledged Fee Revenues except the pledge and lien in favor of Bonds (as defined in the Ordinance) issued or to be issued under the Ordinance on a parity with the Series 2020 Bonds.

No recourse shall be had for the payment of the principal of, premium, if any, and interest on the Series 2020 Bonds against the several funds of the City, except in the manner and to the extent provided in the Ordinance, nor shall the credit or taxing power of the City be deemed to be pledged to the payment of the Series 2020 Bonds. The Series 2020 Bonds shall not be a charge, lien, or encumbrance, legal or equitable, upon any property of the City or upon any income, receipts, or revenues of the City, other than the Pledged Fee Revenues that have been pledged to the payment thereof, and this bond is payable solely from the Pledged Fee Revenues pledged to the payment thereof, and the City is not obligated to pay the same except from the Pledged Fee Revenues.

Whenever the terms of this bond require any action be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State, the action shall be taken on the first business day occurring thereafter.

The Ordinance contains provisions defining terms; sets forth the terms and conditions upon which the covenants, agreements, and other obligations of the City made therein may be discharged at or

prior to the maturity of this bond with provisions for the payment thereof in the manner set forth in the Ordinance; and sets forth the terms and conditions under which the Ordinance may be amended or modified with or without the consent of the Registered Holder of this bond. Reference is hereby made to the Ordinance, to all the provisions of which any Registered Holder of this bond by the acceptance hereof thereby assents.

IN WITNESS WHEREOF, THE CITY OF MAULDIN, SOUTH CAROLINA, has caused this bond to be signed in its name by the Mayor and the City Administrator of the City and attested by the City Clerk, under the Seal of the City, impressed or reproduced hereon.

CITY OF MAULDIN, SOUTH CAROLINA

(SEAL)

Mayor

City Administrator

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is the Bond designated herein and issued under the provisions of the within-mentioned Ordinance.

**CITY OF MAULDIN, SOUTH CAROLINA
as Bond Registrar**

Authorized Officer

Date of Authentication: _____

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants in entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - _____
(Cust)

Custodian _____
(Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used, though not in the above list.

ASSIGNMENT

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

DATED: _____

Signature Guaranteed: _____

NOTICE: Signature must be guaranteed by an institution who is a participant in the Securities Transfer Agent Medallion Program ("**STAMP**") or similar program.

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

Document comparison by Workshare 9.5 on Friday, June 5, 2020 2:15:23 PM

Input:	
Document 1 ID	PowerDocs://DM/6183639/2
Description	DM-#6183639-v2-Third_Supplemental_Ordinance
Document 2 ID	PowerDocs://DM/6183639/3
Description	DM-#6183639-v3-Third_Supplemental_Ordinance
Rendering set	Standard

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	9
Deletions	3
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	12

EXHIBIT A

FORM OF BOND

**UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF MAULDIN
ACCOMMODATIONS TAX AND
HOSPITALITY TAX REVENUE BOND
SERIES 2020**

NO. R-__ \$ _____

INTEREST RATE MATURITY DATE ORIGINAL ISSUE DATE

REGISTERED HOLDER: _____

PRINCIPAL SUM: _____ **AND NO/100 DOLLARS**

KNOW ALL MEN BY THESE PRESENTS, that the City of Mauldin, South Carolina (the “*City*”), a body politic and corporate and a municipal corporation organized and existing under the laws of the State of South Carolina (the “*State*”), is justly indebted, and, for value received, hereby promises to pay, but only from the Pledged Fee Revenues (as defined in the Ordinance as hereinafter defined) pledged to the payment hereof, to the Registered Holder, or registered assigns, hereof on the Maturity Date set forth above, the Principal Sum set forth above subject to the principal maturity schedule set forth below (unless this bond be subject to redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), and to pay interest on the Principal Sum from the date hereof or from the April 1 or October 1 next preceding the date of authentication to which interest shall have been paid, unless the date of authentication is an April 1 or October 1 to which interest shall have been paid, in which case from that date, interest being payable to the maturity hereof on April 1 and October 1 of each year (those dates being hereinafter referred to as the “*Interest Payment Dates*”), commencing April 1, 2021, at the rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months), until payment of the Principal Sum.

Principal of this Bond is payable on April 1 in each of the years and in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
-------------	-------------------------	-------------	-------------------------

The interest so payable and to be punctually paid or duly provided for on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the Interest Payment Date (the “*Regular Record Date*”), mailed to the Registered Holder hereof by the City at his address as it appears on the registration books (the “*Books of Registry*”) of the City or at any other address as is furnished in writing by the Registered Holder to the City;

provided that payment to any Registered Holder of \$1,000,000 or more of the Series 2020 Bonds (as hereinafter defined) may be made by wire transfer to an account in the continental United States in accordance with written instructions filed thereto no later than the Regular Record Date. The principal of and premium, if any, of this bond, when due, shall be payable without presentation or surrender. Both the principal of and interest on this bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

THIS BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF SECTION 6-1-760 UTILIZING THE PROCEDURES OF TITLE 6, CHAPTER 17 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED (COLLECTIVELY, THE “*ENABLING STATUTE*”), AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN ANY STATE CONSTITUTIONAL PROVISIONS (OTHER THAN ARTICLE X, SECTION 14, PARAGRAPH 10 OF THE CONSTITUTION OF THE STATE OF SOUTH CAROLINA, 1895, AS AMENDED, AUTHORIZING OBLIGATIONS PAYABLE SOLELY FROM SPECIAL SOURCES PERMITTED THEREIN) OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWERS OF THE CITY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND.

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

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

This bond shall not be entitled to any benefit under the Ordinance (as hereinafter defined) or become valid or obligatory for any purpose until it shall have been authenticated by the execution of the Certificate of Authentication which appears hereon by the signature of an authorized officer of the City as Bond Registrar.

This bond is in the principal amount of _____ Dollars (\$ _____) (the “*Series 2020 Bonds*”) and is issued pursuant to a General Bond Ordinance enacted by the City Council of the City on October 18, 2010, and a Third Supplemental Ordinance enacted by the City Council of the City on _____, 2020 (collectively, the “*Ordinance*”), and under and in full compliance with the Constitution and Statutes of the State, including particularly Article X, Section 14, Paragraph 10 of the Constitution of the State of South Carolina, 1895, as amended, and the Enabling Statute, to obtain funds to (i) defray the Project Costs and (ii) pay Costs of Issuance related thereto (all as defined in the Ordinance).

[The Series 2020 Bond is issuable only as a single fully registered bond in the principal amount of \$_____.]

[The Series 2020 Bonds shall be subject to redemption prior to maturity, at the option of the City Council, _____, at the redemption price of _____, together, in each case, with the interest accrued on the principal amount to the date fixed for redemption.]

In the event any portion or all of the Series 2020 Bonds shall be called for redemption, notice of redemption shall be given by first-class mail, not less than thirty (30) days and not more than sixty (60) days prior to the redemption date, to the Registered Holder of the Series 2020 Bond to be redeemed in whole or in part at the address shown on the Books of Registry. Interest on the Series 2020 Bonds or portion thereof to be redeemed shall cease to

accrue from and after the redemption date specified in the notice, unless the City defaults in making due provisions for the payment of the redemption price thereof.

All principal, interest, or other amounts due hereunder shall be payable only to the Registered Holder hereof. The City will maintain the Books of Registry for the registration or transfer of this bond. This bond may not be transferred except by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the City as Bond Registrar duly executed by the Registered Holder of this bond or his duly authorized attorney. Any purported assignment in contravention of the foregoing requirements shall be, as to the City, absolutely null and void. The person in whose name this bond shall be registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of and interest on this bond shall be made only to or upon the order of the Registered Holder or his legal representative. All payments made in this manner shall be valid and effective to satisfy and discharge the liability of the City upon this bond to the extent of the sum or sums paid. No person other than the Registered Holder shall have any right to receive payments, pursue remedies, enforce obligations, or exercise or enjoy any other rights under this bond against the City. Notwithstanding the foregoing, nothing herein shall limit the rights of a person having a beneficial interest in this bond as against a person (including the Registered Holder) other than the City, as in the case where the Registered Holder is a trustee or nominee for two or more beneficial owners of an interest in this bond.

The City shall not be required (a) to exchange or transfer the Series 2020 Bonds (i) from the Regular Record Date to the next succeeding Interest Payment Date or (ii) for a period of fifteen (15) days following any selection of the Series 2020 Bonds to be redeemed or thereafter until after the first publication or mailing of any notice of redemption or (b) to transfer the Series 2020 Bonds called for redemption.

The principal of, premium, if any, and interest on the Series 2020 Bonds are payable solely from the Pledged Fee Revenues (as defined in the Ordinance). The pledge of and lien on the Pledged Fee Revenues made to secure the payment of the Series 2020 Bonds have priority over all other pledges of and liens on the Pledged Fee Revenues except the pledge and lien in favor of Bonds (as defined in the Ordinance) issued or to be issued under the Ordinance on a parity with the Series 2020 Bonds.

No recourse shall be had for the payment of the principal of, premium, if any, and interest on the Series 2020 Bonds against the several funds of the City, except in the manner and to the extent provided in the Ordinance, nor shall the credit or taxing power of the City be deemed to be pledged to the payment of the Series 2020 Bonds. The Series 2020 Bonds shall not be a charge, lien, or encumbrance, legal or equitable, upon any property of the City or upon any income, receipts, or revenues of the City, other than the Pledged Fee Revenues that have been pledged to the payment thereof, and this bond is payable solely from the Pledged Fee Revenues pledged to the payment thereof, and the City is not obligated to pay the same except from the Pledged Fee Revenues.

Whenever the terms of this bond require any action be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State, the action shall be taken on the first business day occurring thereafter.

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

IN WITNESS WHEREOF, THE CITY OF MAULDIN, SOUTH CAROLINA, has caused this bond to be signed in its name by the Mayor and the City Administrator of the City and attested by the City Clerk, under the Seal of the City, impressed or reproduced hereon.

CITY OF MAULDIN, SOUTH CAROLINA

(SEAL)

Mayor

City Administrator

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is the Bond designated herein and issued under the provisions of the within-mentioned Ordinance.

**CITY OF MAULDIN, SOUTH CAROLINA
as Bond Registrar**

Authorized Officer

Date of Authentication: _____

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants in entireties
JT TEN - as joint tenants with right of survivorship and not
as tenants in common

UNIF GIFT MIN ACT - _____
(Cust)

Custodian _____
(Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used, though not in the above list.

ASSIGNMENT

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

DATED: _____

Signature Guaranteed: _____

NOTICE: Signature must be guaranteed by an institution who is a participant in the Securities Transfer Agent Medallion Program (“**STAMP**”) or similar program.

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

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

CERTIFIED COPY OF ORDINANCE

I, the undersigned City Clerk of the City of Mauldin, South Carolina (the “*City*”), do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given two readings on two separate days, with an interval of at least six days between the readings, and received approval, by the City Council of the City (the “*Council*”) at its meetings of May 18, 2020 and June 15, 2020, at which meetings a quorum of members of the Council were present and voted, and an original of which ordinance is filed in the permanent records of the Council.

IN WITNESS WHEREOF, I have hereunto set my Hand this 15th day of June, 2020.

CITY OF MAULDIN, SOUTH CAROLINA

City Clerk

First Reading: May 18, 2020
Second Reading: June 15, 2020

CITY OF MAULDIN, SOUTH CAROLINA

AN ORDINANCE

AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE PROVISION OF MUNICIPAL FACILITIES; CONSENTING TO AND APPROVING THE ISSUANCE OF A NOT EXCEEDING \$2,750,000 MAULDIN PUBLIC FACILITIES CORPORATION INSTALLMENT PURCHASE REVENUE BOND, SERIES 2020, BY THE MAULDIN PUBLIC FACILITIES CORPORATION (THE “CORPORATION”) TO PROVIDE FUNDING TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, RENOVATING, EQUIPPING, AND INSTALLING PUBLIC FACILITIES; CONSENTING TO AND APPROVING THE EXECUTION OF A BASE LEASE AND CONVEYANCE AGREEMENT BY AND BETWEEN THE CITY OF MAULDIN, SOUTH CAROLINA (THE “CITY”) AND THE CORPORATION; CONSENTING TO AND APPROVING THE EXECUTION OF A MUNICIPAL FACILITIES PURCHASE AND OCCUPANCY AGREEMENT RELATING THERETO BY AND BETWEEN THE CITY AND THE CORPORATION; CONSENTING TO THE FORM OF AN INDENTURE TO BE ENTERED INTO BY THE CORPORATION AND THE PURCHASER OF THE BOND; AND MAKING PROVISION FOR ALL OTHER MATTERS RELATING TO THE FOREGOING.

June 15, 2020

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MAULDIN, SOUTH CAROLINA
IN MEETING DULY ASSEMBLED:**

ARTICLE I

FINDINGS OF FACT

SECTION 1.01. Findings of Fact. As an incident to the enactment of this Ordinance, the City Council of the City of Mauldin (the “*Council*”), the governing body of the City of Mauldin, South Carolina (the “*City*”), finds that the facts set forth in this Article exist, and the statements made with respect thereto are true and correct.

(a) Mauldin Public Facilities Corporation, a South Carolina nonprofit corporation (the “*Corporation*”), has been or will be incorporated for the purpose of supporting certain activities of the City.

(b) It is proposed that the Corporation will make renovations to City Hall (the “*Project Facilities*”) and provide financing to the City for the acquisition, construction, installing and equipping of a pedestrian bridge (the “*Ancillary Facilities*”).

(c) In order to effectuate the financing of the Project Facilities and the Ancillary Facilities, the City will be requested to enter into a Base Lease and Conveyance Agreement (the “*Base Lease*”) with the Corporation, pursuant to which it will lease to the Corporation the real property on which the Project Facilities to be renovated are located (the “*Real Property*”) and convey the Project Facilities to the Corporation and the Corporation will enter into a Municipal Facilities Purchase and Occupancy Agreement (the “*Facilities Agreement*”) with the City pursuant to which the Corporation will agree to cause the Project Facilities to be renovated, and, further, pursuant to which the City will purchase from the Corporation the Project Facilities and pending such purpose will be entitled to occupy and use the Project Facilities pending completion of the payment therefor.

(d) In order to provide funds for the payment of costs of the Project Facilities and the Ancillary Facilities, it is proposed that the Corporation arrange for the issuance of a not exceeding \$2,750,000 Mauldin Public Facilities Corporation Installment Purchase Revenue Bond (the “*Bond*”) under and by the terms of an Indenture (the “*Indenture*”) by and between the Corporation and the purchaser of the Bond. The Ancillary Facilities will not be situated on the Real Property and will not be subject to the Base Lease or the Facilities Agreement.

ARTICLE II

**AUTHORIZATION OF AND CONSENT TO
FINANCING DOCUMENTS**

SECTION 2.01. Base Lease and Facilities Agreement. The forms, terms and provisions of the Base Lease and the Facilities Agreement presented to this meeting are hereby approved and all of the terms and provisions thereof are hereby incorporated herein by reference as if the Base Lease and the Facilities Agreement were set out in this Ordinance in their entirety. The Mayor of the City is hereby authorized, empowered and directed to execute, acknowledge and deliver and the City Clerk is hereby authorized, empowered and directed to attest the Base Lease and the Facilities Agreement to the Corporation. The Base Lease and the Facilities Agreement are to be in substantially the forms now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same, upon advice of counsel, to accomplish the purposes of the transactions contemplated therein and in this Ordinance and as shall not be inconsistent with or contrary to such purposes. The execution of the Base Lease and the Facilities Agreement shall constitute conclusive evidence of the persons executing the same of their approval of any and all such changes.

SECTION 2.02. *Consent to the Indenture.* The Council hereby consents to and approves the Indenture in the form now before this meeting, with such changes as may be hereafter made as shall be in furtherance of the transactions contemplated therein and in this Ordinance and as shall not be inconsistent with or contrary to the matters contemplated herein. The Council hereby further consents to the execution and delivery of the Indenture by the parties thereto. In the event it is determined to be necessary to execute and deliver an assignment in a document separate from the Indenture, the Council hereby consents to and approves the execution and delivery of such an assignment by the Corporation. If the Bond is to be a public offered Bond, the Council hereby consents to and approves the use of a Trust Agreement between the Corporation and a bond trustee to be utilized in the place of the Indenture in order to issue the Bond.

SECTION 2.03. *Consent to and Approval of Actions of the Corporation and the Bond.* The Council hereby consents to the undertakings by the Corporation respecting the Project Facilities, the Ancillary Facilities and the issuance of the Bond. The Council hereby consents to and approves the issuance, sale, execution and delivery of the Bond in the aggregate principal amount of not exceeding \$2,750,000, to provide for the payment of (i) the costs of the Project Facilities; (ii) Base Lease Rent (defined in the Base Lease), which will be used by the City to finance the costs of the Ancillary Facilities; and (iii) the costs of issuance of the Bond and all expenses in connection therewith. The Council also agrees to accept the Project Facilities at such time as the Bond is retired.

SECTION 2.04. *Use of Proceeds of the Bond.* The proceeds of the Bond shall be applied, as provided in the Indenture, to provide the amounts necessary to (i) pay the costs of the Project Facilities; (ii) pay Base Lease Rent to be used to finance the costs of the Ancillary Facilities; and (iii) pay costs of issuance of the Bond. The Project Facilities and Ancillary Facilities are described generally in the Indenture and the Facilities Agreement, as may be amended from time to time.

ARTICLE III

CONSENT TO SALE OF THE BOND

SECTION 3.01. *Award of the Bond.* The City hereby delegates to the City Administrator, upon advice of the City's municipal advisor, the authority (i) to determine whether the Bond will be publicly offered with an underwriter or underwriters to arrange for the placement and sale of the Bond or whether the Bond will be privately placed with a banking institution (the underwriter or banking institution to be selected by the City is referred to as the "**Purchaser**") and (ii) to select the Purchaser. The City hereby authorizes the City Administrator, upon advice of the City Attorney, to execute a Bond Purchase Agreement (the "**Bond Purchase Agreement**") among the City (if the City is a party), the Corporation and the Purchaser related to the sale of the Bond if such Bond is publicly offered or to execute a commitment letter (the "**Commitment Letter**") of the Purchaser if the Bond is privately placed, provided, however, that the terms thereof, in either case, are consistent herewith.

SECTION 3.02. *Official Statement.* If the Bond is to be a publicly offered Bond, the Council hereby approves the use by the Corporation of a Preliminary Official Statement in connection with the offer and sale of the Bond, provided that prior to distribution of the Preliminary Official Statement, the City Administrator shall receive the advice of counsel in connection therewith. After the acceptance of an offer to purchase the Bond from the underwriter or underwriters, the Council hereby approves the use and distribution by the Corporation of a final Official Statement.

SECTION 3.03. *Sale of the Bond.* The City Administrator is hereby authorized, empowered and directed to accomplish the purposes of the transactions contemplated in this Ordinance and as shall not be inconsistent with or contrary to such purposes. The City hereby authorizes, approves and ratifies the actions of the Corporation, in conjunction with the City Administrator, in negotiating the terms of the Bond.

ARTICLE IV

GENERAL AUTHORIZATION

SECTION 4.01. *General Authorization.* The Mayor, the City Administrator, the City Clerk, the Finance Director and the officials of the City, acting jointly or individually, are hereby authorized to execute and deliver such documents, agreements and certificates and take such actions as are required or contemplated hereunder or under the Bond Purchase Agreement or the Commitment Letter, as the case may be, the Base Lease, the Facilities Agreement, the Indenture, the Trust Agreement, if any, and other documents related hereto as are required to comply with the terms hereof or thereof.

SECTION 4.02. *Effective Date.* This Ordinance shall take effect immediately upon its second reading and no further authorization is required to execute and deliver all documents, agreements and certificates required to effect the sale, issuance and delivery of the Bond. This Ordinance shall be construed liberally to effect the intent of the Council.

ENACTED this 15th day of June, 2020.

CITY OF MAULDIN, SOUTH CAROLINA

Mayor

ATTEST:

City Clerk

First reading: May 18, 2020
Second reading: June 15, 2020

INDENTURE

between

MAULDIN PUBLIC FACILITIES CORPORATION

and

{TRUIST BANK}
as Purchaser

Dated as of July 1, 2020

All right (except for certain reserved rights), title and interest of the Mauldin Public Facilities Corporation under (i) that certain Base Lease and Conveyance Agreement dated as of July 1, 2020 with the City of Mauldin, South Carolina (the “City”) and (ii) that certain Municipal Facilities Purchase and Occupancy Agreement dated as of July 1, 2020 with the City are assigned to {Truist Bank}, its successors and assigns, pursuant to this Indenture

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EXHIBIT A - Form of Bond

INDENTURE

This **INDENTURE** dated as of July 1, 2020 (the “**Indenture**”) is made by and between **MAULDIN PUBLIC FACILITIES CORPORATION** (the “**Corporation**”), a nonprofit corporation organized and existing under the laws of the State of South Carolina (the “**State**”), with its principal place of business located in Mauldin, South Carolina, and **TRUIST BANK**, as purchaser (together with its successors and assigns, the “**Purchaser**”), a North Carolina banking association organized and validly existing under the laws of the State of North Carolina.

WITNESSETH:

WHEREAS, the City of Mauldin, South Carolina (the “**City**”), a municipal corporation and a body corporate and politic of the State, is simultaneously herewith entering into a Base Lease and Conveyance Agreement dated as of July 1, 2020 (the “**Base Lease**”) pursuant to which it is leasing certain real property to the Corporation (the “**Real Property**”), as more particularly described in Exhibit A attached to the Base Lease, so that the Corporation may provide for a portion of the costs for the renovations to the City’s administration facilities (the “**Project Facilities**”) located on the Real Property; and

WHEREAS, the Corporation is simultaneously herewith entering into a Municipal Facilities Purchase and Occupancy Agreement dated as of July 1, 2020 (the “**Facilities Agreement**”) with the City, pursuant to which the Corporation has agreed to finance the Project Facilities and to sell the Project Facilities to the City; and

WHEREAS, the City will purchase under the provisions of the Facilities Agreement the Project Facilities during which time the City will be entitled to occupy and use the Real Property and the Project Facilities pending completion of the payment of the Project Facilities; and

WHEREAS, in order to raise funds to pay the costs of financing (i) the renovations to the Project Facilities and (ii) the construction, acquisition and installation of a pedestrian bridge which will not be situated on the Real Property and will not be subject to the Base Lease or the Facilities Agreement (the “**Ancillary Facilities**”), the Corporation proposes to issue its ~~\$2,750,000~~ 2,504,000 Installment Purchase Revenue Bond, Series 2020, dated the date of its delivery (the “**Series 2020 Bond**”) pursuant to the terms of this Indenture; and

WHEREAS, the Corporation desires to enter into this Indenture in order to prescribe the terms and conditions of the Series 2020 Bond and the security therefor, and the Corporation and the Purchaser are each authorized to execute and deliver this Indenture and to do or cause to be done all acts provided or required herein to be performed on their respective parts; and

WHEREAS, the Series 2020 Bond is and will be secured by this Indenture, and the Corporation and the Purchaser are each authorized to execute and deliver this Indenture and to do or cause to be done all acts provided or required herein to be performed on their respective parts; and

WHEREAS, as the source of payment and security for the Series 2020 Bond, the rights (except for certain reserved rights described herein) of the Corporation under the Base Lease and the Facilities Agreement and certain of the payments to be made by the City under the Facilities Agreement are being assigned to the Purchaser hereunder; and

WHEREAS, the Purchaser has accepted the trusts created by this Indenture, and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure the payment of the Series 2020 Bond, to secure the performance and observance of all of the covenants, agreements, obligations and conditions contained therein and herein, and to declare the terms and conditions upon and subject to which the Series 2020 Bond is and is intended to be executed, delivered, held, secured and enforced, and in consideration of the premises and the purchase and acceptance of the Series 2020 Bond by the Purchaser, and for other good and valuable consideration, the receipt of which is acknowledged, the Corporation has executed and delivered this Indenture and absolutely assigns hereby to the Purchaser, and to its successors and its and their assigns all of the following described collateral, whether presently owned or subsequently acquired by the Corporation:

Granting Clause First

All right, title and interest of the Corporation in and to the Revenues (as defined in **Article I** hereof), including, without limitation, all Acquisition Payments (as defined in the Facilities Agreement) and other amounts receivable by or on behalf of the Corporation under the Facilities Agreement; subject to certain reserved rights described in Sections 4.2, 4.4, 4.5 and 5.5 of the Facilities Agreement.

Granting Clause Second

All of the Corporation's right, title, and interest in and to the Real Property, the Project Facilities, the Facilities Agreement, the Base Lease and the property rights evidenced thereby in the Real Property and the Project Facilities, including all the right, title, and interest of the Corporation in and to (a) all of the rents, issues, profits, revenues, income, receipts, moneys, royalties, rights, and benefits of and from the Real Property described in Exhibit A to the Base Lease and from and in connection with the Corporation's ownership of the Project Facilities, including, without limiting the generality of the foregoing, rents and revenues under any and all leases of the Real Property or the Project Facilities or any agreement for the operation or management of the Real Property or the Project Facilities, and (b) all leases of all or part of the Project Facilities hereafter made, executed, or delivered, whether oral or written, together with any and all renewals, extensions, and modifications thereof and any guarantees of the lessees' obligations under any thereof and any and all tenant contracts, rental agreements, franchise agreements, management contracts, construction contracts, and other contracts, licenses, and permits now or hereafter affecting the Real Property or the Project Facilities or any part thereof.

Granting Clause Third

All of the Corporation's rights with respect to any contracts for the construction or acquisition of the Project Facilities, including without limitation the Project Facilities Contracts (as defined in the Facilities Agreement); any insurance or condemnation proceeds with respect to the Project Facilities or any portion thereof and the proceeds of any other collateral granted hereunder or assigned hereby as security for the Series 2020 Bond.

Granting Clause Fourth

All moneys and investments in the funds created pursuant to this Indenture and all income thereon.

TO HAVE AND TO HOLD unto the Purchaser and its successors and its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, and subject to the provisions hereof, and subject to the Series 2020 Bond provided for herein and the Facilities Agreement, except as provided otherwise herein, for the equal benefit, security and protection of all present and future holders of the Series 2020 Bond executed and delivered under and secured by this Indenture; for the enforcement of the payment of Base Payments by the City when payable, according to the true intent and meaning thereof and of this Indenture; and to secure the performance and observance of and compliance with the covenants, agreements, obligations, terms and conditions of this Indenture, in each case, without preference, priority or distinction, as to lien or otherwise, of any one Bond over any other Bond by reason of designation, number, date of the Bond or of authorization, sale, execution, delivery or maturity thereof, or otherwise, so that the Series 2020 Bond shall have the same right, lien and privilege under this Indenture as all other Bonds and shall be secured equally and ratably hereby, it being intended that the lien and security of this Indenture shall take effect from the date hereof, without regard to the date of the actual execution, delivery, sale or disposition of the Series 2020 Bond as though upon that date the Series 2020 Bond was actually executed, sold and delivered to purchasers for value; *provided, however*, that if the principal of the Series 2020 Bond and the interest due or to become due with respect thereto shall be well and truly paid, at the times and in the manner to which reference is made in the Series 2020 Bond, according to the true intent and meaning thereof, or the Outstanding Bonds of a particular Series shall have been paid and discharged in accordance with **Article IX** hereof, and if all of the covenants, agreements, obligations, terms and conditions of the Corporation under this Indenture shall have been kept, performed and observed and there shall have been paid to the Purchaser, all sums of money due or to become due to it in accordance with the terms and provisions hereof, then this Indenture and the rights assigned hereby shall cease, determine and be void with respect to the Series 2020 Bond, except as provided in **Section 9.2** hereof with respect to the survival of certain provisions hereof; otherwise, this Indenture shall be and remain in full force and effect.

It is declared that the Series 2020 Bond executed and delivered hereunder and secured hereby is to be executed and delivered, and that all property assigned hereby is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Indenture. The Corporation and the Purchaser have each agreed and covenanted, and agree and covenant with each other and with the holders, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1. Definitions. Terms used herein without other definition shall have the meanings provided therefor in the Base Lease or the Facilities Agreement unless the context or use clearly indicates another meaning or intent. In addition, the following words and terms shall have the meanings set forth below unless the context or use clearly indicates another meaning or intent:

“Acquisition Account” means the account of such name within the Bond Fund established pursuant to **Section 5.5** hereof.

“Acquisition Payments” means the amounts required to be paid to the Corporation by the City pursuant to Article IV of the Facilities Agreement.

“Additional Bonds” means any Bonds issued after the issuance of the Series 2020 Bond and secured on a parity with the Series 2020 Bond under the terms hereof.

“Bond” or **“Bonds”** means the Bond or Bonds issued and secured under the terms hereof.

“Bond Counsel” means a firm of nationally recognized bond counsel experienced in matters of tax-exempt finance as shall be acceptable to the Purchaser.

“Bond Fund” means the Bond Fund established pursuant to **Section 5.5** hereof.

“Bond Payment Date” means April 1 and October 1 of each year, beginning April 1, 2021 for the Series 2020 Bond.

“Business Day” means any day other than a Saturday, a Sunday, a legal holiday or a day on which banking institutions are closed in the state where the principal office of the Purchaser is located or any day on which the payment system of the United States Federal Reserve is not operational.

“City” means the City of Mauldin, South Carolina.

“City Administrator” means the City Administrator of the City, or other employee or officer of the City designated by said City Administrator to perform the duties of the City Administrator hereunder.

“City Council” means the City Council of the City of Mauldin, the governing body of the City and any successor body.

“City Representative” means the person or persons at the time designated to act on behalf of the City in matters relating to the Base Lease, the Facilities Agreement or this Indenture as evidenced by a written certificate furnished to the Corporation and the Purchaser containing the specimen signature of such person or persons and signed on behalf of the City by the City Administrator. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the City Representative.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, or any successor internal revenue laws of the United States enacted by the Congress of the United States in replacement thereof. References to the Code and sections of the Code include relevant applicable

regulations, temporary regulations and proposed regulations thereunder and any successor provisions to those sections, regulations, temporary regulations or proposed regulations.

“Corporation” means the Mauldin Public Facilities Corporation, a nonprofit corporation formed under the laws of the State, and its successors and assigns.

“Corporation Representative” means the person or persons at the time designated to act on behalf of the Corporation in matters relating to the Base Lease, the Facilities Agreement and this Indenture as evidenced by a written certificate furnished to the City and the Purchaser containing the specimen signature of such person or persons and signed on behalf of the Corporation by an officer of the Corporation. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Corporation Representative.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the City or the Corporation.

~~**“Custodian”** means the bank chosen by the City Council pursuant to Section 6.1 hereof for the purposes as provided herein. The initial Custodian shall be [Trust Bank].~~ **“Defeasance**

Obligations” means (a) cash; or (b) Eligible Investments that are United States Treasury Obligations State and Local Government Series; United States Treasury bills, notes, bonds, or zero coupon treasury bonds all as traded on the open market; Direct obligations of the U.S. Treasury which have been stripped by the Treasury itself, CATS, TIGRS and similar securities; pre-refunded municipal obligations; obligations of the following agencies which are backed by the full faith and credit of the United States: (i) U.S. Export-Import Bank-direct obligations or fully guaranteed certificates of beneficial ownership, (ii) Farmers Home Administration: Certificates of beneficial ownership; (iii) Federal Financing Bank; (iv) General Services Administration: Participation certificates; (v) U.S. Maritime Administration: Guaranteed Title XI financing; (vi) U.S. Department of Housing and Urban Development: Project Notes; Local Authority Bonds; New Communities Debenture-U.S. government guaranteed debentures; (vii) U.S. Public Housing notes and bonds-U.S. government guaranteed public housing bonds; or any legally permissible combination of any of the foregoing. Defeasance Obligations may be redeemable, but solely at the option of the holder thereof.

“Eligible Investments” means any one or more of the investments now or hereafter permitted by applicable State law as authorized investments by political subdivisions.

“Event of Default” means an Event of Default under **Section 7.1** hereof.

“Indenture” means this Indenture dated as of July 1, 2020, by and between the Corporation and the Purchaser as the same may be supplemented or amended by any Supplemental Agreement.

“Outstanding,” when used with reference to the Bonds, means, as of the applicable date, all the Bonds have been executed and delivered, or which are being delivered under this Indenture, except:

(a) Bonds canceled upon surrender, exchange or transfer, or canceled because of payment or redemption on or prior to that date;

(b) Bonds, or the portions thereof, for the payment, redemption or purchase for cancellation of which sufficient money has been deposited and credited with the Purchaser on or prior to that date for that purpose (whether upon or prior to the maturity date of those Bonds);

(c) Bonds or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of this Indenture; and

(d) Bonds in lieu of which others have been executed and delivered under **Section 3.12** hereof.

“Person” or words importing **“persons”** mean firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, limited liability companies, corporations, public or governmental bodies, other legal entities and natural persons.

“Pledged Collateral” means the pledged collateral described in the Granting Clauses hereto.

“Project Fund” means the Project Fund established pursuant to **Section 5.2** hereof.

“Purchaser” means [Truist Bank], as the initial Purchaser of the Series 2020 Bond and any subsequent holder of the Series 2020 Bond

“Record Date” means, with respect to any Bond, the fifteenth day of the calendar month next preceding a Bond Payment Date applicable to the Bond.

“Register” means the books kept and maintained by the Corporation for registration and transfer of Bonds pursuant to **Section 3.13** hereof.

“Revenues” means, with respect to the Series 2020 Bond, (i) the Acquisition Payments under the Facilities Agreement, (ii) all other moneys received or to be received by the Purchaser under the Facilities Agreement from the lease, sale or other disposition of the Real Property or the Project Facilities, (iii) any monies and investments in the Bond Fund, and (iv) all income and profit from the investment of the foregoing moneys.

“Series 2020 Bond” means the ~~not exceeding \$2,750,000~~ \$2,504,000 Installment Purchase Revenue Bond, Series 2020, dated the date of its delivery, authorized by and secured under this Indenture.

“State” means the State of South Carolina.

“Supplemental Agreement” means any agreement supplemental to this Indenture entered into between the Corporation and the Purchaser in accordance with **Article VIII** hereof.

“Tax Regulatory Agreement” means the Arbitrage and Tax Regulatory Agreement dated as of the date of the initial delivery of the Series 2020 Bond.

SECTION 1.2. Interpretation. Any reference to a section or provision of the Constitution of the State, or to a section, provision or chapter of the Code of Laws of South Carolina, or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this paragraph, if it constitutes in any way an impairment of the rights or obligations of the City, the Corporation or the Purchaser under this Indenture, the Bonds, the Base Lease, the Facilities Agreement or any other instrument or document entered into in connection with any of the foregoing, including without limitation, any alteration of the obligation to pay principal, premium, if any, or interest on the

Series 2020 Bond in the amount and manner, at the times, and from the sources provided in this Indenture, except as permitted herein.

Unless the context indicates otherwise, words implying the singular number include the plural number, and vice versa. The terms “hereof,” “hereby,” “herein,” “hereto,” “hereunder,” “hereinafter” and similar terms refer to this Indenture; and the term “hereafter” means after, and the term “heretofore” means before the date of this Indenture. Words of any gender include the correlative words of the other gender, unless the sense indicates otherwise.

References to sections, articles or exhibits, unless otherwise indicated, are to sections and articles of or exhibits to this Indenture.

SECTION 1.3. *Captions and Headings.* The captions and headings in this Indenture are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

[End of Article I]

ARTICLE II

RECITALS AND REPRESENTATIONS

SECTION 2.1. *Base Lease and Facilities Agreement.* The Corporation has entered into with the City (i) the Base Lease under which the City has conveyed a leasehold interest in the Real Property to the Corporation and (ii) the Facilities Agreement under the terms of which the City has arranged with the Corporation for the acquisition, installation, construction, renovation and equipping of the Project Facilities for use and occupancy by the City and the sale of the Project Facilities by the Corporation to the City.

SECTION 2.2. *Acquisition Payments.* Under the Facilities Agreement, the City is obligated to pay to the Corporation or its assigns during the term thereof Acquisition Payments for the purchase of the Project Facilities, subject to the occurrence of an Event of Nonappropriation as set forth in Section 4.7 of the Facilities Agreement, and subject to the City's right to exercise its purchase option as set forth in Section 9.1 of the Facilities Agreement.

SECTION 2.3. *Assignment and Conveyance.*

(a) For the purpose of securing the payment of the Series 2020 Bond, the Corporation has provided the Purchaser with certain liens, assignments, security interests and other claims under the granting clauses hereto. The Corporation hereby represents and confirms that it has full legal power and authority to make the grants enumerated in the granting clauses and that no assignment has been made, except to the Purchaser, of any of its right, title and interest in and to the Project Facilities, Facilities Agreement, the Base Lease, the Project Facilities Contracts or the Revenues.

(b) The Corporation and the Purchaser intend for this Indenture to be a collateral assignment of all rents, leases, issues and profits created by, or arising out of any right, title or interest of the Corporation in the Pledged Collateral, including without limitation, all leases, rents, issues, and profits arising out of the Base Lease, the Facilities Agreement, and any future lease or leases now or hereinafter entered into by the Corporation; all as more particularly authorized by Section 29-3-100 of the Code of Laws of South Carolina, 1976, as amended.

SECTION 2.4. *Powers and Trusts Granted.* All acts, conditions and things required by law to exist, happen and be performed precedent to and in connection with the execution and entering into of this Indenture have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Indenture.

SECTION 2.5. *Other Security Documents.* The Corporation shall cause this Indenture and any financing statements relating hereto, to be filed, in such manner and at such places as may be required by law to fully protect the security of the Purchaser and the right, title and interest of the Purchaser in and to the Real Property, the Project Facilities and the Pledged Collateral created by this Indenture or any part thereof. The Corporation and the City will cause the Base Lease, the Facilities Agreement and any related instruments or documents to be recorded and filed in the manner and in the places which may be required by law in order to preserve and protect fully the security and the rights of the Purchaser hereunder. The Corporation shall execute or cause to be executed any and all further instruments as shall reasonably be requested by the Purchaser for such protection of the interests of the Purchaser, and shall furnish satisfactory evidence to the Purchaser of filing and refiling of such instruments as requested by the Purchaser and necessary to preserve the Pledged Collateral created by this Indenture or any part thereof until the principal of and interest of the Series 2020 Bond issued hereunder shall have been paid. The Purchaser shall execute or join in the execution of any such further or additional instrument and file

or join in the filing thereof at such time or times and in such place or places as may be requested by the Corporation to notice and to preserve the Pledged Collateral created by this Indenture or any part thereof until the Series 2020 Bond shall have been paid or discharged in the manner hereinafter provided.

SECTION 2.6. *Purpose of Corporation; Certain Covenants.* The Corporation hereby represents that its principal purpose is to acquire or lease real and/or personal property and develop, finance, refinance, construct, acquire, install and operate certain public facilities to be used by the City and such other projects located in and for the benefit of the City as may be permitted by applicable law. In order to provide assurances to the Purchaser that nothing will be done that would jeopardize the Corporation's interest in the Real Property or the Project Facilities or that might adversely affect the will or desire of the City to continue to occupy the Real Property or the Project Facilities, the Corporation hereby covenants that so long as any of the Bonds are Outstanding it will not do any of the following without the written consent of the City: (i) undertake any projects for any entity other than the City; (ii) amend its Articles of Incorporation to change its principal purpose or to engage in activities that are not in support of its principal purpose; or (iii) incur any obligation for borrowed money or incur any other indebtedness not associated with the Series 2020 Bond or this Indenture. Prior to taking any such action, the Corporation shall file with the Purchaser the written consent of the City and an opinion of Bond Counsel to the effect that such proposed action will not adversely affect the tax status of interest on the Bonds.

[End of Article II]

ARTICLE III

AUTHORIZATION AND TERMS OF SERIES 2020 BOND

SECTION 3.1. *Principal Amount of Series 2020 Bond; Designation of Series 2020 Bond; Conditions to Delivery.*

(a) Pursuant to the provisions of this Indenture, there are hereby authorized to be issued one or more series of revenue bonds of the Corporation. Upon the execution and delivery hereof, there is hereby authorized an initial series of bonds in the aggregate principal amount of ~~\$2,750,000~~ 2,504,000 to be designated “~~\$2,750,000~~ 2,504,000 Mauldin Public Facilities Corporation Installment Purchase Revenue Bond, Series 2020.” Any subsequent Bonds issued hereunder shall be designated Mauldin Public Facilities Corporation Installment Purchase Revenue Bonds with such further and other designation as may be necessary to identify such bonds.

(b) Upon the execution and delivery of this Indenture, and satisfaction of the conditions established hereby for delivery of the Series 2020 Bond, the Corporation shall execute and deliver the Series 2020 Bond.

(c) Before the Corporation executes and delivers any of the Series 2020 Bond, the Purchaser shall have received executed copies of the following:

- (i) this Indenture,
- (ii) the Base Lease,
- (iii) the Facilities Agreement;
- (iv) the Tax Regulatory Agreement; and
- (v) such opinions and other documentation as reasonably requested by the Purchaser.

(d) The Series 2020 Bond does not and shall not constitute a debt or pledge of the faith and credit of the City but shall constitute a limited obligation of the Corporation and shall be payable solely from the Revenues.

SECTION 3.2. *Purposes.* The Series 2020 Bond is authorized for the principal purposes of defraying a portion of the cost of (i) the acquisition, construction, renovation, installation, furnishing and equipping of the Project Facilities; (ii) providing funds to the City with which to defray the cost of the Ancillary Facilities; and (iii) paying certain costs and expenses relating to the issuance of the Series 2020 Bond. The funds being used to pay costs of acquisition, construction, renovation and equipping of the Project Facilities and the Ancillary Facilities and costs of issuance are to be made available through the Project Fund to the Corporation and City under the Facilities Agreement and **Section 5.3** herein. ~~The funds being used to pay costs of acquisition, construction, renovation and equipping of the Ancillary Facilities will be deposited into an account of the City on the closing date of the Series 2020 Bond as payment in satisfaction of the Base Lease Rent due under the Base Lease.~~

SECTION 3.3. *Maturity Schedule; Date; Interest Rates.*

The Series 2020 Bond shall be payable on April 1 in the years and principal amounts set forth below and shall bear interest payable on each Bond Payment Date, at the interest rate of ~~_____~~ 2.86% per annum, computed on a 360-day year, 30-day month basis.

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
<u>2021</u>	<u>\$113,000</u>	<u>2031</u>	<u>\$124,000</u>
<u>2022</u>	<u>97,000</u>	<u>2032</u>	<u>128,000</u>
<u>2023</u>	<u>99,000</u>	<u>2033</u>	<u>132,000</u>
<u>2024</u>	<u>102,000</u>	<u>2034</u>	<u>135,000</u>
<u>2025</u>	<u>105,000</u>	<u>2035</u>	<u>139,000</u>
<u>2026</u>	<u>108,000</u>	<u>2036</u>	<u>143,000</u>
<u>2027</u>	<u>111,000</u>	<u>2037</u>	<u>147,000</u>
<u>2028</u>	<u>114,000</u>	<u>2038</u>	<u>152,000</u>
<u>2029</u>	<u>118,000</u>	<u>2039</u>	<u>156,000</u>
<u>2030</u>	<u>121,000</u>	<u>2040</u>	<u>160,000</u>

SECTION 3.4. *Provisions Relating to Additional Bonds; Conditions for Issuance.*

(a) *Authorization for Additional Bonds.* Additional Bonds may be issued hereunder and secured on a parity with the Series 2020 Bond under the conditions set forth herein.

(b) *Purposes for Additional Bonds.* Additional Bonds may be issued for the purposes of providing funds (i) to refund any portion of the Series 2020 Bond or any Additional Bonds theretofore issued, (ii) for the purpose of paying the cost of completing the Project Facilities and (iii) for the purpose of paying the cost of Additional Project Facilities and Additional Ancillary Facilities.

(c) *Conditions to the Issuance of All Additional Bonds.* No Additional Bonds may be issued hereunder if at the time there is an Event of Default or an Event of Nonappropriation unless upon the issuance of such Additional Bonds, no other Bonds will be Outstanding hereunder. Prior to issuing any Additional Bonds, there shall have been executed and delivered (i) a Supplemental Agreement authorizing such Additional Bonds and prescribing the terms and details thereof and the purposes for the issuance of such Additional Bonds; (ii) a supplement to the Facilities Agreement providing for Acquisition Payments thereunder sufficient to provide for the payment of the Additional Bonds, and extending the term of the Facilities Agreement, if needed, to the final maturity of such Additional Bonds; and (iii) a supplement to the Base Lease, if needed, extending the term thereof by the same amount of time as any extension to the term of the Facilities Agreement and making any changes required if there is additional Real Property. There shall also be provided to the Purchaser, or the trustee if the Purchaser is not the holder of the Additional Bonds, certified copies of resolution adopted by the Corporation and the ordinance enacted by City authorizing the issuance of the Additional Bonds and the execution and delivery of the documents to which each is a party. No Additional Bonds shall be issued hereunder unless the Purchaser, or the trustee if the Purchaser is not the holder of the Additional Bonds, receives an opinion of Bond Counsel to the effect that the issuance of such Additional Bonds, the modifications to the Indenture, the Facilities Agreement and the Base Lease and the application of the proceeds of the Additional Bonds as envisioned thereby are authorized and permitted under this Indenture and shall not adversely affect the Federal income tax treatment of interest payments received or to be received by owners of the Series 2020 Bond.

(d) *Other Provisions Relating to Additional Bonds.* The details of any Additional Bonds, including any reserve requirement relating thereto and the payment provisions thereof shall be specified

in the Supplemental Agreement providing for the issuance thereof. Such Supplemental Agreement shall include provisions for the separation of the Bond Fund and the accounts therein into separate accounts and subaccounts for the Series 2020 Bond and each series of Additional Bonds.

SECTION 3.5. *Payment of Principal and Interest.*

(a) The Series 2020 Bond shall be authenticated, as provided in **Section 3.10** hereof, on such date as it shall be delivered and shall bear interest from such date of delivery.

(b) The principal of and premium, if any, on the Series 2020 Bond shall be paid in immediately available funds by check or draft from the City to the Purchaser without presentation or surrender; provided, that the Purchaser may, by prior written instructions filed with the City prior to the close of business on the applicable Record Date (which instructions shall remain in effect until revoked by subsequent written instructions) request that interest payments for any period be made by wire transfer or other means acceptable to the City to an address in the continental United States.

SECTION 3.6. *Denomination; Numbering.* The Series 2020 Bond shall be issued as a single Bond in the authorized denomination of ~~not exceeding \$2,750,000~~ \$2,504,000 and shall be numbered R-1.

SECTION 3.7. *Paying Agent and Registrar.* As long as the Series 2020 Bond is Outstanding under this Indenture, the Corporation shall cause the City to serve as paying agent and registrar therefor. Notices and demands to or upon the Corporation in respect of the Series 2020 Bond may be served, at the principal office of the City. The Series 2020 Bond shall be presented for registration of transfers and exchanges in accordance with the provisions of this Indenture at the principal office of the City.

SECTION 3.8. *Form of Series 2020 Bond.* The Series 2020 Bond, together with the certificate of authentication and assignment to appear thereon, shall be in substantially the form attached hereto as **Exhibit A** with necessary and appropriate variations, omissions and insertions as permitted or required by this Indenture. Additional Bonds shall be in such form as is provided in a Supplemental Agreement pursuant to which such Additional Bonds are issued.

SECTION 3.9. *Execution of Series 2020 Bond.* The Series 2020 Bond shall be executed in the name of and on behalf of the Corporation by the President or Vice President of the Board of Directors of the Corporation and the same shall be attested by such officer as may be designated by the Board of Directors of the Corporation. Such officers may employ facsimiles of their signatures.

In case any officer whose signature or facsimile signature shall appear on the Series 2020 Bond shall cease to be such officer before the delivery of the Series 2020 Bond, such signatures or such facsimiles shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office.

SECTION 3.10. *Authentication.* Only such Series 2020 Bond as shall have been endorsed thereon a certificate of authentication duly executed by the City shall be entitled to any right or benefit under this Indenture. No Series 2020 Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the City, and such executed certificate of the City upon any such Series 2020 Bond shall be conclusive evidence that such Series 2020 Bond has been authenticated and delivered under this Indenture. The City's certificate of authentication on the Series 2020 Bond shall be deemed to have been executed by it if signed by any authorized signatory of the City.

SECTION 3.11. *Medium of Payment.* The Series 2020 Bond shall be payable with respect to principal, interest and premium, if any, in lawful money of the United States of America.

SECTION 3.12. *Mutilated, Lost, Stolen or Destroyed Bonds.* In the event the Series 2020 Bond is mutilated, lost, stolen or destroyed, the Corporation may execute and the City may authenticate a new Series 2020 Bond of like series, date, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Series 2020 Bond, such mutilated Series 2020 Bond shall first be surrendered to the City, and in the case of any lost, stolen or destroyed Series 2020 Bond, there shall be first furnished to the Corporation and to the City evidence of such loss, theft or destruction satisfactory to the Corporation and the City together with indemnity satisfactory to them. In the event any such Series 2020 Bond shall have matured, instead of issuing a duplicate Series 2020 Bond, the Corporation may pay the same. The Corporation and the City may charge the Holder of such Series 2020 Bond with its reasonable fees and expenses in this connection.

SECTION 3.13. *Transfer and Registry; Persons Treated as Holders.*

(a) As long as there shall be an Outstanding Series 2020 Bond, the Corporation shall cause books for the registration and for the transfer of Series 2020 Bonds to be kept which books constitute the Register. The Register shall be kept by the City at its office. The transfer of the Series 2020 Bond may be registered only upon the Register kept by the City for that purpose by the Holder thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the City, duly executed by the Holder or his duly authorized attorney. Upon the registration of transfer of the Series 2020 Bond, the City will authenticate and deliver, subject to the provisions of **Section 3.15** hereof, in the name of the transferee, a new Series 2020 Bond of the same aggregate principal amount as the surrendered Series 2020 Bond.

(b) The Corporation and the City may deem and treat the person in whose name the Series 2020 Bond shall be registered upon the Register as the absolute owner of such Series 2020 Bond, whether such Series 2020 Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on such Series 2020 Bond and for all other purposes, and all such payments so made to any such Holder or, upon his order, shall be valid and effectual to satisfy and discharge the liability upon such Series 2020 Bond to the extent of the sum or sums so paid, and neither the Corporation nor the City shall be affected by any notice to the contrary.

SECTION 3.14. *Interchangeability of the Series 2020 Bond.* The Series 2020 Bond, upon surrender thereof at the office of the City with a written instrument of transfer satisfactory to the City, duly executed by the Holder or his duly authorized attorney, may, at the option of the Holder and upon payment by such Holder of any charges made pursuant to **Section 3.15** hereof, be exchanged for an equal aggregate principal amount of Series 2020 Bond of any other authorized denominations of the same series and maturity.

SECTION 3.15. *Regulations With Respect to Exchanges and Transfer.* In all cases in which the privilege of exchanging or transferring Series 2020 Bond is exercised, the Corporation shall execute and the City shall authenticate and deliver Bonds in accordance with the provisions of this Indenture. The Series 2020 Bond surrendered in any such exchange or transfer shall forthwith be cancelled and destroyed and shall not be reissued, and a counterpart of the certificate of destruction evidencing such destruction shall be furnished by the City to the Corporation. The Series 2020 Bond so destroyed shall thereafter no longer be considered Outstanding Bonds for any purposes of this Indenture. There shall be no charge to the Holder for such exchange or transfer of the Series 2020 Bond except that the City may make a charge sufficient to reimburse itself for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the Corporation nor the City shall be required to

issue, exchange or transfer (i) any Series 2020 Bond during the 15 days immediately preceding any Bond Payment Date, (ii) any Series 2020 Bond during a period beginning at the opening of business 15 days immediately preceding any selection of Series 2020 Bond to be redeemed and ending at the close of business on the date of the mailing of notice of such redemption or (iii) any Bonds called for redemption.

SECTION 3.16. *Cancellation and Destruction of Mutilated, Paid or Surrendered Bonds.*

Upon the surrender of mutilated Bonds pursuant to **Section 3.12** hereof or Bonds paid or surrendered, the same shall be cancelled and destroyed and shall not be reissued, and, if requested by the Corporation, a counterpart of the certificate evidencing such destruction shall be furnished by the City to the Corporation. All Bonds so destroyed shall thereafter no longer be considered Outstanding Bonds for any purposes of this Indenture.

SECTION 3.17. *Payments Due on Days Other Than a Business Day.* In any case where the Bond Payment Date or the date fixed for redemption of any Series 2020 Bond shall not be a Business Day, then payment of principal of, premium, if any, or interest on the Series 2020 Bond need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the Bond Payment Date or the date fixed for redemption, and no interest shall accrue for the period after such date.

SECTION 3.18. *Tax Covenants of Corporation.* The Corporation will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest evidenced by or paid on the Series 2020 Bond and, if it should take or permit, or omit to take or cause to be taken, any such action, the Corporation will take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly on having knowledge thereof. The Corporation acknowledges that the continued exclusion of interest evidenced by or paid on the Series 2020 Bond from a Holder's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. To that end, the Corporation covenants that it will comply with the Tax Regulatory Agreement.

The Corporation acknowledges that, for federal income tax purposes, the Series 2020 Bond is being issued by the Corporation as an instrumentality of the City, acting on behalf of such City as set forth in Revenue Ruling 63-20 (as supplemented by Revenue Procedure 82-26) and covenants to comply with all provisions of such Revenue Ruling as so supplemented. The Corporation, therefore, represents, warrants and covenants as follows:

(a) The City may, at any time, request and receive a conveyance of fee simple title to and exclusive possession of the Project Facilities by (i) establishing an irrevocable deposit that will be sufficient to defease the Series 2020 Bond, and (ii) paying the reasonable costs incident to such defeasance. The Purchaser and the Corporation agree in such event to immediately cancel all encumbrances on the Project Facilities and Real Property to which they are a party, including any management contract or lease of the Project Facilities and Real Property.

(b) If the Corporation defaults in its payments of principal and interest due on the Series 2020 Bond and the Purchaser declares the principal of the Series 2020 Bond to be due and payable, the City is granted the exclusive option to purchase the Project Facilities, including any improvements, for a price equal to the amount of the Series 2020 Bond which are Outstanding, plus accrued interest to the date of such default and, upon such purchase, to terminate the Base Lease. These provisions are not intended and shall not be interpreted so as to limit the rights of the Purchaser of the Series 2020 Bond to pursue their remedies under this Indenture and the Facilities Agreement.

(c) The City shall obtain fully unencumbered fee simple title to the Project Facilities when the Series 2020 Bond are discharged and paid in full. The Corporation will convey to the City such fee simple title and exclusive possession and use of the Project Facilities, including any additions thereto, without demand or further action on its part.

(d) The proceeds of fire or other casualty insurance policies received in connection with the damage or destruction to the portion of the Project Facilities or Real Property financed with the proceeds of the Series 2020 Bond, including any improvements, will be used, subject to the provisions of this Indenture regarding extraordinary redemption of the Series 2020 Bond, to rebuild the Project Facilities or to redeem the Series 2020 Bond or, if all of the Series 2020 Bond have been paid or defeased under this Indenture, will be remitted to the City.

(e) A reasonable estimate of the fair market value of the Project Facilities as of the latest maturity date of the Series 2020 Bond is equal to at least 20% of the original costs of the Project Facilities.

(f) A reasonable estimate of the remaining useful life of the Project Facilities on the latest maturity date of the Series 2020 Bond is equal to at least 20% of the original useful life of the Project Facilities.

(g) It is expected that during calendar year 2020 the City and all entities subordinate thereto, including the Corporation, will not borrow on a tax-exempt basis (other than private activity bonds which are not qualified 501(c)(3) bonds as defined in Section 145 of the Code) in the aggregate an amount exceeding \$10,000,000. In an ordinance enacted by the City Council of the City on June 15, 2020, the City designated the Series 2020 Bond as a “qualified tax-exempt obligation” in accordance with Section 265(b)(3)(B) of the Code.

(h) In the event of any division of the Project Facilities and the Real Property pursuant to Section 2.4 of the Facilities Agreement, the Corporation agrees that, unless (i) it obtains an opinion of Bond Counsel to the effect that such action is unnecessary to preserve the exclusion from gross income of interest on the Series 2020 Bond, or (ii) directed by the Purchaser, it will timely undertake to satisfy the requirements of the Code and the Treasury Regulations relating to a change in use of the Real Property or the Project Facilities. Regulations governing such remedial action are now contained in Section 1.141-12 of the Treasury Regulations.

[End of Article III]

ARTICLE IV

REDEMPTION OF SERIES 2020 BOND

SECTION 4.1. *Redemption of Series 2020 Bond.*

Optional Redemption of Series 2020 Bond. In the event the City exercises its option pursuant to Section 9.1 of the Facilities Agreement to purchase the Corporation's interest in the Project Facilities and pay the amount required to defease and redeem the Series 2020 Bond or to prepay Base Payments or in the event the City makes a voluntary prepayment under Section 4.3 of the Facilities Agreement, the Series 2020 Bond shall be redeemed in whole or in part at any time by the Corporation at a redemption price equal to 101% of the par amount of the principal amount of the Series 2020 Bond to be redeemed for the first five years and thereafter at a price of par, plus accrued interest to the redemption date. The Series 2020 Bond shall be redeemed in accordance with this paragraph only by written notice from the City or the Corporation to the Purchaser in accordance with **Section 4.2** hereof.

SECTION 4.2. *Notice of Redemption.* The notice of the call for redemption of the Series 2020 Bond or portions thereof shall identify (i) the number assigned to such Bonds, and the amounts being redeemed; (ii) the date of the notice; (iii) the redemption date; (iv) the redemption price; (v) the address of the City where such Bond or portion thereof is to be presented, with the name and telephone number of a contact person, if available; (vi) the issue date of the Series 2020 Bond; and (vii) the maturity date of the Series 2020 Bond or portion thereof being redeemed. Notice shall be given by the Corporation or the City by first class mail, postage prepaid, at least 30 days, but not more than 60 days, prior to the date fixed for redemption to the Purchaser at the Purchaser's address shown on the Register on the 15th day preceding that mailing; provided such notice shall be given by certified or registered mail, return receipt requested.

Failure to receive any notice by mailing or otherwise or any defect in such notice regarding the Series 2020 Bond, however, shall not affect the validity of the proceedings for the redemption of any other Bond.

SECTION 4.3. *Payment of Redeemed Bonds.* Notice having been mailed, the Series 2020 Bond called for redemption shall become due and payable on the redemption date, and upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price plus interest accrued to the redemption date.

If money for the redemption of all of the Series 2020 Bond to be redeemed is held by the City on the redemption date so as to be available therefor on that date, and if notice of redemption has been deposited in the mail as aforesaid, then from and after the redemption date those Bonds called for redemption shall no longer be entitled to payment of any sum other than the redemption price. Interest on the Series 2020 Bond or portion thereof called for redemption shall cease to accrue from and after the redemption date specified in the notice, unless the Corporation defaults in making due provisions for the payment of the redemption price thereof.

[End of Article IV]

ARTICLE V

PROVISIONS AS TO FUNDS AND PAYMENTS FOR THE SERIES 2020 BOND

Section 5.1. Deposit of Money. The proceeds of the Series 2020 Bonds in the amount of \$~~2,504,000~~ will be utilized as follows:

(a) \$~~2,496,500.00~~ will be deposited into the Project Fund maintained ~~with~~by the ~~Custodian~~City to defray the costs of the Project Facilities, Ancillary Facilities and costs of issuance; and

(b) \$~~7,500.00~~ ~~will be deposited into an account maintained by the City to defray the costs of the Ancillary Facilities; and~~(c) \$~~7,500.00~~ will be retained by the Purchaser as ~~its commitment~~Purchaser counsel's fee.

Section 5.2. Creation of Project Fund. There is hereby created as a separate account ~~in~~of the ~~custody of the Custodian~~City a fund designated the ***“Project Fund.”*** ~~Within the Project Fund shall be created the Series 2020 Account.~~ Pending disbursement pursuant to this Indenture, (i) the proceeds of the sale of the Series 2020 Bond deposited in the ~~Series 2020 Account of the~~Project Fund pursuant to **Section 5.1** hereof, together with any other moneys and Eligible Investments held to the credit of the Project Fund, shall be held as security for the payment of the Series 2020 Bond.

Section 5.3. Disbursements from and Records of Project Fund.

(a) Moneys in the Project Fund shall be disbursed for the costs of the Project Facilities, the Ancillary Facilities and costs of issuance in accordance with the provisions of this **Section 5.3**.

(b) All disbursements from the Project Fund, except those pertaining to the payment of issuance costs of the Series 2020 Bond, shall be made by the City, as a representative of the Corporation. ~~The Custodian shall be entitled to rely on the representations and covenants made herein by the Corporation and the City as conclusive evidence of the Corporation's and the City's compliance with the procedure described herein.~~ Funds may not be disbursed from the Project Fund for working capital expenditures.

(c) The City and the Corporation hereby represent, warrant and covenant that they will only make withdrawals from the Project Fund for amounts that are costs related to the Project Facilities, Ancillary Facilities and costs of issuance which are currently due and payable and that have not been the subject of any previous withdraw from the Project Fund.

Section 5.4. [Reserved].

Section 5.5. Creation of Bond Fund: Acquisition Account.

(a) There is hereby created as a separate account to be designated the ***“Bond Fund,”*** which will be maintained by the City, as the paying agent for the Series 2020 Bond. Within the Bond Fund there shall be an Acquisition Account. There shall be deposited in the Bond Fund (and credited, as required by this Indenture, to appropriate Accounts therein), the Base Payments to be made by the City to the Purchaser (as the assignee of the Corporation) under the terms of the Facilities Agreement.

(b) The Bond Fund (and the Accounts therein) and the moneys and Eligible Investments therein shall be used solely and exclusively for the payment of principal of, premium, if any, and interest on the Series 2020 Bond as the same become due, except as otherwise provided in this Indenture.

(c) The City shall set aside from moneys in the Bond Fund amounts sufficient to make timely payments of the principal of, premium, if any, and interest on the Series 2020 Bond.

(d) Amounts due with respect to the Series 2020 Bond, except as provided in the remainder of this **Section 5.5**, shall be payable as they become due in the following order, (i) first, from amounts in the Acquisition Account of the Bond Fund; (ii) second, from other Revenues to the extent available; and (iii) third, from any other source lawfully available to the City, including without limitation, proceeds from the leasing of the Real Property and the Project Facilities in accordance with the terms of the Facilities Agreement and the Base Lease.

(e) If, at the close of business on the 3rd Business Day prior to any Bond Payment Date the amount in the Acquisition Account of the Bond Fund is less than the amount due and payable with respect to the Series 2020 Bond on such Bond Payment Date, the Corporation shall immediately request that the City transfer to the Acquisition Account of the Bond Fund from any source of legally available and appropriated funds the amount sufficient to make up such deficiency.

SECTION 5.6. *Investments.*

(a) Moneys in the Project Fund and the Bond Fund shall be invested and reinvested by the City in Eligible Investments ~~to the extent available by the Custodian~~. Any investments of moneys held to the credit of the Project Fund or the Bond Fund shall mature, be redeemable at the option of the owner or holder, or, in the case of repurchase agreement or similar contract, be available thereunder, not later than the respective dates when the money held to the credit of those Funds and Accounts will be required for the purpose intended.

~~(b) The Custodian may enter into transactions for the purchase or sale of Eligible Investments with itself or any bank, trust company or savings and loan association affiliated with the Custodian.~~ An investment made from moneys credited to the Project Fund or Bond Fund shall constitute part of that Account or Fund, and each Account and Fund shall be credited with all proceeds of sale and income from investment of moneys credited thereto.

(c) Investment income from investment of amounts on deposit in the Project Fund or the Bond Fund shall be retained therein and applied as other moneys in the Project Fund and Bond Fund, respectively.

~~(d) The Custodian shall not be liable for any loss resulting from the making or disposition of any investment pursuant to the provisions of this Section 5.6, and any such losses shall be charged to the Project Fund or the Bond Fund as the case may be.~~ (e) The value of the obligations in which money in the Project Fund or the Bond Fund has been invested shall be computed at market value or the amortized cost thereof, whichever is lower.

SECTION 5.7. *Moneys Subject to Lien.* All moneys on deposit ~~with the Custodian under this Indenture held by the Custodian~~ in the Project Fund or the Bond Fund hereunder shall be subject to the lien of this Indenture while so held.

SECTION 5.8. *Repayment to City from Bond Fund.* Prior to the occurrence of an Event of Default or an Event of Nonappropriation, any amounts remaining in the Bond Fund in excess of the amounts necessary to effect the payment and discharge of the Series 2020 Bond (i) after all of the Outstanding Bonds shall be deemed paid and discharged under the provisions of this Indenture, and (ii) after payment of all other amounts required to be paid under this Indenture and the Facilities Agreement, shall be redistributed by the City into such funds and accounts designated by the City.

[End of Article V]

ARTICLE VI CUSTODIAN

~~SECTION 6.1. *Appointment of Custodians.* The City Council shall appoint a bank, trust company, national banking association, or national association as Custodian of the funds described under this Indenture, if any, and the Custodian shall signify its acceptance of the powers, duties, and obligations conferred and imposed upon it by this Indenture by executing and delivering to the City and the Corporation a written acceptance thereof.~~

~~SECTION 6.2 *Duties and Obligations of Custodians.* The recitals of fact made in this Indenture and in the Series 2020 Bond shall be taken as statements of the Corporation, and no Custodian shall be deemed to have made any representation as to their correctness, nor shall any Custodian be deemed to have made any representation whatsoever as to the validity or sufficiency of this Indenture or of the Series 2020 Bond issued hereunder, nor shall any Custodian be under any responsibility or duty with respect to the issuance of the Series 2020 Bond or the application of the proceeds thereof, except to the extent provided for herein, nor shall any Custodian be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in response to this Indenture, or the Series 2020 Bond issued hereunder, or to advance any of its own moneys, unless properly indemnified to its satisfaction, nor shall any Custodian be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.~~

~~SECTION 6.3 *Custodians Protected in Relying Upon Indenture, Etc.* All Custodians shall at all times be protected in acting upon any action, ordinance, request, consent, order, certificate, statement, opinion, bond, or other paper or document believed to be genuine and to have been signed by the proper party or parties.~~

~~SECTION 6.4 *Resignation and Removal of Custodians.* Any Custodian may at any time resign and be discharged of its duties and obligations hereunder by giving to the Corporation written notice of such resignation, specifying a date (not less than sixty (60) days after the notice) when the resignation shall take effect, and by written notice thereof to the Purchaser. The resignation shall take effect upon the date specified in the notice unless previously a successor shall have been appointed, as hereinafter provided, in which event, the resignation shall take effect immediately upon the appointment and qualification of the successor.~~

~~SECTION 6.5 *Removal of Custodian.* The City may remove the Custodian at any time by giving to the Custodian written notice of such removal, specifying a date (not less than sixty (60) days after the notice) when the removal shall take effect, and by written notice thereof to the Purchaser. The removal shall take effect upon the date specified in the notice unless previously a successor shall have been appointed, as hereinafter provided, in which event, the removal shall take effect immediately upon the appointment and qualification of the successor.~~

~~SECTION 6.6 *Appointment of Successor Custodians.*~~

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

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

[RESERVED]

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

~~———— SECTION 6.7 *Concerning Any Successor Custodians.* — Any successor Custodian appointed as provided hereunder shall execute and deliver to its predecessor, the Purchaser, the Corporation and the City a written acceptance of appointment and, thereupon, the successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties, and obligations of its predecessor hereunder, with the same effect as if originally named as Custodian, and its predecessor shall be obligated to pay over, transfer, assign, and deliver all moneys, securities, or other property held by it to its successor, and, on the written request of the Corporation, the City, the Purchaser, or the successor, shall execute, acknowledge, and deliver all instruments of conveyance and further assurance and do all other things as may be reasonably required for the vesting and confirming in the successor all the right, title, and interest of the predecessor in and to any property held by it.~~

~~———— SECTION 6.8 *Merger of Custodians.* — Any bank or trust company into which any Custodian may be merged or with which it may be consolidated, or any bank or trust company resulting from any merger or consolidation to which it shall be a party, or any bank or trust company to which any Custodian may sell or transfer all or substantially all of its business, if the Corporation and the City approve, shall become the successor without the execution or filing of any paper or the performance of any other act.~~

[End of Article VI]

ARTICLE VII

DEFAULT PROVISIONS AND REMEDIES OF PURCHASER

SECTION 7.1. *Defaults; Events of Default.* The occurrence of any of the following events is defined as and declared to be and to constitute an Event of Default hereunder:

(a) Payment of the principal or interest due on any Bond shall not be made when and as such payment shall become due and payable; or

(b) The occurrence and continuance of an Event of Default as defined in Section 8.1 of the Facilities Agreement; or

(c) Any material breach by the Corporation or the City of any representation or warranty made in this Indenture, the Base Lease or the Facilities Agreement or default in the performance or observance of any other of the covenants, agreements, or conditions on the part of the Corporation in this Indenture or in the Series 2020 Bond contained; or

(d) The issuance of an order of relief by the United States Bankruptcy Court or the United States District Court having valid jurisdiction, granting the Corporation relief under federal bankruptcy law, or the issuance by any other court having valid jurisdiction of an order or decree under applicable federal or state law providing for the appointment of a receiver, liquidator, assignee, trustee, or sequestrator (or other similar official) of the Corporation or any substantial part of its property, affairs, or assets, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or

(e) The consent by the Corporation to the institution of proceedings in bankruptcy against it, or to the institution of any proceeding against it under any federal or state insolvency laws, or to the filing of any petition, application, or complaint seeking the appointment of a receiver, liquidator, assignee, trustee, or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, affairs, or assets.

SECTION 7.2. *Remedies; Rights of Holders.*

(a) *General.* Upon the occurrence and continuance of an Event of Default, the Purchaser may pursue any available remedy to enforce the payment of any amounts due with respect to the Series 2020 Bond or the observance and performance of any other covenant, agreement or obligation under this Indenture, the Facilities Agreement pertaining thereto or any other instrument providing security, directly or indirectly, for the Series 2020 Bond, including rights and powers conferred by this **Section 7.2** or Article VIII of the Facilities Agreement.

(b) *Acceleration.* Upon the occurrence of an Event of Default, and at any time thereafter while such Event of Default continues, then, and in each and every case, the Purchaser may proceed to declare the principal of all Outstanding Bonds, together with all accrued and unpaid interest thereon, if not already due, to be due and payable immediately, and upon any such declaration the same shall become and be due and payable immediately, anything contained in this Indenture or any Supplemental Agreement or in any of the Series 2020 Bond to the contrary notwithstanding. This provision is also subject, however, to the condition that, if at any time after the principal of the Series 2020 Bond, together with the accrued and unpaid interest thereon and other moneys secured hereby, have been so declared due and payable and before any further action has been taken (other than the making of the above

declaration), the principal amount of all Bonds which have matured either according to the maturity date or dates otherwise specified therein (except as a result of such declaration) and all arrears of interest upon all Bonds, except interest accrued but not yet due on said Bonds, have been paid or caused to be paid, and all other Events of Default, if any, which have occurred have been remedied, cured or secured, then the Purchaser may waive such Event of Default and its consequences and rescind and annul such declaration. No such waiver or rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power related to such subsequent default.

(c) *Other Remedies.* In case any one or more of the Events of Default shall happen and be continuing, then and in every such case, the Purchaser may:

(i) by mandamus or other suit, action or proceedings at law or in the equity, enforce such Purchaser's right against the Corporation and require and compel the Corporation to perform and carry out its duties and obligations under this Indenture or enforce any such remedies against the City pursuant to the Facilities Agreement, and require and compel the Corporation to perform and carry out its covenants and agreements with the Bondholders;

(ii) by action or suit in equity require the Corporation to account as if such Corporation were the trustee of an express trust;

(iii) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Purchaser;

(iv) bring suit upon the Series 2020 Bond;

(v) take such other action with respect to the Pledged Collateral, including obtaining the appointment of a receiver, as it may deem appropriate and apply any funds resulting therefrom as if such funds were Revenues; or

(vi) avail itself of any other remedy, whether at law or in equity, as it may determine to be appropriate.

(d) [Reserved].

(e) *No Remedy Exclusive, Effect of Delay and Waiver.* No remedy conferred upon or reserved to the Purchaser by this Indenture is intended to be exclusive of any other remedy. Each remedy shall be cumulative and shall be in addition to every other remedy given hereunder or otherwise to the Purchaser now or hereafter existing. No delay in exercising or omission to exercise any remedy, right or power accruing upon any default or Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be deemed to be expedient. No waiver of any default or Event of Default hereunder by the Purchaser shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

(f) *Remedies Under Facilities Agreement and Base Lease.* As the assignee of all right, title and interest of the Corporation in and to the Facilities Agreement and the Base Lease, the Purchaser is empowered to enforce each remedy, right and power granted to the Corporation or the Purchaser under the Facilities Agreement (except for those rights specifically reserved to the Corporation) and the Base Lease.

SECTION 7.3. Application of Moneys.

(a) Unless the principal of all Outstanding Bonds shall have become or have been declared due and payable any funds received by the Purchaser hereunder, after payment of costs and expenses of collection, shall be applied as follows:

First: To the payment to the Persons entitled thereto of all installments of interest then due on the Series 2020 Bond in the order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the person entitled thereto, without any discrimination or preference;

Second: To the payment to the Persons entitled thereto of the unpaid principal amounts or redemption premium, if any, of any Bonds which shall have become due (other than Bonds previously called for redemption in accordance with the provisions hereof), whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Series 2020 Bond due on any date, then to the payment thereof ratably, according to the principal amounts or redemption premium, if any, due on such date, to the Persons entitled thereto, without any discrimination or preference; and

Third: If, when there is not an Event of Default, the Purchaser is required to expend funds to defend itself in a lawsuit which arises under a cause of action attacking the legality of the Series 2020 Bond; the inclusion of interest earned on the Series 2020 Bond in the gross income for Federal income tax purposes of a Holder; or the status of the Corporation as issuer, then, in such event the Purchaser shall be entitled to a call on the funds for the same kinds of expenses as are described as costs and expenses of collection as described in **Section 7.3(b)** below.

(b) If the principal of all Outstanding Bonds shall have become or have been declared due and payable, any funds received by the Purchaser hereunder, after payment of costs and expenses of collection, shall be applied to the payment of the principal and interest then due and unpaid upon the Series 2020 Bond without preference or priority of principal over interest or of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

(c) If the principal of all Outstanding Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this **Article VII**, then, subject to the provisions of **Section 7.3(b)** above in the event that the principal of all Outstanding Bonds shall later become due or be declared due and payable, moneys shall be applied in accordance with the provisions of **Section 7.3(a)** above.

(d) Whenever moneys are to be applied pursuant to the provisions of this **Section 7.3**, those moneys shall be applied at such times, and from time to time, as the Purchaser shall determine, having due regard to the amount of moneys available for application and the likelihood of additional moneys becoming available for application in the future. Whenever the Purchaser shall direct the application of those moneys, it shall fix the date upon which the application is to be made, and upon that date, interest

shall cease to accrue on the amounts of principal, if any, to be paid on that date, provided the moneys are available therefor.

(e) Whenever all Bonds and interest thereon have been paid under the provisions of this **Section 7.3** and all expenses and charges of the Purchaser have been paid, any balance remaining shall be paid to the Person entitled to receive the same; if no other Person shall be entitled thereto, then the balance shall be paid to the City or as a court of competent jurisdiction may direct.

SECTION 7.4. Remedies Vested in Purchaser. All rights of action (including without limitation, the right to file proofs of claims) under this Indenture or under any of the Series 2020 Bond may be enforced by the Purchaser without the possession of any of the Series 2020 Bond or the production thereof in any trial or other proceeding relating thereto.

SECTION 7.5. Termination of Proceedings. In case the Purchaser shall have proceeded to enforce any remedy, right or power under this Indenture in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Purchaser, the Corporation shall be restored to its former position and rights hereunder and all rights, remedies and powers of the Purchaser shall continue as if no suit, action or proceedings had been taken.

SECTION 7.6. Waivers of Events of Default. Except as hereinafter provided, at any time, in its discretion, the Purchaser may waive any Event of Default hereunder and its consequences. In the case of such waiver, or in case any suit, action or proceeding taken by the Purchaser on account of any Event of Default shall have been discontinued, abandoned or determined adversely to it, the Purchaser shall be restored to its former position and rights hereunder. No waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

[End of Article VII]

ARTICLE VIII

SUPPLEMENTAL AGREEMENTS

SECTION 8.1. *Supplemental Agreements Generally.* The Corporation and the Purchaser may enter into Supplemental Agreements, including but not limited to the issuance of Additional Bonds by the Corporation hereunder, as provided in this **Article VIII** and pursuant to the other provisions therefor in this Indenture.

SECTION 8.2. *Consent of City.* Anything contained herein to the contrary notwithstanding, a Supplemental Agreement executed and delivered in accordance with this **Article VIII** which affects any rights or obligations of the City shall not become effective unless and until the City shall have consented in writing to the execution and delivery of that Supplemental Agreement. The Corporation shall cause notice of the proposed execution and delivery of any Supplemental Agreement and a copy of the proposed Supplemental Agreement to be mailed to the City, as provided in **Section 10.4** hereof, at least 30 days (unless waived by the City) before the date of the proposed execution and delivery of a Supplemental Agreement.

SECTION 8.3. *Authorization to Purchaser; Effect of Supplement.* The Purchaser is authorized to join with the Corporation in the execution and delivery of any Supplemental Agreement in accordance with this **Article VIII** and to make the further agreements and stipulations which may be contained therein with the following effect:

- (a) That Supplemental Agreement shall form a part of this Indenture;
- (b) All terms and conditions contained in that Supplemental Agreement as to any provision authorized to be contained therein shall be deemed to be a part of the terms and conditions of this Indenture for any and all purposes;
- (c) This Indenture shall be deemed to be modified and amended in accordance with the Supplemental Agreement; and
- (d) The respective rights, duties and obligations under this Indenture of the Corporation and the Purchaser shall be determined, exercised and enforced hereunder in a manner which is subject in all respects to those modifications and amendments made by the Supplemental Agreement.

Express reference to any executed and delivered Supplemental Agreement may be made in the text of any Bonds executed and delivered thereafter, if that reference is deemed necessary or desirable by the Purchaser or the Corporation. The Purchaser shall not be required to execute a Supplemental Agreement containing provisions adverse to the Purchaser.

SECTION 8.4. *Opinion of Counsel.* The Purchaser shall be entitled to receive, and shall be fully protected in relying upon, the opinion of any counsel approved by it as conclusive evidence that (i) any proposed Supplemental Agreement complies with the provisions of this Indenture, and (ii) it is proper for the Purchaser to join in the execution of that Supplemental Agreement under the provisions of this **Article VIII**. The Purchaser may accept an opinion of Bond Counsel or counsel for the Corporation or the City for such purposes. Prior to taking any action hereunder, the Purchaser shall be entitled to assurance as to the payment of the fees and expenses of any counsel providing such opinion.

SECTION 8.5. *Modification by Unanimous Consent.* Notwithstanding anything contained elsewhere in this Indenture, the rights and obligations of the Purchaser, and the terms and provisions of the Series 2020 Bond and this Indenture or any Supplemental Agreement, may be modified or altered in any respect with the consent of (i) the Purchaser and (ii) if required by **Section 8.2** hereof, the City.

[End of Article VIII]

ARTICLE IX
DEFEASANCE

SECTION 9.1. *Defeasance.*

(a) When principal or redemption price (as the case may be) of, and interest on, any Bonds issued hereunder has been paid, or provision shall have been made for payment of the same, together with all sums payable hereunder by the Corporation and the City, the right, title and interest of the Purchaser with respect to such Bonds shall thereupon cease and the Purchaser shall release this Indenture and shall execute such documents to evidence such releases as may be reasonably required by the Corporation, ~~and the Custodian shall turn over to the Corporation or to such person, body or authority as may be entitled to receive the same all balances then held by it hereunder~~; provided, however, that the City shall in all events remain liable under the Facilities Agreement (subject to **Section 4.7** thereof) until all amounts due and owing thereunder have been paid or provision shall have been made for payment of the same.

(b) Provision for the payment of the Series 2020 Bond shall be deemed to have been made when ~~the Custodian~~ an escrow agent selected by the City holds, in an irrevocable deposit, under the provisions hereof (i) cash in an amount sufficient to make all payments specified above with respect to all of such Bonds, or (ii) Defeasance Obligations maturing on or before the date or dates when the payments specified above shall become due, the principal amount of which and the interest thereon, when due, is or will be, in the aggregate, sufficient without reinvestment to make all payments specified above with respect to such Bonds, or (iii) any combination of such cash and such Defeasance Obligations the amounts of which and interest thereon, when due, are or will be, in the aggregate, sufficient without reinvestment to make all payments specified above on such Bonds; provided that, to the extent such deposit does not consist of uninvested cash, the ~~Custodian~~ City and the Corporation shall have received a report of an independent accountant or firm of accountants selected by the Corporation verifying that the computations of the amount available from Defeasance Obligations when added to any cash available shall be sufficient to meet the requirements hereof.

(c) Neither the obligations nor the moneys deposited with ~~the Custodian~~ an escrow agent pursuant to this **Section 9.1** shall be withdrawn or used for any purpose other than, and shall be segregated and held in trust for, the payment of the principal or redemption price of, and interest on, said Bonds.

(d) Whenever moneys or obligations shall be deposited with ~~the Custodian~~ an escrow agent for the payment or redemption of Bonds more than 60 days prior to the date that such Bonds are to mature or be redeemed, the Corporation shall mail a notice stating that such moneys or obligations have been deposited and identifying the Series 2020 Bond for the payment of which such moneys or obligations are being held, to the Purchaser for the payment of which such moneys or obligations are being held.

(e) Prior to any defeasance becoming effective under this Indenture, there shall have been delivered to the Purchaser an opinion of Bond Counsel, satisfactory to the Purchaser, to the effect that interest on the Series 2020 Bond being paid by such defeasance will not become subject to Federal income taxation by reason of such defeasance.

SECTION 9.2. *Survival of Certain Provisions.* Notwithstanding the foregoing, any provisions of this Indenture which relate to the maturity of Bonds, interest payments and dates thereof, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds and the holding of moneys in trust, shall remain in effect and be binding upon ~~the Custodian and~~ the Purchaser, notwithstanding, the release and discharge of this Indenture. The provisions of this **Article IX** shall survive the release, discharge and satisfaction of this Indenture.

[End of Article VIX]

ARTICLE X

MISCELLANEOUS

SECTION 10.1. Amendments. The Purchaser, as lessor and seller by assignment, must consent to any amendment, change or modification of the Base Lease and the Facilities Agreement.

SECTION 10.2. Limitation of Rights. With the exception of rights conferred expressly in this Indenture, nothing expressed or mentioned in or to be implied from the Base Lease, the Facilities Agreement or the Series 2020 Bond is intended or shall be construed to give to any Person other than the parties hereto and thereto any legal or equitable right, remedy, power or claim under or with respect to this Indenture or any covenants, agreements, conditions and provisions contained herein. This Indenture and all of those covenants, agreements, conditions and provisions are intended to be, and are, for the sole and exclusive benefit of the parties hereto, and the City as provided herein.

SECTION 10.3. Severability. In case any section or provision of this Indenture, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Indenture or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Indenture, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein.

Any illegality, invalidity or inoperability shall not affect any legal, valid and operable section, provision, covenant, agreement, stipulation, obligation, act, acting, part or application, all of which shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

SECTION 10.4. Notices. It shall be sufficient service or giving of any notice, request, complaint, demand or other instrument or document, if it is mailed by first class mail, postage prepaid or is sent via electronic transmission. Notices to the Corporation, the City and the Purchaser shall be addressed as follows:

The Corporation	Mauldin Public Facilities Corporation 5 East Butler Road Mauldin, South Carolina 29662 Attn: President, Board of Directors
The City	City of Mauldin 5 East Butler Road Mauldin, South Carolina 29662 Attn: City Administrator
The Purchaser	{Truist Bank} _____ 5130 Parkway Plaza Boulevard _____ Charlotte, North Carolina 28217 Attn: Governmental Finance

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Corporation, the Purchaser or the City to one or more of the others also shall be given to the others. The foregoing parties may designate, by notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent.

In connection with any notice mailed pursuant to the provisions of this Indenture, a certificate of the Purchaser, the Corporation or the City, whichever or whoever mailed that notice, that the notice was so mailed shall be conclusive evidence of the proper mailing of the notice.

SECTION 10.5. *Suspension of Mail.* If because of the suspension of delivery of first class mail or, for any other reason, the Corporation, the City, or the Purchaser ~~or the Custodian~~ shall be unable to mail by the required class of mail any notice required to be mailed by the provisions of this Indenture, such party shall give such notice in such other manner as in the judgment of such party shall most effectively approximate mailing thereof, and the giving of that notice in that manner for all purposes of the Facilities Agreement shall be deemed to be in compliance with the requirement for the mailing thereof. Except as otherwise provided herein, the mailing of any notice shall be deemed complete upon deposit of that notice in the mail and the giving of any notice by any other means of delivery shall be deemed complete upon receipt of the notice by the delivery service.

SECTION 10.6. [Reserved]

SECTION 10.7. *Priority of this Indenture.* This Indenture shall be superior to any liens which may be placed upon the Revenues or any Funds (or Accounts therein) created pursuant hereto.

SECTION 10.8. *Extent of Covenants; No Personal Liability.* All covenants, stipulations, obligations and agreements of the Purchaser contained in this Indenture are and shall be deemed to be covenants, stipulations, obligations and agreements of the Purchaser as such to the full extent authorized by law. No covenant, stipulation, obligation or agreement of the Purchaser or the Corporation contained in this Indenture or any other agreement relating to the Series 2020 Bond shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future member, officer, agent or employee of the Purchaser or the Corporation in other than that person's official capacity. No official executing the Series 2020 Bond, this Indenture or any amendment or supplement hereto or thereto or other document relating to the Series 2020 Bond, shall be liable personally on the Series 2020 Bond or be subject to any personal liability or accountability by reasons of the issuance or execution hereof or thereof.

SECTION 10.9. *Binding Effect.* This Indenture shall inure to the benefit of and shall be binding upon the Corporation and upon the Purchaser, and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 10.10. *Counterparts.* This Indenture may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

SECTION 10.11. *Governing Law.* This Indenture and the Series 2020 Bond shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State without regard to conflict of law principles.

SECTION 10.12. *Limitation of Liability of Corporation.* All payments to be made by the Corporation or obligations of the Corporation hereunder are payable solely from the Pledged Collateral and revenues derived therefrom.

[End of Article X]

[FORM OF SERIES 2020 BOND]

Registered
No. R-1

\$ 2,504,000

MAULDIN PUBLIC FACILITIES CORPORATION
INSTALLMENT PURCHASE REVENUE BOND
SERIES 2020

Initial Interest Rate	Maturity Date	Dated Date
<u>2.86%</u>	April 1, 20 <u>2040</u>	July 7 <u>7</u> , 2020

Holder: ~~†~~TRUIST BANK

Principal Amount: TWO MILLION FIVE HUNDRED FOUR THOUSAND AND 00/100 DOLLARS

The Mauldin Public Facilities Corporation (the “*Corporation*”), a nonprofit corporation organized and existing under the laws of the State of South Carolina (the “*State*”) and a support organization for the City of Mauldin, South Carolina (the “*City*”), for value received hereby acknowledges itself obligated to, and promises to pay, the Holder identified above, or registered assigns, but only out of the sources pledged for that purpose as hereinafter provided, and not otherwise, the principal amount set forth above, on the payment dates set forth below and on the maturity date set forth above, and to pay interest on such then Outstanding principal amount from the most recent April 1 or October 1 to which interest has been paid or for which due provision has been made or, if no interest has been paid, from the Dated Date set forth above, at the rate of interest per annum set forth above payable on April 1 or October 1 (each a “*Bond Payment Date*”) of each year commencing April 1, 2021, until the Corporation’s obligation with respect to payment of the principal amount is discharged. Interest on this Bond will be computed on a 360-day year, 30-day month basis.

Principal on this Bond is payable on April 1 in each of the years and in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
<u>2021</u>	<u>\$113,000</u>	<u>2031</u>	<u>\$124,000</u>
<u>2022</u>	<u>97,000</u>	<u>2032</u>	<u>128,000</u>
<u>2023</u>	<u>99,000</u>	<u>2033</u>	<u>132,000</u>
<u>2024</u>	<u>102,000</u>	<u>2034</u>	<u>135,000</u>
<u>2025</u>	<u>105,000</u>	<u>2035</u>	<u>139,000</u>
<u>2026</u>	<u>108,000</u>	<u>2036</u>	<u>143,000</u>
<u>2027</u>	<u>111,000</u>	<u>2037</u>	<u>147,000</u>
<u>2028</u>	<u>114,000</u>	<u>2038</u>	<u>152,000</u>
<u>2029</u>	<u>118,000</u>	<u>2039</u>	<u>156,000</u>
<u>2030</u>	<u>121,000</u>	<u>2040</u>	<u>160,000</u>

Interest is payable to the person in whose name this bond is registered at the close of business on the 15th day of the calendar month next preceding each Bond Payment Date, except that interest not duly paid or provided for when due shall be payable to the person in whose name this bond is registered at the

close of business on a special record date to be fixed for the payment of defaulted interest. Such defaulted interest shall be payable to the Holder in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed to the Holder of the Series 2020 Bond not less than 15 days preceding such special record date. Such notice shall be mailed to the Holder in whose name this bond is registered at the close of business on the fifth day preceding the date of mailing. If the City registers the transfer of this bond subsequent to the mailing of such notice and on or before the special record date, any such notice of payment of defaulted interest shall be binding upon the transferee and a copy of the notice of payment of defaulted interest shall be delivered by the City to the transferee along with the bond or bonds.

Principal of and interest on this bond are payable in lawful money of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts. Payments of interest will be made by check or draft by the City and mailed to the person entitled thereto. Principal, when due, shall be paid without presentation or surrender at the office of the City. At the written request addressed to the City, interest and redemptions of principal shall be paid by wire transfer to the bank account number filed not later than the Record Date with the City for such purpose.

The Bond and the interest thereon are limited obligations of the Corporation, do not and shall not constitute a debt or pledge of the faith and credit of the City but shall constitute a limited obligation of the Corporation and shall be payable solely from the Revenues pledged therefor as defined in the Indenture (hereinafter defined) and are secured by said Indenture. The Bond and the interest thereon shall never constitute an indebtedness or charge against the general credit or taxing powers of the City within the meaning of any constitutional provision or statutory limitation, but shall be payable solely from the funds provided for in the Indenture.

This Bond is in the authorized denomination of ~~not exceeding \$~~ \$2,504,000 and is designated as the Mauldin Public Facilities Corporation Installment Purchase Revenue Bond, Series 2020 (the "**Bond**"), issued under a Indenture, dated as of July 1, 2020 (the "**Indenture**"), between the Corporation and the Purchaser (as defined in the Indenture), to provide funds to finance the costs of acquiring, constructing, and installing municipal facilities to be sold by the Corporation to the City pursuant to a Municipal Facilities Purchase and Occupancy Agreement dated as of July 1, 2020 (the "**Facilities Agreement**") and used by the City, all by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and statutes of the State, and pursuant to resolutions duly adopted by the Board of Directors of the Corporation. The City Council of the City has also enacted an ordinance approving the Corporation and the issuance of the Bond by the Corporation. The City has acquired and leased the sites of the facilities to the Corporation under the terms of a Base Lease and Conveyance Agreement dated as of July 1, 2020 (the "**Base Lease**").

Pursuant to the Indenture the Corporation has granted to the Purchaser, a security interest in the Pledged Collateral (as described in the Indenture). The Pledged Collateral includes the Revenues (as defined in the Indenture) consisting of the Acquisition Payments (as defined in the Indenture) payable by the City under the Facilities Agreement, any other sums arising under the Facilities Agreement, amounts on deposit from time to time in the funds and accounts created pursuant to the Indenture and the investment income therefrom. The Indenture further provides that the Corporation may issue additional bonds secured on a parity with the Series 2020 Bond by the Pledged Collateral under the terms and conditions and to the extent described in the Indenture. The City's obligation to pay Acquisition Payments under the Facilities Agreement is subject to annual appropriations and the obligation may be terminated at the end of any fiscal year of the City by an Event of Nonappropriation (as defined in the Facilities Agreement). UPON THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION, THE CITY MAY TERMINATE THE FACILITIES AGREEMENT AT THE END OF THE FISCAL YEAR DURING WHICH SUCH EVENT OF NONAPPROPRIATION OCCURS, AND THE CITY SHALL

NOT BE OBLIGATED TO MAKE PAYMENT OF THE ACQUISITION PAYMENTS BEYOND THE END OF SUCH FISCAL YEAR.

Counterparts or copies of the Indenture, the Facilities Agreement, the Base Lease and the other documents referred to herein are on file at the office of the City, and reference is hereby made thereto and to the documents referred to therein for the provisions thereof, including the provisions with respect to the rights, obligations, duties and immunities of the Corporation, the City and the Purchaser, as the Holder of the Bond, under such documents, the security for the Bond and the conditions under which additional bonds may be issued thereunder to all of which the Holder hereof, by acceptance of this bond, assents.

The Bond is subject to redemption prior to maturity as provided in the Indenture in the event the City exercises its option pursuant to the Facilities Agreement to prepay Base Payments, the Bond will be redeemed in whole or in part at any time at a redemption price equal to 101% of the principal amount of the Bond to be redeemed for the first five years and thereafter at a price of par, plus accrued interest to the redemption date.

Notice of redemption shall be given by the Corporation or the City by first class mail, postage prepaid, to the Purchaser at its address appearing on the Register maintained by the City, said mailing to be not less than 30 days, but not more than 60 days, prior to the redemption date. Failure of the Corporation or the City to give any notice of redemption or any defects in such notice shall not affect the validity of the redemption of any other Bonds.

Upon the occurrence of certain Events of Default (as defined in the Indenture), the Bond may be declared immediately due and payable and thereupon shall become and be immediately due and payable as provided in the Indenture.

The Bond is issuable only in fully registered form. Subject to the limitations provided for in the Indenture, this bond may be exchanged for a like aggregate principal amount payable at maturity of Bonds of the same maturity in the principal amount then Outstanding.

The Bond is transferable by the Holder thereof in person or by his attorney duly authorized in writing at the office of the City, but only in the manner and subject to the limitations provided for in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of the same maturity and in authorized denominations for the same aggregate principal amount payable at maturity will be issued to the transferee in exchange.

The City may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture in connection with the exchange or transfer. The City need not exchange or register the transfer of a Bond which has been selected for redemption and need not exchange or register the transfer of any Bond for a period of 15 days before a selection of Bonds to be redeemed or before any April 1 or October 1.

The Corporation, the City and any paying agent may treat the Holder of this bond as the absolute owner for the purpose of receiving payment as herein provided and for all other purposes and none of them shall be affected by any notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this bond have existed, have happened and have been performed in due form, time and manner as required by law.

IN WITNESS WHEREOF, the Corporation has caused this Bond to be executed and attested by its duly authorized officers, and this Bond to be authenticated by an authorized representative of the City, without which authentication this Bond shall not be valid nor entitled to the benefits of the Indenture.

MAULDIN PUBLIC FACILITIES CORPORATION

President, Board of Directors

ATTEST:

Secretary/Treasurer, Board of Directors

AUTHENTICATION CERTIFICATE

The undersigned City of Mauldin, South Carolina hereby certifies that this is the Bond described in the within-mentioned Indenture.

Date of Authentication: _____

CITY OF MAULDIN, SOUTH CAROLINA,
as Registrar

By: _____
City Clerk

BASE LEASE AND CONVEYANCE AGREEMENT

between

**CITY OF MAULDIN, SOUTH CAROLINA
as Lessor**

and

**MAULDIN PUBLIC FACILITIES CORPORATION
as Lessee**

DATED AS OF AUGUST 1, 2020

**ALL RIGHTS, TITLE AND INTEREST OF MAULDIN PUBLIC FACILITIES CORPORATION IN THIS
BASE LEASE AND CONVEYANCE AGREEMENT HAVE BEEN ASSIGNED TO ~~U.S. TRUIST BANK-
NATIONAL ASSOCIATION, AS TRUSTEE (“TRUSTEE, AS PURCHASER (“PURCHASER”)~~, UNDER A
~~TRUST AGREEMENT~~AN INDENTURE DATED OF EVEN DATE HEREWITH, AND ARE SUBJECT TO
THE SECURITY INTEREST OF THE ~~TRUSTEE~~PURCHASER.**

BASE LEASE AND CONVEYANCE AGREEMENT

THIS BASE LEASE AND CONVEYANCE AGREEMENT dated as of August 1, 2020 (the “**Base Lease**”) made and entered into by and between the **CITY OF MAULDIN, SOUTH CAROLINA** (the “**City**”), a municipal corporation and body corporate and politic of the State of South Carolina (the “**State**”), as lessor, and the **MAULDIN PUBLIC FACILITIES CORPORATION** (the “**Corporation**”), a nonprofit corporation duly organized under the laws of the State, as lessee,

WITNESSETH

WHEREAS, the Corporation is a nonprofit corporation formed under the provisions of Title 33, Chapter 31, Code of Laws of South Carolina, 1976, as amended; and

WHEREAS, the City is a duly organized and existing municipal corporation duly formed under the laws of the State and is authorized under the provisions of Title 5, Chapter 7, Code of Laws of South Carolina, 1976, as amended, to enter into this Base Lease; and

WHEREAS, the City presently owns various parcels of real property (the “**Real Property**”) as more particularly set forth on **Exhibit A** attached hereto, upon which the City’s administration facilities (the “**Project Facilities**”) are currently situated and will be used by the City pursuant to the terms hereof as more specifically defined herein; and

WHEREAS, the City desires to lease the Real Property and convey the Project Facilities to the Corporation so that the Corporation may (i) provide funds for (a) the construction, renovation and equipping of the Project Facilities and (b) the construction, acquisition and installation of a pedestrian bridge (the “**Ancillary Facilities**”) and (ii) sell and convey the Project Facilities to the City; and

WHEREAS, the Corporation has determined that the construction, renovation and equipping of the Project Facilities and the construction, acquisition and installation of the Ancillary Facilities would be beneficial to the Corporation and the City and can be achieved by the issuance of a Series of Bonds to be known as the \$2,750,000 Installment Purchase Revenue Bonds, Series 2020, dated their date of delivery (the “**Series 2020 Bonds**”); and

WHEREAS, the Project Facilities are to be sold by the Corporation to the City under the terms of a Municipal Facilities Purchase and Occupancy Agreement dated as of August 1, 2020 (the “**Facilities Agreement**”) between the Corporation and the City; and

WHEREAS, the payments to be made under the Facilities Agreement and the rights of the Corporation thereto (except for certain reserved rights as provided therein) are to be assigned to ~~U.S. Truist Bank National Association~~ (the “**Trustee Purchaser**”) pursuant to the terms of a ~~Trust Agreement~~ an Indenture dated as of August 1, 2020 (the “**Trust Agreement Indenture**”) between the Corporation and the ~~Trustee Purchaser~~ in order to secure and provide a source of payment for and to issue the Bonds; and

WHEREAS, the City desires to enter into this Base Lease in order to achieve the foregoing purposes;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements, including the payments of the Base Lease Rent herein set forth, the City and the Corporation do hereby covenant and agree as follows:

**ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION**

SECTION 1.1. Definitions of Words and Terms. Capitalized terms not otherwise defined herein are used with the meanings provided therefor in the ~~Trust Agreement~~[Indenture](#) or the Facilities Agreement or shall have the following meanings, unless some other meaning is plainly intended:

“Acquisition Payments” means those payments required to be made by the City by Sections 4.1 and 4.2 of the Facilities Agreement.

“Base Lease Rent” means those items referred to as such in **Section 3.4** hereof.

“Base Lease Term” means the term of this Base Lease which ends on June 30, 2045.

“City” means the City of Mauldin, South Carolina.

“City Council” means the City Council of the City, the governing body of the City, and any successor body.

“Corporation” means the Mauldin Public Facilities Corporation, a nonprofit corporation formed under the laws of the State, and its successors and assigns.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the City or the Corporation.

“Event of Default” means (a) with respect to the Facilities Agreement, any Event of Default as defined in Section 8.1 of the Facilities Agreement, and (b) with respect to the ~~Trust Agreement~~[Indenture](#), any Event of Default as defined in Section 7.1 of the ~~Trust Agreement~~[Indenture](#).

“Ordinance” means the Ordinance enacted by the City Council on June 15, 2020 authorizing this Base Lease and the Facilities Agreement and consenting to the ~~Trust Agreement~~[Indenture](#).

“Project Facilities” means those items referred to in the third whereas clause hereof and includes improvements located on or hereinafter renovated or constructed on the Real Property and hereby designated by the City to be part of the Project Facilities.

“Purchaser” means [Truist Bank, a North Carolina banking association organized and existing under the laws of the State of North Carolina, and its successors and assigns.](#)

“Real Property” means property owned by or leased to the City, as described on *Exhibit A*, as such may be amended from time to time as provided herein.

“State” means the State of South Carolina.

~~**“Trustee”** means U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America, and its successors and assigns, and any other trustee which at any time may be substituted in its place pursuant to and at the time serving as trustee under the Trust Agreement.~~

~~**“Trust Estate”** means the Trust Estate described in the granting clauses of the Trust Agreement.~~

SECTION 1.2. *Rules of Construction.* Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.

SECTION 1.3. *Accounting Terms.* Accounting terms used herein and not otherwise specifically defined shall have the meaning ascribed to such terms by accounting principles generally accepted in the United States as from time to time in effect.

ARTICLE II REPRESENTATIONS

SECTION 2.1. *Representations by the City.* The City represents and warrants as follows:

(a) The City is a duly constituted municipal corporation under the provisions of Title 5 of the Code of Laws of South Carolina, 1976, as amended, and a body politic and corporate and a political subdivision of the State.

(b) The conveyance of title to the Project Facilities and the demise and lease of the Real Property to the Corporation, as provided in this Base Lease, in order to allow the Corporation to provide for the construction, renovation and equipping of all or a portion of the Project Facilities and the construction of the Ancillary Facilities, and the sale of the Project Facilities by the Corporation to the City pursuant to the Facilities Agreement has been undertaken to enable the City to provide public facilities and improvements in the City.

(c) The City Council has full power and authority to enact the Ordinance and the City has full power and authority to enter into the transactions contemplated by this Base Lease and to carry out its obligations hereunder.

(d) Neither the execution and delivery of this Base Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound.

(e) The City has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the City's interests in the Real Property shall be or may be impaired, changed or encumbered in any manner whatsoever except as permitted by this Base Lease or the Facilities Agreement.

(f) The City is (or, prior to subjection thereof to this Base Lease, shall be) the fee owner of the Real Property free and clear of all liens, encumbrances and restrictions (including, without limitation, leases) other than Permitted Encumbrances.

SECTION 2.2. Representations by the Corporation. The Corporation represents and warrants as follows:

(a) The Corporation is a nonprofit corporation duly incorporated under the laws of the State and has corporate power to enter into this Base Lease, the Facilities Agreement and the ~~Trust Agreement~~Indenture. By proper corporate action the officers of the Corporation have been duly authorized to execute and deliver this Base Lease, the Facilities Agreement and the ~~Trust Agreement~~Indenture.

(b) The execution and delivery of this Base Lease, the Facilities Agreement and the ~~Trust Agreement~~Indenture and the consummation of the transactions herein and therein contemplated will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement, or instrument to which the Corporation is a party or by which it is bound.

(c) To provide funds to finance all or a portion of the Project Facilities and the Base Lease Rent (which will be used by the City to finance the Ancillary Facilities), the Corporation will enter into the ~~Trust Agreement~~Indenture pursuant to which it will issue one or more series of Bonds payable from and secured by the Acquisition Payments under the Facilities Agreement.

(d) The Corporation has made certain representations and covenants in Section 2.6 of the ~~Trust Agreement~~Indenture that are for the benefit of the Holders and also to protect the interests of the City in the property subject to this Base Lease. The Corporation hereby affirms that such covenants are intended to benefit the City and may be enforced by it upon the failure of the ~~Trustee~~Purchaser to do so.

ARTICLE III CONVEYANCE OF PROJECT FACILITIES AND LEASE OF THE REAL PROPERTY, ACQUISITION OF THE PROJECT FACILITIES; RENT

SECTION 3.1. Transfer of the Project Facilities and Lease of the Real Property. For and in consideration of the agreement of the Corporation to provide funds to improve the Project Facilities and to provide funds to construct the Ancillary Facilities through the payment of the Base Lease Rent, the City hereby demises and leases to the Corporation and the Corporation hereby leases from the City the Real Property for the Base Lease Term for the rentals and other consideration set forth in **Section 3.4** hereof and in accordance with the provisions of this Base Lease. The City hereby conveys the Project Facilities to the Corporation, and the Corporation hereby accepts such conveyance from the City.

SECTION 3.2. Purchase of the Project Facilities. Pursuant to the terms of the Facilities Agreement, the Corporation will construct, renovate and equip the Project Facilities and will convey title to the Project Facilities to the City, but subject to the terms of the ~~Trust Agreement~~Indenture and the reservation of certain rights under this Base Lease.

SECTION 3.3. Assignments, Subleases and Mortgages. Except as contemplated by the ~~Trust Agreement~~Indenture or permitted by the Facilities Agreement, the Corporation may not (i) mortgage or otherwise encumber or assign its rights under this Base Lease, (ii) mortgage or otherwise encumber, or lease, assign, transfer or otherwise dispose of its interest in the Real Property or the Project Facilities or any portion thereof or (iii) remove, modify or alter the Real Property or the Project Facilities, without the consent of the City.

Pursuant to the Facilities Agreement, the City, at its discretion, may lease or sublease less than a substantial portion of the Real Property to third parties. If the Facilities Agreement terminates prior to the

termination of such lease or sublease, the Corporation hereby agrees to assume the role of lessor in the place of the City until the termination of this Base Lease, at which point the City will again resume the role of lessor under such lease or sublease.

SECTION 3.4. *Rent and Other Consideration.* In consideration for the leasing of the Real Property to the Corporation hereunder, the Corporation agrees (i) to pay to the City the sum of _____ Dollars (\$ _____) on the closing date of the Series 2020 Bonds as a prepayment of the Base Lease Rent for the term of this Base Lease and (ii) to fulfill its obligations with respect to the Project Facilities as provided in the Facilities Agreement.

SECTION 3.5. *Taxes and Insurance.* The City shall pay and have responsibility for all taxes on and insurance of the Real Property and the Project Facilities for so long as this Base Lease shall remain in force, except as provided in **Section 4.1(b)** herein. All insurance shall provide that the proceeds shall be payable to the City, the Corporation or the [TrusteePurchaser](#) as their interests may appear.

SECTION 3.6. *Granting of Easements and Rights of Way, Release and Substitutions of Property.* From time to time during the term hereof and so long as there is not an existing Event of Default under the Facilities Agreement and there has not occurred an Event of Nonappropriation that has not been waived by the [TrusteePurchaser](#), the Corporation, at the request of the City, may execute such instruments as are necessary to provide for the granting of easements or rights of way for road construction, utilities or in such other instances as the City certifies are not inconsistent or incompatible with the continued use of the balance of the Real Property for their intended purposes. Such instruments may include a termination of this Base Lease with respect to such portion of the Real Property as is affected thereby or an acceptance or acknowledgment of the right of the grantee of any such easement or right-of-way to continue to use such property notwithstanding the exercise of any rights or remedies afforded to the Corporation hereunder or under the Facilities Agreement. Any request from the City hereunder shall be accompanied by copies of any instruments proposed to be executed together with a certificate from the City to the effect that (i) the continued use of the Real Property affected thereby will not be impaired or hampered thereby and (ii) access to the Real Property for ingress and egress will be adequate.

The Corporation may also terminate this Base Lease with respect to any portion of the Real Property deemed excessive or unneeded for the continued operation of the Project Facilities and the related facilities for the purposes for which they were designed or are then being used, and release its interest in such portion to the City, upon receipt by the Corporation of the following: (a) a plat showing the location of the Project Facilities and related facilities and the portion of the Real Property deemed excessive or unneeded; (b) an amendment to **Exhibit A** hereto revising the description of the affected parcel of property; (c) a certificate from an engineer or architect stating that the remaining Real Property will be adequate for the continued operation of the Project Facilities and related facilities for the purposes for which they were designed or are then being used, including a certification that there will be adequate access to the remaining Real Property for ingress and egress; and (d) a certification from the City that the portion of the Real Property being released from the provisions hereof is in excess to or unneeded for the continued operation of the Project Facilities and related facilities for the purposes for which they were designed or are then being used.

The City and the Corporation agree to amend **Exhibit A** to this Base Lease to substitute or release parcels of Real Property or portions thereof in accordance with the provisions of this **Section 3.6**. With respect to any particular item of Real Property, the City may substitute another item of Real Property under the conditions set forth in Section 5.1(c) of the Facilities Agreement. The City shall timely notify the [TrusteePurchaser](#) of any substitution or release pursuant to this **Section 3.6**.

The City shall not be obligated to compensate the Corporation for the removal of any property or for any conveyance or grant of an easement or right-of-way under the provisions hereof and any consideration paid in connection therewith shall be transferred to the City so long as there is not an existing Event of Default under the Facilities Agreement and no Event of Nonappropriation has occurred that has not been waived by the ~~Trustee~~Purchaser. The Corporation shall have no obligation or responsibility to prepare or record any instrument authorized hereunder.

ARTICLE IV TERMINATION

SECTION 4.1. *Termination.*

(a) This Base Lease shall terminate upon the completion of the Base Lease Term; provided, however, in the event the City exercises the option to purchase the Project Facilities as provided in Section 9.1(a) of the Facilities Agreement and satisfies the conditions thereof, then this Base Lease shall be considered terminated through merger of the leasehold interest with the interest of the City and, provided further, that upon any partition of the Project Facilities pursuant to Section 2.4 of the Facilities Agreement, this Base Lease shall be terminated with respect to that portion of the Real Property (the ***“Municipal Real Property”***) relating to any Municipal Facilities and the Municipal Real Property, if any, shall no longer be subject to this Base Lease and the Corporation shall have no interest therein. Notwithstanding the termination of the Facilities Agreement as a consequence of an Event of Default or Event of Nonappropriation, the City may thereafter purchase the Project Facilities not previously purchased by it upon payment of the applicable Purchase Option Price and the satisfaction of all other terms and conditions set forth in Section 9.1(a) of the Facilities Agreement.

(b) The Corporation agrees, upon any termination or completion of the Base Lease Term or the exercise by the City of its option to purchase as provided in Section 9.1(a) of the Facilities Agreement, to quit and surrender the Real Property and that all title and interest in the Project Facilities and the Real Property shall vest in the City free and clear of the encumbrance of this Base Lease and any other encumbrances except those permitted by Section 9.2(a) of the Facilities Agreement. The Corporation agrees, upon any partition of the Project Facilities provided for in Section 2.4 of the Facilities Agreement, to quit and surrender the Municipal Real Property, if any, and that in those circumstances all title and interest in the City Facilities and the Municipal Real Property, if any, shall vest in the City free and clear of the encumbrance of this Base Lease and any other encumbrances except those permitted by Section 9.2(a) of the Facilities Agreement.

If an Event of Default under the Facilities Agreement occurs or if the City fails to continue the Facilities Agreement for the entire term thereof for any reason, the Corporation shall have the right to possession of portions of the Real Property, if any, (the ***“Corporation Real Property”***) relating to the Corporation Facilities as the result of a partition as provided for in Section 2.4 of the Facilities Agreement for the remainder of the Base Lease Term and shall have the right to sublease the Corporation Facilities or transfer its leasehold interest in the Corporation Real Property and in this Base Lease upon whatever terms and conditions it deems prudent; provided that the Corporation Facilities shall always be operated for a civic or public purpose and in compliance with all applicable governmental rules, regulations and orders. Both parties acknowledge that the City has an insurable interest in the Corporation Facilities but not in any additions, alterations, furnishings and fixtures provided in connection with use of the Corporation Facilities by the Corporation or any person to whom the Corporation enters into a lease, license or other such agreement providing for occupancy, temporary or long-term. Therefore, the City’s obligation to provide insurance and pay taxes under the provisions of **Section 3.5** hereof shall be limited to the portions of the Real Property and the Project Facilities and

related property as they existed as of the Division Date. As to any additions, alterations, furnishings and fixtures provided in connection with use of the Corporation Facilities by the Corporation or any person to whom the Corporation enters into a lease, license or other such agreement providing for occupancy temporary or long-term, the Corporation shall provide the City with adequate public liability and comprehensive risk insurance covering such additions, alterations, furnishings and fixtures and the use thereof by the Corporation or such person, and shall pay all taxes relating thereto for the remainder of the Base Lease Term and will furnish the City with evidence thereof promptly upon written request from the City. In the event that the Corporation shall receive a payment for the transfer of its leasehold interest or total rental payments for subleasing that are, after the payment of the Corporation's expenses in connection therewith, including fees, costs and expenses of the ~~Trustee~~Purchaser, in excess of the principal amount of the Outstanding Bonds at the time of termination or default and the interest and premium, if any, due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the City by the Corporation, its assigns or its lessee.

SECTION 4.2. *Default by the Corporation.* The City shall not have the right to exclude the Corporation from the Real Property or the Project Facilities or to take possession of the Real Property or the Project Facilities (except pursuant to the Facilities Agreement) or to terminate this Base Lease prior to the termination of the Base Lease Term notwithstanding any default by the Corporation hereunder; except that if, upon exercise of the option to purchase the Corporation's entire interest in the Project Facilities granted to the City in Article IX of the Facilities Agreement and after the payment of the purchase price specified therein and the other sums payable under the Facilities Agreement, the Corporation fails to convey its interest in the Project Facilities to the City pursuant to said option, then the City shall have the right to terminate this Base Lease, such termination to be effective 30 days after delivery of written notice of such termination to the Corporation. However, in the event of any default by the Corporation hereunder, the City may maintain an action, if permitted in equity, for specific performance.

SECTION 4.3. *Quiet Enjoyment.* Subject to the Facilities Agreement, the Corporation at all times during the term of this Base Lease shall peaceably and quietly have and enjoy the Real Property and the Project Facilities.

SECTION 4.4. *No Merger.* Except as expressly provided herein, no union of the interests of the City and the Corporation herein or in the Facilities Agreement shall result in a merger of this Base Lease and the title to the Project Facilities. The Corporation and the City confirm that the Project Facilities shall be property of the Corporation and title thereto shall remain vested in the Corporation as the Project Facilities are constructed, renovated and equipped and shall not merge into the leasehold estate of the Corporation in the Real Property subject to the provisions of this Base Lease and the Facilities Agreement; except that title to the Project Facilities shall revert to and be vested in the City upon termination of this Base Lease, irrespective of any Event of Nonappropriation or Event of Default under the Facilities Agreement. The Corporation shall have the power to convey undivided interests in the Project Facilities to the City from time to time as Acquisition Payments are made as contemplated by the Facilities Agreement.

SECTION 4.5. *Waiver of Personal Liability.* All liabilities under this Base Lease on the part of the Corporation are strictly and exclusively liabilities of the Corporation as a corporation. To that end and for that purpose to the extent permitted by law, the City hereby releases each and every incorporator, member, director and officer of the Corporation of and from any personal or individual liability under this Base Lease, including without limitation the obligation to make payment of the Base Lease Rent and, to the extent permitted by law, agrees to hold such individuals harmless against all suits, claims, actions and judgments arising out of this Base Lease. No incorporator, member, director or officer of the

Corporation shall at any time or under any circumstances be individually or personally liable under this Base Lease for anything done or omitted to be done by the Corporation hereunder.

SECTION 4.6. *Maintenance of Premises.* Subject to the provisions of the Facilities Agreement, the Corporation covenants that it will maintain or cause to be maintained the Real Property, and will not cause, permit or suffer to be caused or permitted waste thereto. At the conclusion of the term hereof, the Real Property shall be returned to the City, together with the Project Facilities and any other improvements thereto, in substantially the condition thereof as of the date hereof or the date the Real Property is added hereto, subject to normal wear and tear. Except as contemplated under the Facilities Agreement, the Corporation shall not make or consent to any other improvements, modifications or alterations to the Real Property or the Project Facilities or any portion thereof, or remove any part thereof without the written consent of the City. Prior to an Event of Nonappropriation that has not been waived by the ~~Trustee~~Purchaser, in the event of any damage, destruction or condemnation of any of the Real Property, the provisions of Article VII of the Facilities Agreement shall be deemed to apply with respect to the Real Property in like manner as provided therein with respect to the Project Facilities, and the net proceeds from any insurance policies, performance bonds or condemnation awards shall be applied in the same manner for the benefit of the Real Property as are Net Proceeds under Section 7.2 of the Facilities Agreement. After an Event of Nonappropriation that has not been waived by the ~~Trustee~~Purchaser, in the event of any damage, destruction or condemnation of any of the Real Property, the proceeds of any insurance, performance bonds, or condemnation awards allocable to the Corporation's interest in the Real Property shall be applied as directed by the ~~Trustee~~Purchaser either in the manner provided in Section 7.2 of the Facilities Agreement or to the retirement of any Bonds or indebtedness with respect thereto and the balance, if any, remaining thereafter to such use as the City may direct.

ARTICLE V CONTROL OF REAL PROPERTY AND PROJECT FACILITIES DURING BASE LEASE TERM

SECTION 5.1. *Control of Real Property and Project Facilities During Base Lease Term.* Subject to the Facilities Agreement, during the Base Lease Term the Corporation shall have complete control over the Real Property and the Project Facilities and its operation, provided however, that the Corporation shall not create any encumbrance against the Real Property or the Project Facilities, except pursuant to the ~~Trust Agreement~~Indenture, during the Base Lease Term without the written consent of the City.

ARTICLE VI MISCELLANEOUS

SECTION 6.1. *Binding Effect.* This Base Lease shall inure to the benefit of and shall be binding upon the City, the Corporation and their respective successors and assigns.

SECTION 6.2. *Severability.* In the event any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

SECTION 6.3. *Amendment, Changes and Modifications.* This Base Lease may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the ~~Trustee~~Purchaser as provided in the ~~Trust Agreement~~Indenture, except to the extent anticipated (i) herein in connection with the amendment of *Exhibit A* hereto to include additional parcels of Real Property herein, and (ii) in **Section 3.6** hereof in connection with the granting of easements, releases and substitutions.

SECTION 6.4. *Execution in Counterparts.* This Base Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

SECTION 6.5. *Applicable Law.* This Base Lease shall be governed by and construed in accordance with the laws of the State.

SECTION 6.6. *Captions.* The Section and Article headings herein are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions hereof.

SECTION 6.7. *Notices.* It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Base Lease to be given to or filed with the City, the Corporation or the ~~Trustee~~[Purchaser](#) if the same is given or filed in the manner and at the addresses specified in the ~~Trust Agreement~~[Indenture](#).

WITNESS the due execution of this Base Lease and Conveyance Agreement as of the date first above written.

LESSOR:

CITY OF MAULDIN, SOUTH CAROLINA

WITNESS:

Terry Merritt, Mayor

ATTEST:

Cindy Miller, City Clerk

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this ____ day of ~~August~~July, 2020 by the within named **TERRY MERRITT** as the Mayor of the **CITY OF MAULDIN, SOUTH CAROLINA** (the "**City**") and **CINDY MILLER** as the City Clerk of the City as the act and deed of the City.

Notary Public for South Carolina
Print Name: _____
My Commission Expires: _____

LESSEE:

MAULDIN PUBLIC FACILITIES CORPORATION

WITNESS:

By: _____
President, Board of Directors

ATTEST:

By: _____
Secretary/Treasurer, Board of Directors

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this ____ day of ~~August~~July, 2020 by the within named _____ as the President of the Board of Directors of the **MAULDIN PUBLIC FACILITIES CORPORATION** (the "*Corporation*") and _____ as the Secretary/Treasurer of the Board of Directors of the Corporation as the act and deed of the Corporation.

Notary Public for South Carolina
Print Name: _____
My Commission Expires: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE REAL PROPERTY

MUNICIPAL FACILITIES PURCHASE AND OCCUPANCY AGREEMENT

between

MAULDIN PUBLIC FACILITIES CORPORATION
as Seller

and

CITY OF MAULDIN, SOUTH CAROLINA
as Buyer

DATED AS OF AUGUST 1, 2020

ALL RIGHT, TITLE AND INTEREST OF MAULDIN PUBLIC FACILITIES CORPORATION (THE “CORPORATION”) IN THE REVENUES DERIVED UNDER THIS MUNICIPAL FACILITIES PURCHASE AND OCCUPANCY AGREEMENT (EXCEPT FOR CERTAIN RESERVED RIGHTS) HAVE BEEN ASSIGNED TO U.S. TRUIST BANK NATIONAL ASSOCIATION, AS TRUSTEE PURCHASER (THE “TRUSTEE PURCHASER”), UNDER A TRUST AGREEMENT AN INDENTURE DATED AS OF AUGUST 1, 2020, BETWEEN THE CORPORATION AND THE TRUSTEE PURCHASER.

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MUNICIPAL FACILITIES PURCHASE AND OCCUPANCY AGREEMENT

THIS MUNICIPAL FACILITIES PURCHASE AND OCCUPANCY AGREEMENT dated as of August 1, 2020 (the *“Facilities Agreement”*) is made and entered into by and between **MAULDIN PUBLIC FACILITIES CORPORATION** (together with its successors and assigns, the *“Corporation”*), a nonprofit corporation formed under the laws of the State of South Carolina (the *“State”*), as seller, and the **CITY OF MAULDIN, SOUTH CAROLINA** (the *“City”*), a municipal corporation organized and existing under the laws of the State, as buyer.

WITNESSETH

WHEREAS, the Corporation is a nonprofit corporation formed under the provisions of Title 33, Chapter 31, Code of Laws of South Carolina, 1976, as amended; and

WHEREAS, the City is a municipal corporation organized and existing under the laws of the State and is authorized under the provisions of Title 5, Chapter 7, Code of Laws of South Carolina, 1976 as amended, to enter into this Facilities Agreement; and

WHEREAS, the City is the owner of certain land described in Exhibit A hereto (the *“Real Property”*) upon which the City’s administration facilities (the *“Project Facilities”*) are currently situated and used by the City; and

WHEREAS, the Corporation and the City have agreed to enter into a Base Lease and Conveyance Agreement, dated as of August 1, 2020 (the *“Base Lease”*) pursuant to which the City is leasing the Real Property conveying the Project Facilities to the Corporation and so that the Corporation will (i) provide for construction, renovation and equipping of the Project Facilities and (ii) sell and convey the Project Facilities to the City; and

WHEREAS, in order to provide funds for the payment of the costs of financing (i) the construction, renovation and equipping of the Project Facilities and (ii) the construction, acquisition and installation of a pedestrian bridge which will not be situated on the Real Property and will not be subject to the Base Lease or this Facilities Agreement (the *“Ancillary Facilities”*), the Corporation intends to issue \$2,750,000 Installment Purchase Revenue Bonds, Series 2020, dated the date of their delivery (the *“Series 2020 Bonds”*) under and by the terms of ~~a Trust Agreement~~ an Indenture dated as of August 1, 2020 (the *“Trust Agreement Indenture”*) by and between the Corporation and ~~U.S. Truist Bank National Association~~, as ~~trustee~~ purchaser (the *“Trustee Purchaser”*); and

WHEREAS, the City has agreed to make certain payments (the *“Acquisition Payments”*) for its acquisition of the Project Facilities on an installment basis and, in accordance with the terms hereof, shall be entitled to the use and occupancy of the Real Property and the Project Facilities and certain other matters; and

WHEREAS, the right to receive Acquisition Payments is being assigned to the Trustee Purchaser under the ~~Trust Agreement~~ Indenture as security and the source of payment for the Bonds;

NOW, THEREFORE, in consideration of the undertaking of the Corporation to construct, renovate and equip the Project Facilities, the undertaking of the City to pay the Acquisition Payments hereunder, the mutual covenants and agreements of the parties hereto, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Corporation and the City, intending to be legally bound, do hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings provided therefor in the Base Lease or the ~~Trust Agreement~~[Indenture](#) or as set forth below:

“Acquisition Payments” means the payments to be paid by the City pursuant to **Sections 4.1 and 4.2** hereof, including Base Payments and Additional Payments, subject to an Event of Nonappropriation as provided in **Section 4.7** hereof.

“Acquisition Price” shall mean the sum of all Base Payments to be made hereunder on a semi-annual basis, on such dates as shown on **Exhibit C** hereto, in order for the City to acquire the Project Facilities; subject, however, at all times to **Sections 2.2 and 2.3** hereof, which Acquisition Price may be recalculated in the event of any prepayment of Base Payments provided for in **Section 9.1** hereof.

“Additional Payments” means that portion of the Acquisition Payments specified in **Sections 4.1 and 4.2** hereof as Additional Payments.

“Additional Project Facilities” means any facilities, other than the Project Facilities, proposed to be acquired or renovated by the Corporation and sold to the City under the provisions hereof. Such Additional Project Facilities may be made subject to this Facilities Agreement.

“Additional Real Property” means any real property that is or will become the site of Additional Project Facilities.

“Ancillary Facilities” means the acquisition, construction and installation of a pedestrian bridge. Such improvements and the real property upon which such improvements may situate shall not be subject to the Base Lease or this Facilities Agreement.

“Base Payments” means that portion of the Acquisition Payments specified in **Section 4.1** hereof as Base Payments.

“Bond Counsel” means a firm of nationally recognized bond counsel experienced in matters of tax-exempt finance that shall be acceptable to the ~~Trustee~~[Purchaser](#).

“Bond Proceeds” means the gross proceeds received from the issuance and sale of the Series 2020 Bonds.

“Certificate of Acceptance” means the Direction to Make Final Disbursement and Certificate of Acceptance filed with the ~~Trustee~~[Purchaser](#) in accordance with **Section 3.4** hereof.

“City Council” means the City Council of the City of Mauldin, the governing body of the City, and any successor body.

“Completion Date” means the date on which the City provides a Certificate of Acceptance.

“Corporation Facilities” means that portion of the Project Facilities allocated to the Corporation as the result of a partition under the provisions of **Section 2.4** hereof.

“Environmental Regulations” means any federal, state or local law, statute, code, ordinance, regulation, requirement or rule relating to dangerous, toxic or hazardous pollutants, Hazardous Substances, chemical waste, materials or substances.

“Event of Default” means the events set forth in **Section 8.1** hereof.

“Event of Nonappropriation” means a termination of this Facilities Agreement pursuant to **Section 4.7** herein.

“Facilities Component” means an entire building, or a portion thereof, including any related auxiliary buildings and other structures, together with the Real Property associated therewith, or portion thereof, on which such building is located.

“Fiscal Year” means the fiscal year of the City, currently beginning on each July 1 and ending on the succeeding June 30.

“Force Majeure” means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials or any civil or military authority; insurrection; riots; landslides; earthquakes, flood; fire; storms, droughts; explosion; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not within the control of the party seeking the benefit of force majeure and not due to its own negligence.

“Hazardous Substances” means (a) any oil, flammable substance, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, materials or pollutants which (i) pose a hazard to the Project Facilities or to persons on or about the Project Facilities or (ii) cause the Project Facilities to be in violation of any Environmental Regulation; (b) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls, or radon gas; (c) any chemical, material or substance defined as or included in the definition of “waste,” “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely hazardous waste,” “restricted hazardous waste,” or “toxic substances” or words of similar import under any Environmental Regulation including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 USC §§ 9601 et seq.; the Resource Conservation and Recovery Act, 42 USC §§ 6901 et seq.; the Hazardous Materials Transportation Act, 49 USC §§ 1801 et seq.; the Federal Water Pollution Control Act, 33 USC §§ 1251 et seq.; (d) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or agency or may or could pose a hazard to the health and safety of the occupants of the Project Facilities or the owners and/or occupants of property adjacent to or surrounding the Project Facilities, or any other person coming upon the Project Facilities or adjacent property; or (e) any other chemical, material or substance which may or could pose a hazard to the environment.

“Municipal Facilities” means that portion of the Project Facilities allocated to the City as the result of a partition under the provisions of **Section 2.4** hereof.

“Net Proceeds” when used with respect to any proceeds from policies of insurance required hereby or any condemnation award, or proceeds from damages, refunds, adjustments or otherwise in connection with claims against any suppliers, vendors, contractors or subcontractors and/or materialmen or similar persons, including payments from sureties or on performance bonds with respect thereto, or from any liquidation of any part of the Project Facilities, means the amount remaining after deducting

from the gross proceeds thereof all expenses (including, without limitation, reasonable attorney's fees and costs) incurred in the collection of such proceeds or award.

"Ordinance" means that certain ordinance enacted by the City Council on June 15, 2020, which, inter alia, authorizes the financing of the Project Facilities and the Ancillary Facilities and expresses the intent of the City to enter into this Facilities Agreement.

"Owner" means the registered owner of any Bond as shown in the registration books of the Corporation maintained by the ~~Trustee~~[Purchaser](#) or any registrar or paying agent.

"Permitted Encumbrances" means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pursuant to the provisions of **Sections 4.1 and 4.2** respectively hereof; (ii) the Security Documents; (iii) utility, access and other easements and other rights-of-way, restrictions and exceptions which an officer of the City certifies will not interfere with or impair the use of the Real Property or Project Facilities by the Corporation or the City as contemplated hereby, including rights or privileges in the nature of easements; (iv) any financing statements filed to notice security interests pursuant to this Facilities Agreement or the ~~Trust Agreement~~[Indenture](#); and (v) the matters described on **Exhibit B** hereto.

"Project Facilities" means the projects designated as such by the Corporation and the City to be acquired, constructed or renovated and includes the assets and improvements, the cost of acquisition, construction, renovation or equipping for which is or has been paid from amounts disbursed from the ~~2020~~ Project Fund and includes any Additional Project Facilities. Ancillary Facilities are not included with the Project Facilities.

"Project Facilities Contracts" means those contracts entered into by or on behalf of the Corporation in connection with the Project Facilities.

"Purchase Option Price" means an amount equal to the amount required to defease or otherwise discharge the Bonds under the ~~Trust Agreement~~[Indenture](#) plus the amount of any Additional Payments which are due or accrued hereunder at the time which any purchase option hereunder is exercised.

"Real Property" means that certain real property leased to the Corporation under the Base Lease, as more particularly described on **Exhibit A** attached hereto, as may be amended in accordance with **Section 10.6** herein.

"Security Documents" means this Facilities Agreement, the Base Lease, the ~~Trust Agreement~~[Indenture](#), financing statements, if any, and any other instruments or documents providing security for the Owners of the Bonds.

"State" means the State of South Carolina.

"Waiver Period" means the period of time commencing on the date notice is received by the City pursuant to **Section 4.7(b)** hereof of the occurrence of an Event of Nonappropriation and ending on and including the July 31 following the commencement of a Fiscal Year affected by an Event of Nonappropriation.

Section 1.2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and

words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.

Section 1.3. *Terms Defined in the ~~Trust Agreement~~Indenture; Rights of the TrusteePurchaser.* Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the ~~Trust Agreement~~Indenture unless the context clearly indicates to the contrary. The parties hereto acknowledge that the rights of the Corporation hereunder have been assigned to the TrusteePurchaser to the extent and in the manner provided in the ~~Trust Agreement~~Indenture. Accordingly, wherever in this Facilities Agreement reference is made to the Corporation for enforcement of any right or remedy, the parties agree that the TrusteePurchaser may enforce such right or remedy regardless of whether so stated. The parties acknowledge that the TrusteePurchaser is a third-party beneficiary of the obligations of the City hereunder and may act directly, in its own name, in enforcing such obligations.

Section 1.4. *City Representations, Warranties and Covenants.* The City makes the following representations, warranties and covenants:

(a) The City is a body corporate and politic and a municipal corporation organized and existing under the laws of the State and has full power and legal right to enter into this Facilities Agreement and the Base Lease and to perform its obligations hereunder and thereunder. The City's actions in making and performing this Facilities Agreement and the Base Lease have been duly authorized by all necessary governmental action and do not and will not violate or conflict with any law or governmental rule or regulation, or any mortgage, agreement, instrument or other document by which the City or its properties are bound.

(b) The City is a political subdivision within the meaning of Section 103(c)(1) of the Code.

(c) The City will take such action as is necessary to assure that the Project Facilities are completed, furnished and occupied by the City. In the event the amounts available from the proceeds of the Bonds appear to be insufficient for such purpose, the City shall cooperate with the Corporation to make such modifications or changes in the Project Facilities as will assure the completion, provided that under no circumstances shall the City be required to expend any monies for Project Facilities other than monies in the ~~2020~~ Project Fund. Nothing herein shall prohibit the payment by the City of costs of Project Facilities from other sources available to it.

(d) The City will take such action as is necessary to ensure that the proceeds from Bonds, other than amounts set aside in the ~~Trust Agreement~~Indenture for payment of costs of issuance, funding of reserves or payment of interest, are applied solely for the payment of the costs of acquiring the Project Facilities and the Ancillary Facilities (from the payment of Base Lease Rent).

(e) No portion of the Project Facilities or the Ancillary Facilities will be used in the trade or business of a person who is not the State, the City or a "political subdivision" within the meaning of Section 103(c)(1) of the Code, without the written approval of Bond Counsel.

(f) The amounts, if any, spent by the City from its own funds to pay costs of the construction, renovation and equipping of the Project Facilities or acquisition, construction, and renovation of the Ancillary Facilities, including site preparation or similar costs incident to the commencement of construction were not expended more than 60 days prior to the date the City signed a reimbursement certificate signifying its intention to be reimbursed from tax-exempt bond proceeds for prior expenditures paid, except with respect to certain preliminary expenditures for architectural, engineering, surveying, soil testing and similar costs.

(g) To the knowledge of the City, there is no fact ~~[that is not disclosed in the Preliminary Official Statement or the Official Statement for the Series 2020 Bonds]~~ which will materially and adversely affect the properties, activities, operations, revenues, prospects or condition (financial or otherwise) of the City, its status as a political subdivision of the State within the meaning of Section 103(c)(1) of the Code, its ability to own and operate its property in the manner such property is currently operated or its ability to perform its obligations under this Facilities Agreement or the Base Lease.

(h) There are no proceedings pending or, to the knowledge of the City, threatened against or affecting the City, ~~[except as disclosed in the Preliminary Official Statement or the Official Statement for the Series 2020 Bonds,]~~ in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, operations, prospects or condition (financial or otherwise) of the City, or the corporate existence or powers or ability of the City to enter into and perform its obligations under this Facilities Agreement or the Base Lease.

(i) The execution and delivery of this Facilities Agreement and the Base Lease (collectively, the “*City Agreements*”), and the consummation of the transactions provided for herein and therein, and compliance by the City with the provisions of the City Agreements:

(i) are within the governmental powers and have been duly and validly authorized by all necessary governmental and other action on the part of the City;

(ii) do not and will not conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the City pursuant to, any indenture, loan agreement or other agreement or instrument (other than this Facilities Agreement) or any governmental restriction to which the City is a party or by which the City, its properties or operations may be bound or with the giving of notice or the passage of time or both would constitute such a breach or default or result in the creation or imposition of any such lien, charge or encumbrance, which breach, default, lien, charge or encumbrance could materially and adversely affect the validity or the enforceability of the City Agreements or the City’s ability to perform fully its obligations under the City Agreements; nor will such action result in any violation of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the City, its properties or operations are subject.

(j) No event has occurred and no condition exists that constitutes an Event of Default or which, upon the execution and delivery of this Facilities Agreement, and/or the passage of time or giving of notice or both, would constitute an Event of Default. The City is not in violation in any material respect, and has not received notice of any claimed material violation (except such violations as do not, and shall not, have any material adverse effect on the transactions herein contemplated and the compliance by the City with the terms hereof, or the Security Documents), of any terms of any court order, statute, regulation, ordinance, agreement, or other instrument to which it is a party or by which it, its properties or its operations may be bound.

(k) This Facilities Agreement is a legal, valid and binding obligation and agreement of the City, enforceable against the City in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors’ rights generally and by general principles of equity; anything herein to the contrary notwithstanding, this Facilities Agreement is subject in its entirety to the right of the City to terminate this Facilities Agreement and all

the terms and provisions hereof by failing to budget and appropriate moneys specifically to pay Acquisition Payments, as provided in **Sections 2.2, 4.6 and 4.7** hereof.

(l) The operation of the Real Property and the Project Facilities in the manner contemplated will not conflict in any material respect with any zoning, water or air pollution or other ordinance, order, law, rule, or regulation applicable to the Real Property and the Project Facilities including, without limitation, Environmental Regulations. The City has caused or will cause the Project Facilities to be designed in accordance with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, planning, building, safety and environmental quality. The City will operate or will cause the Real Property and the Project Facilities to be operated in compliance with the requirements of all such laws, ordinances, rules and regulations, including, without limitation, Environmental Regulations. The City further covenants and agrees to comply in all material respects with and materially conform to, and to use its reasonable efforts to cause other persons whose obligations it is to so comply, by contract or pursuant to law, to comply in all material respects with and materially conform to, all present and future laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations and every applicable governmental authority, including Environmental Regulations, applicable to the Real Property and the Project Facilities, and all covenants, restrictions and conditions now or hereafter of record which may be applicable to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of the Real Property and the Project Facilities, including building and zoning codes and ordinances (collectively, the “**Legal Requirements**”), provided that the City shall not be in default hereunder so long as the City promptly after receiving an actual written notice of any noncompliance, files a copy thereof with the ~~Trustee~~Purchaser and the City commences and uses its diligent efforts to cause compliance with such Legal Requirements, as long as the failure to comply does not subject the Real Property or the Project Facilities to any material danger of being forfeited or lost as a result thereof. The City possesses or will possess, and the City hereby agrees to maintain and obtain in the future, all necessary licenses and permits, or rights thereto, to operate the Real Property and the Project Facilities as proposed to be operated, and all such licenses, permits or other approvals required in connection with the operation of the Real Property and the Project Facilities have been duly obtained and are in full force and effect except for any such licenses, permits or other approvals that are not yet required and that will be duly obtained not later than the time required or the failure to obtain which will not materially and adversely affect the operation of the Real Property and the Project Facilities. The City covenants and agrees to do all things necessary to preserve and keep in full force and effect its franchises, rights, powers and privileges as the same relate to the Real Property and the Project Facilities.

(m) The City has approved the Corporation and the issuance by the Corporation of the Series 2020 Bonds.

(n) The City has not as of the date hereof terminated any lease, lease-purchase agreement or installment purchase agreement to which it has been a party by nonappropriation.

Section 1.5. Corporation Representations, Warranties and Covenants. The Corporation makes the following representations, warranties and covenants:

(a) The Corporation is a duly organized and existing nonprofit corporation created under the laws of the State, has the requisite power to carry on its present and proposed activities, and has full power, right and authority to enter into this Facilities Agreement, the ~~Trust Agreement~~Indenture and the Base Lease and to perform each and all of the obligations of the Corporation provided therein.

(b) The Corporation has taken or caused to be taken all requisite corporate action to authorize the execution and delivery of, and the performance of its obligations under this Facilities

Agreement, the Base Lease, the ~~Trust Agreement~~[Indenture](#) and each of the Project Facilities Contracts to which it is or will be a party.

(c) By proper corporate action the officers of the Corporation have been duly authorized to execute and deliver this Facilities Agreement, the Base Lease, and the ~~Trust Agreement~~[Indenture](#).

(d) The execution and delivery by the Corporation of this Facilities Agreement, the Base Lease and the ~~Trust Agreement~~[Indenture](#) and the consummation by the Corporation of the transactions contemplated hereby and thereby have not and will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement, or instrument to which the Corporation is a party or by which it is bound.

(e) Each of this Facilities Agreement, the Base Lease, the ~~Trust Agreement~~[Indenture](#) and each Project Facilities Contract to which the Corporation is or will be a party has been or will be duly executed and delivered by the Corporation and constitutes or will constitute a legal and valid obligation of the Corporation, enforceable against the Corporation in accordance with its terms, except as enforcement may be limited by laws affecting creditors' rights generally and except as equitable remedies may be limited by judicial discretion.

(f) To the knowledge of the Corporation, there is no litigation pending or threatened against the Corporation that challenges the Corporation's authority to execute, deliver or perform this Facilities Agreement or the ~~Trust Agreement~~[Indenture](#) or to issue the Series 2020 Bonds, and the Corporation has disclosed ~~in the Preliminary Official Statement and the Official Statement~~ any threatened litigation with respect to such matters of which the Corporation is aware.

(g) The Corporation is in material compliance with all applicable laws, regulations and ordinances, including but not limited to those applicable to the Corporation's activities in connection with this Facilities Agreement.

(h) The Corporation is a State nonprofit, public benefit corporation, no part of the net income of which inures to the benefit of any private individual or organization.

(i) In order to finance the Project Facilities and the Base Lease Rent (which will be used to finance the Ancillary Facilities), the Corporation will enter into the ~~Trust Agreement~~[Indenture](#) pursuant to which it will issue the Bonds payable from and secured by the Acquisition Payments under this Facilities Agreement.

[End of Article I]

ARTICLE II

ACQUISITION AND USE OF PROJECT FACILITIES

Section 2.1. *Acquisition and Use of Project Facilities; Term.* The Corporation hereby agrees to sell the Project Facilities on an installment basis to the City in accordance with the provisions hereof. As of the date hereof, title to the Project Facilities is in the name of the Corporation. Upon each payment of Base Payments from funds other than amounts constituting Bond Proceeds (including any amounts deposited from the sale of Series 2020 Bonds or other Bonds as provided in Section 5.1 of the ~~Trust Agreement~~ Indenture and income from the investment of such amounts), title to an undivided interest in the Project Facilities equal to that percentage of the Acquisition Price represented by such payment will transfer from the Corporation to the City without further action by either party hereto.

In conjunction therewith, the Corporation hereby conveys and grants to the City an undivided interest in the Project Facilities which undivided interest shall increase pro rata based on the percentage of the Acquisition Price represented by each Base Payment. At the request of the City, the Corporation agrees to execute such quitclaim or special warranty deed(s) to the City indicating the undivided interest so acquired by the City.

Any prepayment of Base Payments will result in a recalculation of the Acquisition Price to take account of such prepayment and, upon the making of such prepayment, the City shall be credited with an undivided interest in the Project Facilities equal to that percentage of the total Acquisition Price, as adjusted, represented by the total of all Base Payments made, including the prepayment on such date.

Subject to the provisions of **Section 4.7** and **Article VIII** hereof, the City shall have the exclusive right to occupy and use the Real Property and the Project Facilities until this Facilities Agreement is terminated.

The City may permit agencies of the State or any other political subdivision thereof to use portions of the Real Property and the Project Facilities subject to the following limitation: (i) the Real Property or Project Facilities shall not be used in any manner that interferes with the use of such property by the City for the purposes for which it was designed or is then being used; and (ii) except in the case of single event uses, the City shall have received an opinion from Bond Counsel stating that the proposed use will not adversely affect the federal income tax treatment of interest on the Series 2020 Bonds or other tax-exempt Bonds. The City shall monitor all such use to ensure continued compliance with the provisions of the Tax Regulatory Agreement and **Section 5.3** hereof.

Section 2.2. *Termination.* This Facilities Agreement shall terminate upon the earliest of any of the following events:

(a) The earlier of (i) the last day of the Fiscal Year during which there occurs an Event of Nonappropriation as provided in **Section 4.7(a)** hereof, or (ii) the July 31 following any July 1 on which the City shall fail to specifically budget and appropriate moneys sufficient to pay the Acquisition Payments due hereunder during the Fiscal Year beginning such July 1, pursuant to **Article IV** hereof (which Event of Nonappropriation is not thereafter duly waived);

(b) The purchase by the City of the Project Facilities as provided in **Article IX** hereof;

(c) The occurrence of an Event of Default under and termination of this Facilities Agreement by the Corporation or ~~Trustee~~ Purchaser under **Article VIII** hereof; or

(d) April 1, ~~20~~2040, or such later date as all Acquisition Payments due hereunder shall be paid.

Termination of this Facilities Agreement shall terminate all obligations of the City under this Facilities Agreement, including its obligations to pay any future Acquisition Payments (except as specifically provided herein), and, subject to identification as provided in **Section 2.4** hereof, shall terminate the City's rights of possession under this Facilities Agreement to the Corporation Facilities (except to the extent of any conveyance pursuant to **Article IX** hereof); but all other provisions of this Facilities Agreement, including all obligations of the Corporation with respect to the Owners of the Bonds and the receipt and disbursement of funds and all rights and remedies of the Corporation specifically provided herein, shall be continuing until the ~~Trust Agreement~~Indenture is discharged as provided therein. Notwithstanding the foregoing, termination of this Facilities Agreement shall not impair the City's rights as landlord or the Corporation's rights as tenant under the Base Lease, except as provided in the Base Lease.

Section 2.3. *Post-Termination Payments.* In the event the City fails to deliver possession of the Corporation Facilities or any part thereof at the time required under **Section 2.4** hereof, the City shall be liable for the payment of Acquisition Payments, including Additional Payments, for successive six month periods commencing on the Bond Payment Date following the last due date of Base Payments hereunder until the City delivers possession of the Corporation Facilities to the Corporation.

Section 2.4. *Surrender of Possession Upon Termination; Partition of Undivided Interests.* Upon the occurrence of an Event of Default or an Event of Nonappropriation which results in termination hereof, the respective interests of the City and the Corporation in the Project Facilities and the Real Property shall be partitioned, so that the parties' respective undivided interests in the Project Facilities and the Real Property will be divided, to the extent feasible, into separate interests comprising the Facilities Components in accordance with the following provisions. The date upon which the ~~Trustee Purchaser~~ gives notice of the occurrence of any such event under the provisions of **Section 4.7(b)** hereof or Section 7.2 of the ~~Trust Agreement~~Indenture shall be the "***Division Date.***"

Appointment of Consultant; Report. As soon as practicable after the Division Date, the ~~Trustee Purchaser~~ shall at the expense of the City appoint an advisor selected by the City and the Corporation (the "***Consultant***") experienced in the valuation of municipal facilities to propose a division of the respective interests in the Project Facilities and the Real Property. In preparing the proposed partition, the Consultant shall endeavor, as nearly as possible, to allocate Project Facilities so that entire Facilities Components are assigned to the City and the Corporation, respectively, and that the Project Facilities and Facilities Components assigned to the Corporation will be those which will protect the interests of the Owners.

Valuation of Facilities Components. In making the determinations of which portions of Project Facilities are to be allocated to the Corporation to protect the interests of the Owners, the Consultant may take into account the market value of Facilities Components, any Permitted Encumbrances that may affect the uses that may be made of such property and the relative importance of such Facilities Components to the City, all to determine which Facilities Components will best protect the interests of the Owners.

Partial Divisions. In the event that the Consultant is unable to devise a partition that results in a division of the Project Facilities solely into separate Facilities Components for the City and the Corporation, then the Consultant shall endeavor to identify Facilities Components with the least residual interest in the Corporation, such being designated as the "***Partial Municipal Facilities.***" With respect to Partial Municipal Facilities, the City may (i) continue to occupy the Facilities Component which

encompasses a Partial Municipal Facility if it agrees to make payments in an amount to be determined by the Consultant as the proper charge for use of the Corporation's interest in such Facilities Component; (ii) purchase the balance of the Corporation's interest in such Facilities Component by the payment of the amount determined by the Consultant; or (iii) cede occupancy rights to the Corporation for the duration of the term of the Base Lease. In determining the purchase price, if the City elects to purchase the balance of the Corporation's interest, the Consultant shall determine the prepayment amount that would be required under the third paragraph of **Section 2.1** hereof to result in the allocation of the Facilities Component to the City. In setting the payments to be made by the City if it chooses to continue to occupy the Facilities Component which includes a Partial Municipal Facility, the Consultant shall set a payment that is not less than the amount of total Base Payments allocable to such Facilities Component that would have been payable from and after the date of partition if this Facilities Agreement or the rights of the City hereunder had not been terminated.

Proposal; Finality. The Consultant shall be required to make its proposal not later than 45 days after the date of its appointment. The City and the Corporation shall have seven business days from the receipt of the Consultant's proposal to object to the partition recommended therein, and if there is no objection, the report shall be final. If there is any objection, the Consultant shall issue a final partition report not later than seven business days after the last date on which objection could be made and such report shall be conclusively binding upon all parties. The ~~Trustee~~Purchaser shall be fully protected in relying on any report of the Consultant which is accepted by both the City and the Corporation, and the ~~Trustee~~Purchaser has no duty or obligation to make any determination or evaluation with respect to such agreed to partitions.

Instruments of Conveyance. Not later than 10 business days after the Consultant's report becomes final, the City and the Corporation shall exchange deeds, leases or other instruments conveying title to such of the Project Facilities as is required to effect such partition; provided, however, that any conveyance deed or other instrument made by the Corporation shall be made in the manner and subject to the conditions set forth in **Section 9.2** hereof. Immediately thereafter, the City shall deliver or cause to be delivered peaceable possession of the Corporation Facilities to the Corporation, together with the related portions of the Real Property, if any, upon which it is located, without delay, in good repair and operating condition, excepting reasonable wear and tear; provided, however, that in the event of a partial division, the terms relating to Partial Municipal Facilities described above shall control and the Corporation shall deliver or cause to be delivered peaceable possession of the Municipal Facilities to the City, together with the related portions of the Real Property, if any, upon which it is located, without delay, in good repair and operating condition, excepting reasonable wear and tear; provided, however, that in the event of a partial division, the terms relating to Partial Municipal Facilities described above shall control. Any Facilities Component delivered to the Corporation in connection with such partition shall remain, at all times, subject to the terms of the Base Lease.

[End of Article II]

ARTICLE III

THE PROJECT FACILITIES; FINANCING

Section 3.1. *Construction, Renovation and Equipping of the Project Facilities.* The Corporation and the City acknowledge that the City will be responsible for any and all contracts necessary or appropriate for the construction, renovation and equipping to be performed in connection with the completion of the Project Facilities, and the City shall be the agent of the Corporation for all such purposes. The City and the Corporation agree and acknowledge that all contracts relating to the Project Facilities shall be entered into in compliance with the procurement procedures of the City. The City may install machinery, equipment and other tangible property in the Project Facilities and all such machinery, equipment and other tangible property not acquired and financed from Bond Proceeds will remain the sole property of the City and will not be deemed a portion of the Project Facilities.

Section 3.2. *Administration of Project Facilities Contracts.* The City shall be responsible for preparing, administering, amending and enforcing the contracts to be entered into with respect to the Project Facilities and for litigating or settling all claims thereunder. The City and the Corporation, as their interests may appear, will be entitled to the benefit of all warranties, guaranties and indemnities provided under the Project Facilities Contracts and by law.

Section 3.3. *Notices and Permits.* The Corporation shall cooperate in any request made by the City in order to give or cause to be given all notices and shall comply or cause compliance with all laws, ordinances, rules and regulations and requirements of public authorities applying to or affecting the conduct of any work relating to the Project Facilities. To the extent permitted by law, the City will defend and save the Corporation, the ~~Trustee~~Purchaser and their respective members, directors, officers, agents and employees harmless from all liabilities, damages or fines due to failure to comply therewith.

Section 3.4. *Disbursements from the ~~2020~~ Project Fund.*

(a) The balance of the Bond Proceeds (net of ~~any [underwriter's discount retained by the underwriter] of the Series 2020 Bonds~~Purchaser counsel's fees) shall be deposited by the ~~Trustee~~Purchaser into the ~~2020~~ Project Fund. Thereafter, disbursements from the ~~2020~~ Project Fund shall be made for costs of the Project Facilities, the Ancillary Facilities and costs of issuance in accordance with the procedures set forth in Section 5.3 of the ~~Trust Agreement~~Indenture.

~~(b) As provided in Section 5.3(e) of the Trust Agreement, the final requisition from the 2020 Project Fund shall contain, among other things, a Certificate of Acceptance of the City stating that the Project Facilities have been substantially completed in accordance with the applicable Project Facilities Contracts and other terms and conditions of the Facilities Agreement and that the Project Facilities comply in all material respects with all applicable governmental regulations. Upon receipt of such Certificate of Acceptance, the Trustee shall apply any balance then remaining in the 2020 Project Fund in the manner provided in Section 5.4 of the Trust Agreement. As used in this paragraph, "substantial completion" of the Project Facilities shall mean completion such that a certificate of occupancy could be issued notwithstanding the fact that certain minor items of work remain to be done.~~

(c) Any amounts remaining in the ~~2020~~ Project Fund following the ~~delivery of such Certificate of Acceptance by the City to the Trustee shall be paid as provided by the City in Section 5.4 of the Trust Agreement~~completion of the Project Facilities and Ancillary Facilities will be retained by the City. If any of such amounts are ~~disbursed to~~retained by the City, such amounts shall be expended only for the purpose of defraying the cost of ~~Ancillary Facilities~~, Additional Project Facilities or other capital expenditures.

Section 3.5. *No Merger of Project Facilities.* The Corporation and City confirm that the Project Facilities shall be property of the Corporation and title thereto shall remain vested in the Corporation and shall not merge into the respective leasehold estates of the Corporation in the Real Property and that title to the Project Facilities shall revert to and be vested in the City upon termination of the Base Lease. Undivided interests in the Project Facilities are automatically conveyed to the City from time to time as Acquisition Payments are made as contemplated hereby.

[End of Article III]

ARTICLE IV

ACQUISITION PAYMENTS; ASSIGNMENT TO ~~TRUSTEE~~PURCHASER

Section 4.1. Acquisition Payments.

(a) *Acquisition Payments to Constitute a Current Expense of City.* The Corporation and the City understand and intend that the obligation of the City to pay Acquisition Payments hereunder shall constitute a current expense of the City and shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general tax revenues, funds, moneys or credit of the City.

(b) *Payment of Base Payments.* Subject to an Event of Nonappropriation as described in **Section 4.7** hereof, on or before the 15th day prior to each Bond Payment Date during the period this Facilities Agreement is in effect, the City shall pay to the ~~Trustee~~Purchaser, as assignee of the Corporation, Base Payments exclusively from moneys specifically budgeted and appropriated for such purpose as provided in **Section 4.1(b)(ii)** herein in lawful money of the United States of America, which payments shall be made to the ~~Trustee~~Purchaser as assignee of this Facilities Agreement, in the amounts and on the dates set forth on *Exhibit C* hereto.

(i) Each payment of Base Payments shall be in consideration for the conveyance of title to an undivided interest in the Project Facilities as and to the extent provided in **Section 2.1** hereof. As further consideration for the receipt of Base Payments, the City shall be entitled to the use and occupancy of all of the Real Property and the Project Facilities during the applicable Fiscal Year in which such payments are made, subject to the provisions of **Section 8.2** hereof.

(ii) Subject to the right of the City to terminate this Facilities Agreement pursuant to **Section 4.7** herein, the City covenants that it will enact by June 30 of each year a budget providing for the appropriation of funds sufficient (or a debt service budget providing for the issuance of general obligation bonds or other legally permissible debt at such time and in a principal amount sufficient) to make Acquisition Payments coming due in the next succeeding Fiscal Year, and, subject to such **Section 4.7**, apply such funds and/or proceeds to the payment of Acquisition Payments coming due in the then current Fiscal Year.

(c) *Payment of Additional Payments.* Subject to the provisions of **Section 4.7** hereof, the City agrees to pay the following amounts as Additional Payments together with such other sums as are provided for herein:

(i) The amounts provided for in **Sections 4.2** and **4.4** hereof to the parties referred to therein;

(ii) All reasonable costs and expenses (including reasonable attorneys' fees, costs and expenses, if any) incurred or to be paid by the Corporation or the ~~Trustee~~Purchaser, as the case may be, under the terms of this Facilities Agreement or the ~~Trust Agreement~~Indenture, including without limitation the amounts specified in **Section 4.4** hereof; and

(iii) All reasonable costs and expenses incurred or to be paid by the Corporation from time to time in connection with its operation and existence as a nonprofit corporation, including its legal fees, costs of maintaining directors and officers insurance and payment of any taxes due, including the costs of preparation and filing of tax returns.

The Corporation may, but shall be under no obligation to, advance moneys (i) to pay taxes, assessments and other governmental charges with respect to the Real Property and the Project Facilities, (ii) for the discharge of mechanic's and other liens relating to the Real Property and the Project Facilities, (iii) to obtain and maintain insurance for the Real Property and the Project Facilities and pay premiums therefor, and (iv) generally, to make payments and incur expenses in the event that the City fails to do so as required by this Facilities Agreement or the Base Lease. As provided in Section 6.11 of the ~~Trust Agreement~~ Indenture, the ~~Trustee~~ Purchaser may, but shall be under no obligation to, take any such action. Any such advances shall continue to be due as Additional Payments hereunder.

(d) *Credits.* The City shall be entitled to a credit against payments of Base Payments in the amount of any deposits in the Bond Fund provided for in Sections 5.6(d) and 5.6(e) of the ~~Trust Agreement~~ Indenture. In addition to the credit provided in the preceding sentence, the amount payable by the City as Base Payments will be reduced by the amount of money in the Acquisition Account to be credited against those payments and representing Base Payments, including without limitation accrued interest on the Series 2020 Bonds or other Bonds.

(e) *Reserved.*

(f) *Acquisition Payments by City.* The City has no reason to believe, as of the date hereof, that it will not continue making Acquisition Payments through the entire duration of this Facilities Agreement, and reasonably believes that it will pay the Acquisition Payments due or coming due hereunder in order to continue to use the Project Facilities.

Section 4.2. Acquisition Payments Not Subject to Reduction, Offset or Other Credits.

(a) The City and the Corporation intend that this Facilities Agreement shall yield on a net basis the Base Payments specified in **Section 4.1** hereof during the duration of this Facilities Agreement, and that all costs, expenses, liabilities and obligations of any kind and nature whatsoever including, without limitation, any *ad valorem* taxes or other taxes levied against owners of real or personal property, insurance premiums, utility charges, fees and expenses of the Consultant, and assessments and all operation, maintenance, repair and upkeep expenses relating to the Project Facilities and Real Property and the use of the Project Facilities and Real Property which do not constitute Base Payments, or other obligations relating to the Project Facilities and Real Property which may arise or become due during the term of this Facilities Agreement and which the Corporation except for this Facilities Agreement or the provisions of the Base Lease would ordinarily be required to pay as owner of the Project Facilities and Real Property (regardless of whether the City as owner would be so required to pay) shall either be paid under the provisions of the Base Lease or be included in the Acquisition Payments and paid by the City as Additional Payments. The City acknowledges that, under the provisions of the Base Lease, it has retained sole responsibility for the payment of taxes and insurance on the Real Property and the Project Facilities and the property associated therewith and the obligations of the City under the Base Lease are not subject to the limitations of **Section 4.6** hereof, except as provided in **Section 4.1(b)** of the Base Lease.

(b) All payments of Additional Payments referred to in **Section 4.2(a)** above shall be made by the City in immediately available funds on a timely basis directly to the person or entity to which such payments are owed; provided, however, subject to the terms of the Security Documents, that the City shall not be required to pay, discharge or remove any tax, lien, or assessment or any mechanic's, laborer's or materialman's lien or encumbrance, or any other imposition or charge against the Real Property or the Project Facilities or any part thereof, or comply with any law, ordinance, order, rule, regulation or requirement, as long as the City shall, after written notice to the Corporation and the

~~TrusteePurchaser~~, at the City's expense, contest the same or the validity thereof in good faith, by action or inaction which shall operate to prevent the collection of the tax, lien, assessment, encumbrance, imposition or charge so contested, or the enforcement of such law, ordinance, order, rule, regulation or requirement, as the case may be, and the sale of the Real Property or the Project Facilities or any part thereof to satisfy the same or to enforce such compliance; provided further, that the City shall have given reasonable security as may be demanded by the Corporation to insure such payment and prevent any sale or forfeiture of the Real Property or the Project Facilities or any part thereof by reason of such nonpayment or noncompliance.

Section 4.3. *Prepayment of Acquisition Payments.* The City may prepay Acquisition Payments in whole or in part as provided in, and under the conditions prescribed under, **Sections 7.3 and 9.1** hereof, or at any time that the City so determines for the purpose of providing for the redemption of Series 2020 Bonds as provided in Section 4.1(a) of the ~~Trust Agreement~~Indenture or of other Bonds as provided in any Supplemental Agreement. The City shall notify the ~~Trustee~~Purchaser in writing of the dates on which the Series 2020 Bonds or other Bonds corresponding to any prepayment hereunder are to be redeemed and the amount to be redeemed on each such date, all in accordance with the provisions of the ~~Trust Agreement~~Indenture. The ~~Trustee~~Purchaser may request such reasonable information and reports as may be necessary to establish the sufficiency of the payments to be made at the time of such prepayment.

Section 4.4. *Administrative Expenses.* Subject to the provisions of **Section 4.7** hereof, the City shall pay as Additional Payments (i) the periodic fees and reasonable expenses from time to time of the ~~Trustee~~Purchaser and any paying agent or registrar incurred in administering the ~~Trust Agreement~~Indenture and the Bonds, and (ii) any reasonable expenses (including reasonable attorneys' fees, costs and expenses) incurred by the Corporation or the ~~Trustee~~Purchaser to compel full and punctual performance of this Facilities Agreement in accordance with the terms hereof.

Section 4.5. *Assignment of Facilities Agreement; Manner of Payment.* As security for and the source of payment of the Bonds, pursuant to the ~~Trust Agreement~~Indenture, the Corporation has assigned to the ~~Trustee~~Purchaser all of its right, title and interest in and to this Facilities Agreement, except for the right of the Corporation to receive payment of its fees and expenses pursuant to **Sections 4.2, 4.4 and 5.7** hereof. The City consents and agrees to the assignment of this Facilities Agreement as provided herein. The City covenants to fully perform, in timely fashion, all of its covenants, agreements and obligations under this Facilities Agreement, and to make all payments required by the City under this Facilities Agreement (other than payment for fees and expenses of the Corporation) directly to the ~~Trustee~~Purchaser, all without set-off, defense or counterclaim by reason of any dispute which the City may have with the Corporation or the ~~Trustee~~Purchaser.

Section 4.6. *Limited and Special Obligation of City.* UPON THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION, THE CITY MAY TERMINATE THIS FACILITIES AGREEMENT AT THE END OF THE LAST FISCAL YEAR WHICH IS NOT AFFECTED BY SUCH EVENT OF NONAPPROPRIATION, AND THE CITY SHALL NOT BE OBLIGATED TO MAKE PAYMENT OF THE ACQUISITION PAYMENTS PROVIDED FOR IN THIS FACILITIES AGREEMENT BEYOND THE END OF SUCH FISCAL YEAR. The City agrees to deliver notice to the Corporation and the ~~Trustee~~Purchaser of any such termination prior to July 1 of the Fiscal Year first affected by an Event of Nonappropriation. If this Facilities Agreement is terminated under this **Section 4.6** or as provided in **Section 4.7** or **Section 2.2**, the City agrees to peaceful delivery of that portion of the Project Facilities to be retained by the Corporation or its assigns as provided in **Section 2.4** hereof.

The obligations of the City to make Acquisition Payments required under this **Article IV** and other sections hereof, and to perform and observe the covenants and agreements contained herein, shall

be absolute and unconditional in all events, except as expressly provided under this Facilities Agreement. Notwithstanding any dispute involving the City and any of the Corporation, any contractor, subcontractor, or supplier of materials or labor, or any other person, the City shall make all Acquisition Payments when due and shall not withhold any Acquisition Payments pending final resolution of such dispute, nor shall the City assert any defense or right of set-off, recoupment, or counterclaim against its obligation to make such payments required under this Facilities Agreement. The City's obligation to make Acquisition Payments during the duration of this Facilities Agreement shall not be abated through accident or unforeseen circumstances. The City agrees not to suspend, reduce, abrogate, diminish, postpone, modify, discontinue, withhold, or abate any portion of the payments required pursuant to this Facilities Agreement by reason of failure of consideration, the invalidity of any provision of this Facilities Agreement, any acts or circumstances that may constitute an eviction or constructive eviction, destruction of or damage to the Real Property or the Project Facilities, the taking by eminent domain of title to or the use of all or any part of the Real Property or the Project Facilities, failure of the City's title to the Real Property or any part thereof, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or in the rules or regulations of any governmental authority, or any failure of the Corporation to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Facilities Agreement. Nothing contained in this paragraph shall be construed to release the Corporation from the performance of any of the agreements on its part herein contained. In the event the Corporation should fail to perform any such agreement on its part, the City may institute such action against the Corporation as the City may deem necessary to compel performance so long as such action does not abrogate the City's obligations under this Facilities Agreement. The City may, however, at its own cost and expense and in its own name or in the name of the Corporation, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary in order to secure or protect its right of possession, occupancy, and use under this Facilities Agreement, and in such event the Corporation hereby agrees to cooperate fully with the City and to take all action necessary to effect the substitution of the City for the Corporation in any such action or proceeding if the City shall so request. It is the intention of the parties that the payments required by this Facilities Agreement will be paid in full when due without any delay or diminution whatsoever, SUBJECT ONLY TO THE SPECIAL AND LIMITED NATURE OF THE CITY'S OBLIGATION TO PAY ACQUISITION PAYMENTS HEREUNDER AS SET FORTH ABOVE.

THE OBLIGATIONS OF THE CITY UNDER THIS FACILITIES AGREEMENT SHALL NOT CONSTITUTE A PLEDGE OF THE FULL FAITH, CREDIT OR TAXING POWER OF THE CITY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL OR STATUTORY PROVISION.

Section 4.7. *Event of Nonappropriation.* In the event the City Council shall not, on or before July 1 of each year, specifically budget and appropriate moneys which may be lawfully used to pay Acquisition Payments funds sufficient to pay all Acquisition Payments due hereunder in the Fiscal Year commencing on such July 1, an Event of Nonappropriation shall be deemed to have occurred; subject, however, to each of the following provisions:

(a) The **TrusteePurchaser** shall declare an Event of Nonappropriation on any earlier date on which the **TrusteePurchaser** receives official, specific written notice from the City that this Facilities Agreement will be terminated.

(b) As soon as practicable after receiving such specific written notice from the City or after an Event of Nonappropriation is deemed to have occurred as contemplated above and the **TrusteePurchaser** has actual notice of such deemed occurrence, the **TrusteePurchaser** shall give written notice to the City and the Corporation of an Event of Nonappropriation; but any failure of the **TrusteePurchaser** to give such written notice shall not prevent the **TrusteePurchaser** from declaring an

Event of Nonappropriation or from taking any remedial action which would otherwise be available to the ~~Trustee~~Purchaser.

(c) [Reserved]

(d) The ~~Trustee~~Purchaser shall waive any Event of Nonappropriation which is cured prior to the expiration of the Waiver Period by the City's specifically budgeting and appropriating from the proceeds of general obligation bonds, bond anticipation notes or other permissible indebtedness of the City or the Corporation (or other moneys which may be lawfully used to pay Acquisition Payments) funds sufficient to pay all Acquisition Payments due hereunder in such Fiscal Year to which the Event of Nonappropriation applies.

If an Event of Nonappropriation occurs and is not waived, the City shall not be deemed to be in default under this Facilities Agreement and shall not be obligated to make payment of any future Acquisition Payments due hereunder or any other payments provided for herein which accrue after the beginning of the Fiscal Year with respect to which there has occurred an Event of Nonappropriation; provided, however, that, subject to the limitations of **Section 4.6** hereof and this **Section 4.7**, the City shall continue to be liable for Acquisition Payments (a) accrued prior to the beginning of such Fiscal Year, and due hereunder, and (b) allocable to any period during which the City shall continue to occupy the Corporation Facilities.

The enactment by City Council of an ordinance authorizing the issuance of general obligation bonds or bond anticipation notes of the City or other permissible indebtedness of the City or the ~~County~~Corporation at such time and in such amount as will provide sufficient funds for the City to make all Base Payments due in the Fiscal Year in question or the inclusion in the City's budget of sufficient millage to pay debt service on general obligation bonds or bond anticipation notes, or sufficient funds to pay debt service on other legally permissible indebtedness, issued to fund Base Payments due in such Fiscal Year shall be deemed a specific budgeting and appropriating of such funds for purposes of this **Section 4.7**.

The City, in all events, shall cooperate with the Corporation and the ~~Trustee~~Purchaser in making the partition required under **Section 2.4** hereof and, if requested by the ~~Trustee~~Purchaser, shall vacate and deliver over to the ~~Trustee~~Purchaser the Corporation Facilities by the expiration of the Fiscal Year during which an Event of Nonappropriation occurs if such occurs by notice, or not later than the July 31 following the July 1 on which the City shall fail to specifically budget and appropriate sufficient moneys to pay the Acquisition Payments hereunder.

The ~~Trustee~~Purchaser shall, upon receipt of notice of the occurrence of an Event of Nonappropriation, be entitled to all moneys then on hand and being held in all funds created under the ~~Trust Agreement~~Indenture for the benefit of the Owners of the Bonds. After the expiration of the Fiscal Year during which an Event of Nonappropriation occurs, if such occurs by notice, or the July 31 following the July 1 on which the City has failed to specifically budget and appropriate sufficient moneys to pay the Acquisition Payments hereunder, the ~~Trustee~~Purchaser may or shall, as the case may be, proceed to exercise its remedies, liquidate its interest in this Facilities Agreement or to lease the Project Facilities as provided in **Section 8.2** hereof, provided, however, that the Project Facilities shall always be operated for a civic or a public purpose as provided in Section 4.1 of the Base Lease. All property, funds and rights acquired by the ~~Trustee~~Purchaser by reason of an Event of Nonappropriation as provided herein, less any moneys due and owing to the ~~Trustee~~Purchaser for services performed as ~~Trustee~~Purchaser, shall be held by the ~~Trustee~~Purchaser for the benefit of the Owners of the Bonds as set forth in the ~~Trust Agreement~~Indenture.

Notwithstanding anything in this Facilities Agreement to the contrary, in the event that the ~~Trustee~~Purchaser shall receive a payment for the transfer of its interest in this Facilities Agreement, or total rental payments for leasing that are, after the payment of the Corporation's expenses in connection therewith, including attorneys' and other fees, costs and expenses of the ~~Trustee~~Purchaser, in excess of the principal amount of the Outstanding Bonds at the time of the Event of Nonappropriation and the interest due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the City by the ~~Trustee~~Purchaser, its assigns or its lessee.

[End of Article IV]

ARTICLE V

COVENANTS OF THE CITY

Section 5.1. Maintenance and Operation of Real Property and Project Facilities.

(a) Subject to **Sections 4.6** and **4.7** herein, the City covenants and represents it will, at its own cost or expense, operate the Real Property and the Project Facilities in a sound and economical manner, in compliance with all present and future laws and governmental regulations applicable thereto, further that it will maintain, preserve and keep the Real Property and the Project Facilities in good repair, working order and condition, and that it shall from time to time make or cause to be made all necessary and proper repairs and renewals so that at all times the operation of the Real Property and the Project Facilities may be properly and advantageously conducted. This covenant shall not prevent the City from discontinuing operation of the Real Property and the Project Facilities at any time.

(b) Except as otherwise provided in this **Section 5.1**, prior to payment of the Bonds in full, the City shall not sell, transfer, lease, sublease or otherwise dispose of all or any substantial portion of the Real Property or the Project Facilities, or its interests under this Facilities Agreement, except to another political subdivision of the State which assumes in writing all obligations of the City under this Facilities Agreement. The City, at its discretion, may lease or sublease less than a substantial portion of the Real Property to third parties. If this Facilities Agreement terminates prior to the termination of such lease or sublease, the Corporation hereby agrees to assume the role of lessor in the place of the City until the termination of the Base Lease, at which point the City will again resume the role of lessor under such lease or sublease.

(c) Notwithstanding any other provision hereof to the contrary, the City may provide for the exchange of any asset comprising Real Property and Project Facilities (the "**Released Facility**") for another building and the real estate on which such facility (the "**Exchange Facility**") is located if: (i) the City provides the [TrusteePurchaser](#) an appraisal from an appraiser selected by the City showing that the proposed Exchange Facility has a value equal to or greater than the proposed Released Facility; (ii) the City certifies to the [TrusteePurchaser](#) that the Exchange Facility is necessary to the operations of the City and that the remaining useful life of the Exchange Facility is not less than the remaining useful life of the Released Facility; (iii) the City certifies to the [TrusteePurchaser](#) that the exchange is necessary to facilitate either the sale or other disposition of the Released Facility or the conversion of its use to another purpose; and (iv) the [TrusteePurchaser](#) receives an opinion of Bond Counsel to the effect that the proposed exchange will not adversely affect the federal income tax treatment of interest paid to the Holders of the Series 2020 Bonds or other tax-exempt Bonds. The [TrusteePurchaser](#) shall be fully protected in relying on such appraisal and certifications in releasing the proposed Released Facility and has no duty or obligation to make any determination or evaluation as to such appraisal or certifications.

(d) The Base Lease may be amended from time to time as provided therein to provide for the lease by the City to the Corporation of Real Property and Additional Real Property acquired or made available by the City after the date of the Base Lease and this Facilities Agreement. Upon the lease of such Real Property or Additional Real Property by the City to the Corporation pursuant to the Base Lease, **Exhibit A** hereto shall be amended to include such Real Property or Additional Real Property.

Section 5.2. Liens on Project Facilities. The City shall not create, incur or suffer to exist any lien, charge or encumbrance on the Real Property or the Project Facilities or its rights under this Facilities Agreement other than any Permitted Encumbrance.

Section 5.3. Representations and Covenants Regarding Tax Exempt Status of Series 2020 Bonds.

(a) The City shall not take any action or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action or circumstance, or its expectation on the date of this Facilities Agreement would cause the interest paid on the Series 2020 Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes.

(b) The City covenants to the Corporation, the ~~Trustee~~Purchaser and the Owners of the Series 2020 Bonds that, notwithstanding any other provision of this Facilities Agreement or any other instrument, it will neither make nor cause to be made any investment or other use of the proceeds of the Series 2020 Bonds or amounts on deposit in any of the funds or accounts held under the ~~Trust Agreement~~Indenture or under any other document related to the Series 2020 Bonds which would cause the Series 2020 Bonds to be “arbitrage bonds” under Section 148 of the Code and the regulations thereunder or to be “Federally guaranteed” under Section 149(b) of the Code and the regulations thereunder, and that it will comply with the requirements of such Sections and regulations throughout the term of the Series 2020 Bonds.

(c) The City shall take all actions necessary on its part to enable compliance with the rebate provisions of Section 148(f) of the Code in order to preserve the federal income tax status of payments of interest with respect to the Series 2020 Bonds. The City shall ensure that the Corporation retains a consultant experienced in the calculation and determination of rebate payments and liability under Section 148(f) of the Code to provide the reports required under the Tax Regulatory Agreement.

(d) The City will accept title to the Project Facilities upon the discharge of all Bonds issued under the ~~Trust Agreement~~Indenture.

Section 5.4. Reports and Opinions; Inspections.

(a) The City shall deliver to the ~~Trustee~~Purchaser and the Corporation, within 90 days after the end of each Fiscal Year, a certificate stating that no Event of Default under this Facilities Agreement has occurred and is continuing and that the Project Facilities are being used in accordance with the terms of this Facilities Agreement.

(b) The City shall permit the Corporation and the ~~Trustee~~Purchaser to examine, visit and inspect, at any reasonable time, the Project Facilities and any accounts, books and records, including its receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and to supply such reports and information as the ~~Trustee~~Purchaser may reasonably require.

Section 5.5. Immunity of Corporation and ~~Trustee~~Purchaser. In the exercise of the powers of the Corporation and the ~~Trustee~~Purchaser and their members, directors, officers, employees and agents under the ~~Trust Agreement~~Indenture, the Base Lease or this Facilities Agreement including (without limiting the foregoing) the application of moneys and the investment of funds, neither the Corporation nor the ~~Trustee~~Purchaser shall be accountable to the City for any action taken or omitted with respect to the Real Property, the Project Facilities or this Facilities Agreement by either of them or their members, directors, officers, employees and agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred under this Facilities Agreement. The Corporation and the ~~Trustee~~Purchaser and their members, officers, employees and agents shall be protected in its or their acting upon any paper or documents believed by it or them to be genuine, and it or they may conclusively rely upon the advice of counsel and may (but need not) require further evidence of any fact or matter before taking any action. No recourse shall be had by the City for any claims based on the ~~Trust~~

~~Agreement~~Indenture or this Facilities Agreement against any member, director, officer, employee or agent of the Corporation or the ~~Trustee~~Purchaser alleging personal liability on the part of such person.

Section 5.6. *Compliance with Laws.* With respect to the Real Property and the Project Facilities and any additions, alterations, or improvements thereto, the City will at all times comply with all applicable requirements of federal and State laws and with all applicable lawful requirements of any agency, board, or commission created under the laws of the State or of any other duly constituted public authority; provided, however, that the City shall be deemed in compliance with this **Section 5.6** so long as it is contesting in good faith any such requirement by appropriate legal proceedings.

Section 5.7. *Insurance and Condemnation Proceeds.* The City shall make or direct any disposition of insurance or condemnation payments with respect to the Project Facilities as may be required by the terms of the Security Documents or of any Permitted Encumbrances existing on the date hereof.

Section 5.8. *Filing of Budget with TrusteePurchaser.* For the duration of this Facilities Agreement, the City shall file with the ~~Trustee~~Purchaser, prior to the end of each Fiscal Year, a copy of the annual budget of the City for the following Fiscal Year. The ~~Trustee~~Purchaser shall have no duty to review or analyze such annual budget or verify the accuracy thereof and shall hold such annual budget solely as a repository for the benefit of the holders of the Bonds, nor shall the ~~Trustee~~Purchaser be deemed to have notice of any information contained therein or event of default which may be disclosed therein in any manner.

Section 5.9. *Alterations of the Real Property and Project Facilities; Removals.* The City, in its discretion and at its expense, may remodel or make such additions, modifications and improvements to the Real Property and the Project Facilities as it may deem to be desirable; provided that no such additions, modifications or improvements shall adversely affect the structural integrity or strength of, or materially interfere with the use and operations of, the Real Property and the Project Facilities. Subject to the right of the City to install its own machinery, equipment and other tangible personal property as provided in **Section 3.1** hereof, any such changes shall become and be deemed to constitute part of the Real Property or the Project Facilities, as the case may be.

In this connection, the City may remove any items of personal property constituting a part of the Project Facilities, provided that such removal of the personal property shall not materially diminish the value of the Project Facilities or the related Real Property.

In the case of any removal as provided above or any removal of City property not constituting the Project Facilities, the City shall repair any damage resulting from such removal

Section 5.10. *Continuing Disclosure.*

~~{(a) The City covenants to provide the information required by Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as an Obligated Person (as defined in Rule 15c2-12) and to comply with the provisions of the Continuing Disclosure Undertaking (the "Disclosure Undertaking") attached hereto as Exhibit D. In the event of a failure by the City to comply with any provisions of the Disclosure Undertaking, the rights of the Owners of the Series 2020 Bonds to enforce the provisions of the Disclosure Undertaking shall be limited solely to a right, by action in mandamus or specific performance, to compel performance of the parties' obligations under the Disclosure Undertaking. Any failure by a party to perform in accordance with the Disclosure Undertaking shall not constitute a default on the Series 2020 Bonds or under~~

~~any other document relating to the Series 2020 Bonds, and all rights and remedies shall be limited to those expressly stated in the Disclosure Undertaking.]~~

~~(b)~~—In accordance with Section 11-1-85, Code of Laws of South Carolina 1976, as amended, the City hereby covenants to, as long as the provisions of said Section 11-1-85 remain in effect with respect to the Bonds, file with a central repository for availability in the secondary bond market when requested: (i) an annual independent audit, within thirty (30) days of the City’s receipt of such audit; and (ii) event specific information, within thirty (30) days of an event adversely affecting more than five percent of the City’s revenue or tax base. The only remedy for failure by the City to comply with the covenant in this **Section 5.10**~~(b)~~ shall be an action for specific performance of the covenant. The City specifically reserves the right to amend or delete this covenant to reflect any change in (or repeal of) Section 11-1-85, without the consent of any Holders of the Bonds.

[End of Article V]

ARTICLE VI

INSURANCE

Section 6.1. Types of Insurance and Coverage Requirements.

(a) The City shall maintain all-risk fire, extended coverage, vandalism, and malicious mischief insurance on the Project Facilities, with such deductible provisions as are standard for facilities similar to those of the Project Facilities. Such insurance shall name the Corporation and the ~~Trustee~~Purchaser as loss payees, as their interests may appear, be maintained for the duration of this Facilities Agreement and each policy shall be in an amount equal to the replacement value of the Project Facilities; provided that, at least once every three years in conjunction with the City's current insurance renewal schedule for other City-owned facilities, the City shall cause the preparation and pay for the expense of a certification of the insurable value of the Project Facilities by an independent insurance agent or a person or company knowledgeable in such matters.

(b) The City shall maintain workers' compensation coverage in amounts equal to the State statutory limits as well as employers' liability coverage in the amount of \$1,000,000.

(c) The City shall maintain, for the duration of this Facilities Agreement, general liability insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from the death or bodily injury of persons or damage to the property of others caused by accident or occurrence (including contractual liability endorsement), with limits of not less than \$300,000 for a loss arising from a single occurrence and not less than \$600,000 in the aggregate per occurrence regardless of the number of claims made, and \$300,000 for property damage per occurrence, excluding liability imposed upon the City by any applicable worker's compensation law. Such insurance shall name the Corporation and the ~~Trustee~~Purchaser as additional insureds, or, in lieu thereof, loss payees, as their interests may appear.

(d) The City is currently partially self-insured for all hazards, including but not limited to worker's compensation, automobile and general liability, and vehicle and property, subject to self-insured retention ("**SIR**") limits. The worker's compensation SIR limit effective for the period beginning July 1, 2019 is \$600,000 per occurrence for all employees except sworn police officers and firefighters, who are subject to a \$700,000 per occurrence limit. Further, the City maintains stop loss coverage in an amount of \$1,000,000 per employee / \$5,000,000 per accident with respect to worker's compensation claims. Automobile and general liability claims are subject to a \$100,000 per occurrence SIR limit. Vehicle damage claims have a \$10,000 SIR limit, while property damage claims have a \$25,000 limit. The City purchases excess coverage from The Traveler's Companies. The Project Facilities will be insured in a similar fashion.

(e) All policies of insurance required hereunder shall be either self-insurance of the City or written by the South Carolina Insurance Reserve Fund, companies rated not lower than A by A. M. Best Company or in one of the two highest rating categories by S&P Global Ratings and Moody's Investors Service, in each case qualified to do business in the State and each policy shall provide that the carrier shall endeavor to provide at least 30 days prior written notice to the Corporation and the ~~Trustee~~Purchaser before such policy is canceled. The City may provide any part or all of the insurance required hereby under the terms of a policy insuring other facilities or risks or any "blanket" policy. The City covenants that it will take all action, or cause the same to be taken, which may be necessary to enable recovery under the aforesaid insurance policies.

(f) All policies of insurance required hereby shall be open to inspection by the Corporation and the ~~Trustee~~[Purchaser](#) at all reasonable times. Certificates of insurance describing such policies shall be furnished by the City or the City shall cause the same to be furnished to the Corporation at or prior to the execution and delivery of this Facilities Agreement, and at least 10 days prior to the expiration of each of such policies. If any change shall be made in such insurance as to either amount or type of coverage, a description and notice of such change shall be furnished immediately to the Corporation by the City or it shall cause the same to be so furnished. In the event that the City fails to maintain any insurance as provided in this **Section 6.1**, the ~~Trustee~~[Purchaser](#) may, following written notice to the City, procure and maintain such insurance at the expense of the City (reimbursable as provided hereinbefore), but the ~~Trustee~~[Purchaser](#) shall not be under an obligation to do so.

(g) Notwithstanding the above, during the construction phase of the Project Facilities, the developer or the construction company constructing such facilities will obtain and maintain, or cause to be obtained and maintained, at all times one or more policies of insurance on the Project Facilities containing the following types of coverage on such terms as approved by the City: builders' risk, general liability, workers' compensation, motor vehicle, and contractor's pollution.

(h) The City agrees that it shall certify in writing to the ~~Trustee~~[Purchaser](#) on June 30 of each year that it is in compliance with this **Section 6.1**. The ~~Trustee~~[Purchaser](#) is not responsible for determining the sufficiency of such insurance requirements.

Section 6.2. *Self-Insurance Approval.* As set forth in **Section 6.1(d)** above, the City self-insures for certain types of claims. If, at the time of execution of this Facilities Agreement, the City self-insures or at any time hereafter desires to self-insure to the extent permitted by law other than as described in **Section 6.1(d)** above, the entry into such self-insurance program shall require the written approval of the Corporation.

[End of Article VI]

ARTICLE VII

DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

Section 7.1. *Damage, Destruction and Condemnation.* If, during the duration of this Facilities Agreement, (i) the Project Facilities or any portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty, or (ii) title to, or the temporary or permanent use of, the Project Facilities, the Real Property or any portion thereof or the estate of the City or the Corporation in the Project Facilities, the Real Property or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, or (iii) a material defect in construction or installation of the Project Facilities, the Real Property or any portion thereof shall become apparent, or (iv) title to or the use of all or any portion of the Project Facilities, Real Property or any portion thereof shall be lost by reason of a defect in title thereto, then the City shall be obligated, subject to the option provided in **Section 7.3** hereof and the provisions of **Sections 4.6** and **4.7** hereof, to continue to pay the amounts specified as Acquisition Payments under this Facilities Agreement.

Section 7.2. *Obligation to Repair or Replace the Real Property and Project Facilities.* Subject to the provisions of **Section 7.3** hereof, the City, the Corporation and the ~~Trustee~~Purchaser shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards, made available by reason of any occurrence described in **Section 7.1** hereof, to be deposited in a separate trust fund designated as the “*Net Proceeds Fund*” which the ~~Trustee~~Purchaser is hereby directed to establish in such event. Except as set forth in **Section 7.3** hereof, all Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the Real Property or the Project Facilities, as are appropriate, by the City upon receipt of requisitions signed by an authorized official of the City stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm or corporation to whom payment is due; (iii) the amount to be paid; and (iv) that each obligation mentioned therein has been properly incurred, is properly payable from the Net Proceeds held in the separate trust fund and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation. The ~~Trustee~~Purchaser shall cooperate with the City in the administration of such fund and shall disburse funds upon receipt of a properly presented requisition. The ~~Trustee~~Purchaser has no duty or obligation to determine whether or not such requested disbursements are for authorized or permitted uses and shall be fully protected in relying on all such requisitions received by it. The balance of any such Net Proceeds remaining after such repair, restoration, modification, improvement or replacement has been completed shall be applied to any lawful and authorized purpose of the City as directed in writing by the City. Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be included as part of the Real Property or Project Facilities, as appropriate, under this Facilities Agreement and the ~~Trust Agreement~~Indenture.

If the Net Proceeds (plus any amounts withheld from such Net Proceeds by reason of any deductible clause) shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the Real Property or the Project Facilities referred to above, the City shall be responsible, subject to the option contained in **Section 7.3** hereof, for the completion of the work and the payment of any cost in excess of the amount of the Net Proceeds. The City agrees that, if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of this paragraph, the City shall not be entitled to any reimbursement therefor from the ~~Trustee~~Purchaser or the Owners of the Bonds, nor shall the City be entitled to any diminution of any Acquisition Payments payable under this Facilities Agreement.

Section 7.3. *Discharge of Obligation to Repair or Replace the Real Property and Project Facilities.* If, as a result of the occurrence of an event described in **Section 7.1** hereof, (a) any part of the Project Facilities or the Real Property is totally destroyed or is damaged to such an extent that the rebuilding or repairing of such part of the Project Facilities or the Real Property would be impracticable, (b) there is discovered a material defect in the construction of the Project Facilities, or any portion thereof that renders the Project Facilities or such portion unusable by the City for its intended purposes, (c) all or substantially all of the Project Facilities or the Real Property relating to a particular building is taken by eminent domain or (d) the City is deprived of the use of any part of the Project Facilities or the Real Property by reason of a defect in title thereto, the City may elect to apply the Net Proceeds of applicable insurance policies, performance bonds or condemnation awards as a prepayment of Acquisition Payments and the discharge of its obligations with respect to **Sections 7.1** and **7.2** hereof. Such an election may be made by written notice to the Corporation and the ~~Trustee~~Purchaser within 90 days of the occurrence of an event described in (a) through (d) above. Upon any such prepayment, the amount thereof shall be applied to redeem Bonds at the earliest practicable date, the Acquisition Price shall be recalculated by the Corporation to take account of such prepayment, title to the affected part of the Project Facilities shall be deemed transferred to the City and in the event of any future partition under **Section 2.4** hereof, such affected part of the Project Facilities or the Real Property shall be automatically assigned to the City. If at any time the amount to be applied as a prepayment hereunder shall exceed the redemption price of all Bonds, all Bonds shall be redeemed, title to all the Project Facilities and the Real Property or portion thereof shall be transferred to the City and any amounts not required for the redemption of the Bonds and payment of other expenses under the ~~Trust Agreement~~Indenture shall be paid to the City.

Section 7.4. *Cooperation of the Parties.* The Corporation, the City and the ~~Trustee~~Purchaser shall cooperate fully with each other in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in **Section 7.1** hereof, in making the Net Proceeds available in accordance with **Section 7.2** or **7.3** hereof and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Project Facilities or any portion thereof and in the enforcement of all warranties relating to the Project Facilities. The Corporation hereby designates the City as its agent for the purpose of making collections under such policies. In no event shall the Corporation voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim, prospective or pending condemnation proceeding with respect to the Project Facilities or any portion thereof without the written consent of the City and the ~~Trustee~~Purchaser.

[End of Article VII]

ARTICLE VIII

DEFAULTS AND REMEDIES

Section 8.1. *Events of Default.* Each of the following events is hereby defined as, and declared to be and shall constitute, an “*Event of Default*”:

(a) failure by the City to make any payment required to be made pursuant to **Section 4.1(b)** hereof by the first day of the calendar month after the same is due (provided, however, that an Event of Nonappropriation shall not result in an Event of Default under this provision); or

(b) failure by the City to timely comply with the provisions of **Section 2.4** hereof relating to partition and vacating of the Project Facilities at the times required; or

(c) failure by the City to make any payment required to be made pursuant to **Section 4.1(c), 4.2 or 4.4** hereof or under the provisions of the Base Lease within 10 days after the same is due; or

(d) failure by the City to observe and perform any other covenant, condition or agreement on its part to be observed or performed under this Facilities Agreement for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the City by the ~~Trustee~~Purchaser; or

(e) if any of the representations and warranties of the City hereunder shall prove to be false or misleading in any material respect; or

(f) the failure by the City promptly to stay or lift any execution, garnishment or attachment of such consequence as will, in the reasonable judgment of the ~~Trustee~~Purchaser, materially impair its ability to carry out its obligations under this Facilities Agreement (provided that the City shall not be in default so long as it is diligently prosecuting a bona fide appeal from any such execution, garnishment or attachment); or

(g) if the City shall (i) apply for or consent to the appointment of a receiver, trustee, or the like of the City or of property of the City, or (ii) admit in writing the inability of the City to pay its debts generally as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) be adjudicated bankrupt or insolvent, or (v) commence a voluntary case under the United States Bankruptcy Code or file a voluntary petition seeking reorganization, an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or (vi) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the United States Bankruptcy Code.

The foregoing provisions of this **Section 8.1** are subject to the following provision: If, by reason of Force Majeure, the City shall be unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations on the part of the City contained in **Articles IV and VI** hereof, the City shall not be deemed in default during the continuance of such inability. The City agrees, however, to remedy, as promptly as legally and reasonably possible, the cause or causes preventing the City from carrying out its agreement, provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the City.

Section 8.2. *Remedies.* Subject at all times to the rights of the City under **Section 2.1** hereof as to portions of the Project Facilities it has so acquired, whenever any Event of Default referred to in **Section 8.1** hereof shall have happened and be continuing, or if an Event of Nonappropriation shall have

happened, the Corporation and the [TrusteePurchaser](#) may terminate this Facilities Agreement and shall give notice to the City to vacate the Corporation Facilities within 31 days from the date of such notice; provided that if an Event of Nonappropriation shall occur by reason of the failure of the City to specifically budget and appropriate for Acquisition Payments on or before July 1 of any year, the City shall, if requested, vacate or deliver possession of the Corporation Facilities not later than the immediately following July 31 or such later date as may be determined under **Section 2.4** hereof.

Subject at all times to the rights of the City under **Section 2.1** hereof as to portions of the Project Facilities it has so acquired, the [TrusteePurchaser](#), in its discretion, may also (i) take whatever action at law or in equity which may appear necessary or desirable to enforce its rights in and to the Project Facilities under this Facilities Agreement, the Security Documents and the [Trust Agreement Indenture](#), subject, however, to the limitations set forth herein, and (ii) exercise all applicable rights and remedies of a secured party under Title 36, Chapter 9, Code of Laws of South Carolina, 1976, as amended.

In addition, the [TrusteePurchaser](#) may, or at the written direction of the Owners of the majority in aggregate principal amount of the Outstanding Bonds and upon being provided satisfactory indemnity by such Owners shall, without any further demand or notice, and subject to the terms of the Base Lease, including without limitation, the provisions in Section 4.1 of the Base Lease which provide that the Corporation Facilities shall always be operated for a civic or public purpose, take one or both of the following additional remedial steps:

- (i) sell or assign its interest in the Base Lease upon five days prior written notice to the City; or
- (ii) temporarily assign its rights to the Corporation Facilities for the benefit of the Owners of the Bonds.

Notwithstanding anything in this Facilities Agreement to the contrary, in the event of a termination of the City's interest in any portion of the Project Facilities and subsequent thereto the [TrusteePurchaser](#) shall receive a payment for the transfer of its interest in this Facilities Agreement or total rental payments for leasing that are, after the payment of the Corporation's expenses in connection therewith, including fees, costs and expenses of the [TrusteePurchaser](#), in excess of the principal amount of the Outstanding Bonds at the time of the Event of Default or Event of Nonappropriation and the interest due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then the [TrusteePurchaser](#) shall pay such excess to the City.

Section 8.3. *Limitations on Remedies.* A judgment requiring a payment of money may be entered against the City by reason of an Event of Default or Event of Nonappropriation only as to the City's liabilities described in **Section 10.1** hereof.

Section 8.4. *Cumulative Rights.* No remedy conferred upon or reserved to the Corporation or the [TrusteePurchaser](#) by this Facilities Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Facilities Agreement or now or hereafter existing at law or in equity or by statute. No waiver by the Corporation or the [TrusteePurchaser](#) of any breach by the City of any of its obligations, agreements or covenants hereunder shall be deemed a waiver of any subsequent breach, or a waiver of any other obligation, agreement or covenant, and no delay or failure by the Corporation or the [TrusteePurchaser](#) to exercise any right or power shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised by the Corporation or the [TrusteePurchaser](#) from time to time and as often as may be deemed expedient.

Section 8.5. *Discontinuance of Proceedings.* In case the Corporation or the [TrusteePurchaser](#) shall have proceeded to enforce any right under this Facilities Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Corporation or the [TrusteePurchaser](#), then and in every such case the City, the Corporation and the [TrusteePurchaser](#) shall be restored respectively to their several positions and rights hereunder and all rights, remedies and powers of the City, the Corporation and the [TrusteePurchaser](#) shall continue as though no such proceeding had been taken.

[End of Article VIII]

ARTICLE IX

CONVEYANCE OF THE PROJECT FACILITIES

Section 9.1. Optional Purchase of the Project Facilities.

(a) *Purchase in Full.* The City is hereby granted the option to terminate this Facilities Agreement and to purchase the Corporation's interest in the Project Facilities not theretofore acquired by the City at any time upon payment by the City of the then applicable Purchase Option Price; provided, however, that no such termination shall relieve the City from its obligation to pay Administrative Expenses as provided in **Section 4.4** hereof until the Bonds have been fully discharged and the ~~Trust Agreement~~Indenture terminated. The City shall notify the Corporation and the ~~Trustee~~Purchaser of its intention to exercise this option, on or before the 45th day preceding the date of such purchase or such later date as may be acceptable to the ~~Trustee~~Purchaser, but in no event later than the 30th day preceding the date of such purchase, and the City shall provide funds for such prepayment. Upon the payment of the Purchase Option Price, the Corporation shall transfer and convey all its remaining interest in the Project Facilities to the City in the manner provided in **Section 9.2** hereof.

(b) *Partial Prepayment of Acquisition Payments and Purchase.* The City is also granted the option to prepay Acquisition Payments on the due date of any Base Payments hereunder for the purpose of having such prepayments credited towards the purchase price of the Project Facilities. The City shall notify the Corporation and the ~~Trustee~~Purchaser of its intention to exercise this option, on or before the 45th day preceding the date of such prepayment or such later date as may be acceptable to the ~~Trustee~~Purchaser, but in no event later than the 30th day preceding the date of such prepayment, and shall provide funds for such prepayment.

Section 9.2. Manner of Conveyance.

(a) *Complete Conveyance.* At the closing of any purchase or other conveyance of all of the Project Facilities and the Real Property pursuant to **Section 9.1(a)** hereof, or at the termination hereof by the payment of all amounts due hereunder, the Corporation and the ~~Trustee~~Purchaser by an instrument terminating the Base Lease and this Facilities Agreement and by quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the ~~Trustee~~Purchaser, the Corporation and the City shall execute and deliver to the City all necessary documents assigning, transferring, conveying and relinquishing all interest to the Project Facilities and Real Property, subject to the following:

(i) Permitted Encumbrances, other than this Facilities Agreement and the ~~Trust Agreement~~Indenture;

(ii) all liens, encumbrances and restrictions created or suffered to exist by the City, the Corporation and the ~~Trustee~~Purchaser as required or permitted by this Facilities Agreement or the ~~Trust Agreement~~Indenture or arising as a result of any action taken or permitted to be taken by the City, the Corporation or the ~~Trustee~~Purchaser as required or permitted by this Facilities Agreement or the ~~Trust Agreement~~Indenture; and

(iii) any lien or encumbrance created by action of the City.

(b) *Partial Conveyance Resulting from Partition.* Upon any conveyance under **Section 2.4** hereof to the City, the Corporation and the ~~Trustee~~Purchaser shall execute and deliver to the City all necessary documents assigning, transferring and conveying all interest in the Municipal Facilities by an instrument terminating the Base Lease and this Facilities Agreement with respect to the Municipal

Facilities and quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the ~~Trustee~~Purchaser, the Corporation and the City, subject to the following:

- (i) Permitted Encumbrances, other than this Facilities Agreement and the ~~Trust Agreement~~Indenture;
- (ii) all liens, encumbrances and restrictions created or suffered to exist by the City, the Corporation and the ~~Trustee~~Purchaser as required or permitted by this Facilities Agreement or the ~~Trust Agreement~~Indenture or arising as a result of any action taken or permitted to be taken by the City, the Corporation or the ~~Trustee~~Purchaser as required or permitted by this Facilities Agreement or the ~~Trust Agreement~~Indenture; and
- (iii) any lien or encumbrance created by action of the City.

Neither the ~~Trustee~~Purchaser nor the Corporation shall be responsible for the recordation of any deed or other instrument for such purposes, and the City shall be responsible for the recordation of any such deed or other instrument for such purposes.

Upon any conveyance under **Section 2.4** hereof to the Corporation, the City shall execute and deliver to the Corporation and the ~~Trustee~~Purchaser all necessary documents assigning, transferring and conveying all interest in the Corporation Facilities by an instrument terminating this Facilities Agreement with respect to the Corporation Facilities and quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the ~~Trustee~~Purchaser, the Corporation and the City, subject to the following:

- (i) Permitted Encumbrances, other than this Facilities Agreement and the ~~Trust Agreement~~Indenture;
- (ii) all liens, encumbrances and restrictions created or suffered to exist by the City, the Corporation and the ~~Trustee~~Purchaser as required or permitted by this Facilities Agreement or the ~~Trust Agreement~~Indenture or arising as a result of any action taken or permitted to be taken by the City, Corporation or the ~~Trustee~~Purchaser as required or permitted by this Facilities Agreement or the ~~Trust Agreement~~Indenture;
- (iii) any lien or encumbrance created by action of the City; and
- (iv) the Base Lease.

The City shall not be responsible for the recordation of any deed or other instrument to the ~~Trustee~~Purchaser or the Corporation for such purposes and the Corporation shall be responsible for the recordation of any such deed or other instrument for such purposes.

(c) *Partial Conveyance Resulting from Prepayment.* Any conveyance resulting from a partial prepayment under **Section 9.1(b)** hereof shall be made in the manner as all other conveyances with respect to payments on each Bond Payment Date.

[End of Article IX]

ARTICLE X

MISCELLANEOUS

Section 10.1. Limitation of Liability of the Corporation and the City. Notwithstanding any other provision of this Facilities Agreement, in the event of any default by either the Corporation or the City hereunder or under the ~~Trust Agreement~~ Indenture, any liability of the Corporation or the City shall be enforceable only out of their respective interests in the Base Lease and under this Facilities Agreement and the moneys to be paid by the City through the later of the end of the Fiscal Year as to which Base Payments have been appropriated for or any Base Payments due as provided in **Section 2.3** hereof, and there shall be no recourse for any claim based on this Facilities Agreement, the ~~Trust Agreement~~ Indenture or the Bonds, against any other property of the Corporation or the City or against any officer or employee, past, present or future, of the Corporation or the City or any successor body as such, either directly or through the Corporation or the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, and the liability of the Corporation and the City shall be limited to its interests in the Base Lease and interests under this Facilities Agreement and the moneys to be paid by the City hereunder through the later of the end of the Fiscal Year as to which Base Payments have been appropriated therefor or any Base Payments due as provided in **Section 2.3** hereof, and the lien of any judgment shall be restricted thereto, and there shall be no other recourse by the City against the Corporation or the Corporation against the City or any of the property now or hereafter owned by it or either of them. The provisions hereof shall not be deemed to limit the rights of either the City or the Corporation or any assignee thereof as to any contracts with other parties with respect to the Project Facilities.

Section 10.2. Surrender of Possession Upon Termination. Upon termination hereof or upon termination of all rights of the City hereunder, either by reason of an Event of Default or an Event of Nonappropriation, the City covenants that it will deliver or cause to be delivered peaceable possession of such of the Project Facilities as are determined under **Section 2.4** hereof to be Corporation Facilities together with the related Real Property without delay, upon demand made by the Corporation or the ~~Trustee~~ Purchaser, in good repair and operating condition, excepting reasonable wear and tear and damage, injury or destruction by fire or other casualty which, under the terms hereof, shall not have been repaired, reconstructed or replaced.

Section 10.3. Notices. Notices hereunder shall be given to the addresses shown below or to such other address as shall be filed in writing with the parties hereto:

The Corporation	Mauldin Public Facilities Corporation Attention: President, Board of Directors 5 E. Butler Rd. Mauldin, SC 29662
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The City	City of Mauldin, South Carolina Attention: City Administrator 5 E. Butler Rd. Mauldin, SC 29662
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The ~~Trustee~~ ~~U.S. Purchaser~~ ~~Truist~~ Bank ~~National Association~~
~~5130 Parkway Plaza Boulevard~~
~~Charlotte, North Carolina 28217~~
Attention: ~~Corporate Trust Services~~ Governmental Finance
~~Mail Code: EX-SC-WMSC~~
~~1441 Main Street, Suite 775~~
~~Columbia, SC 29201~~

Section 10.4. *Assignments.* Except as contemplated in the ~~Trust Agreement~~ Indenture, this Facilities Agreement may not be assigned by either of the parties hereto without the written consent of the other party hereto and the written consent of the ~~Trustee~~ Purchaser.

Section 10.5. *Severability.* In case any provision of this Facilities Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof and this Facilities Agreement shall be construed as if such provision had never been contained herein.

Section 10.6. *Amendments.* The City and the Corporation may, with the prior written consent of the ~~Trustee~~ Purchaser, as provided in the ~~Trust Agreement~~ Indenture, but without the consent of the Owner of any Bond, enter into any amendments hereto at any time for any of the following purposes:

- (a) To cure any ambiguity, defect or omission herein or in any amendment hereto; or
- (b) To grant to or confer upon the Corporation any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred upon it; or
- (c) To add to the covenants and agreements of the City herein contained, or to surrender any right or power herein reserved to or conferred upon the City; or
- (d) To increase the Base Payments hereunder to enable the City to proceed to acquire and install Additional Project Facilities or Additional Ancillary Facilities; or
- (e) To reflect a change in applicable law; or
- (f) To make any changes required in connection with a substitution of facilities as permitted under the Base Lease or hereunder or to add Additional Real Property; or
- (g) To make any amendments required by any rating agency as a condition to rating any series of Bonds; or
- (h) To make provision for the issuance of Additional Bonds as provided for in the ~~Trust Agreement~~ Indenture.

The City and the Corporation may, with notice to but without the prior consent of the ~~Trustee~~ Purchaser, and without the consent of the Owner of any Bond, enter into any amendments hereto at any time and from time to time to (i) add additional parcels of Real Property and Additional Real Property to the description in *Exhibit A* hereto as provided in **Section 5.1(d)** hereof; (ii) under the conditions specified in **Section 5.1(c)** hereof, to delete Real Property in connection with a substitution of other Real Property; or (iii) under the conditions specified in Sections 3.6 and 6.3 of the Base Lease in connection with the granting of easements, releases and substitutions..

All other amendments must be approved by the ~~Trustee~~Purchaser, as provided in the ~~Trust Agreement~~Indenture, and, if and to the extent required by the ~~Trust Agreement~~Indenture, the consent of the Holders of the Bonds.

Section 10.7. *Successors and Assigns.* All covenants, promises and agreements contained in this Facilities Agreement by or on behalf of or for the benefit of the City or the Corporation, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 10.8. *Applicable Law.* This Facilities Agreement shall be governed by, and interpreted under, the laws of the State without regard to conflict of law principles.

Section 10.9. *Recordation.* At the option of the Corporation this Facilities Agreement or a short form and summary hereof may be recorded in appropriate official records.

[End of Article X]

CITY OF MAULDIN, SOUTH CAROLINA

WITNESS:

Terry Merritt, Mayor

ATTEST:

Cindy Miller, City Clerk

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this ____ day of ~~August~~July, 2020 by the within named **TERRY MERRITT** as the Mayor of the **CITY OF MAULDIN, SOUTH CAROLINA** (the "**City**") and **CINDY MILLER** as the City Clerk of the City as the act and deed of the City.

Notary Public for South Carolina
Print Name: _____
My Commission Expires: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE REAL PROPERTY

EXHIBIT B
PERMITTED ENCUMBRANCES

EXHIBIT C
BASE PAYMENTS SCHEDULE

EXHIBIT D
CONTINUING DISCLOSURE UNDERTAKING

City Council

AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 7g

TO: City Council

FROM: Brandon Madden, City Administrator

SUBJECT: Ordinance creating the Indigo Pointe Sewer Pump Station Fee

REQUEST

Council is requested to consider and provide final reading approval to an ordinance creating the Indigo Pointe Sewer Pump Station Fee.

HISTORY/BACKGROUND

During its November 18, 2019 meeting, Council approved a Sewer Pump Station agreement with the developer (IBI Forrester, LLC) of the Indigo Pointe Subdivision.

Via the agreement, the developer has agreed to transfer to the City the sewer infrastructure including collection lines, a wastewater lift station, and such easements or rights-of-way- reasonably required for the operation and maintenance of the sewer infrastructure that will serve the development vis-a-vis Indigo Pointe. Given that the City will provide wastewater services to the development, the developer will convey all of the sewer infrastructure, including the pump station, to the City. Residents of the properties within the development will be responsible for paying sewer fees associated with the City's collection of waste water in the development. However, this cost does not cover the cost of operating and maintaining the attendant pup station. That cost will be placed on the property tax bills for each home in the development. The agreement will cover the upfront costs that the City will be incurring for maintaining and operating the pump station as the construction of some of the homes will occur prior to the pump station fee being placed on the tax bills.

ANALYSIS or STAFF FINDINGS

The establishment of the fee for the property owners in the subdivision must be done through a City Council ordinance. The sewer fees can only be placed on the property tax bill once per year. This usually occurs in the fall of the calendar year.

FISCAL IMPACT

The fee per parcel is \$135. Given that the fee is added to the tax bills, it can only be added once per year via Council ordinance. Since the development is ongoing and all of the homes have not been built, the fee is only going to be added to the homes that have a certificate of occupancy. Per the developer, 45 homes will have a certificate of occupancy by the end of the year. Via the ordinance, the 45 homes will have the fee on its tax bill.

However, Council will have to approve an amendment to this ordinance annually until all of the properties have the fee added.

RECOMMENDATION

Staff recommends the Council give final reading approval of the ordinance.

ATTACHMENTS

Ordinance creating the Indigo Pointe Sewer Pump Station Fee

AN ORDINANCE

ESTABLISHING A SEWER PUMP STATION FEE FOR THE INDIGO POINT DEVELOPMENT; CREATING A LIEN FOR UNPAID SEWER PUMP STATION FEES; AND OTHER MATTERS RELATED THERETO.

WHEREAS, the City of Mauldin, South Carolina (the “*City*”), a body corporate and politic and a municipal corporation of the State of South Carolina, operates a sewer collection system that serves residents in the City;

WHEREAS, the City has previously entered into a Sewer Infrastructure Agreement (the “*Agreement*”) dated October 9, 2019 with IBI Forrester, LLC (the “*Owner*”) whereby the Owner agreed to acquire and install, at its expense, certain sewer capital improvements, including a sewer pump station (collectively, the “*Sewer Infrastructure*”) as part of its developing an approximately 90 acre tract of land in the City into a residential development consisting of approximately 315 parcels, containing approximately 223 detached single-family lots and 92 townhome lots once completed over one or more phases to be known as Indigo Point (the “*Development*”);

WHEREAS, pursuant to the Agreement, the Sewer Infrastructure, upon completion will be donated to the City, and the City will provide sewer collection services to the Development;

WHEREAS, operating and maintaining the Sewer Infrastructure, as well as capital improvements related to the Sewer Infrastructure, will be an additional expense to the City, which the City has determined to fund through the establishment of a sewer pump station fee (the “*Pump Station Fee*”) to be assessed only on the real property parcels (the “*Parcels*”) in the Development, which descriptions of the Parcels are attached hereto and incorporated herein by reference as *Exhibit A*;

WHEREAS, the Developer anticipates creating additional parcels on the Development (the “*Additional Parcels*”) to be incorporated into the Development as the various phases are designed and completed, and it is anticipated that the Additional Parcels will become subject to the Pump Station Fee by subsequent ordinances enacted by the City Council of the City (the “*City Council*”) once these Additional Parcels are recorded on one or more plats with the Greenville County Register of Deeds Office;

WHEREAS, pursuant to Section 6-1-330 of the Code of Laws of South Carolina, 1976, as amended, the City desires to establish and revise whenever it so wishes or may be required a Pump Station Fee, the revenues of which will be used for the operation, maintenance, renovation and repair of the Sewer Infrastructure as well as the acquisition and construction of related capital improvements;

WHEREAS, given the small number of Parcels in the Development on which the Pump Station Fee will be assessed, having the Pump Station Fee collected by the third-party water provider that currently collects the City’s sewer collection fee is impractical and not cost effective;

WHEREAS, the provisions of Title 6, Chapter 15 of the Code of Laws of South Carolina, 1976, as amended, provides that the City may impose a lien for due and unpaid Pump Station Fees on the Parcels if the City follows certain procedures in the imposition of the Pump Station Fee;

WHEREAS, the City desires to establish a lien for due and unpaid Pump Station Fees on the Parcels;

WHEREAS, by notice mailed to all Parcel owners in the Development on May 1, 2020, the City notified all Parcel owners of (i) the amount of the Pump Station Fee, (ii) the City’s intention to establish a lien on the Parcels for the nonpayment of the Pump Station Fee, and (iii) the Parcel owners’ opportunity, if desired and requested, to appear and be heard in person or by counsel before the City Council;

WHEREAS, on May 2, 2020 the City caused to be published a notice of public hearing in the *Greenville News* informing the public of the public hearing to be held at the May 18, 2020 City Council meeting;

WHEREAS, on May 18, 2020 the City Council conducted a public hearing on (i) the establishment of the Pump Station Fee and (ii) the imposition of a lien on affected property for the nonpayment of the Pump Station Fee, allowing Parcel owners and the public an opportunity to appear and be heard in person or by counsel before the City Council, prior to the enactment of this Ordinance, at which public hearing the Pump Station Fee was presented, discussed, and made available to the public for inspection; and

WHEREAS, this Ordinance has been approved by a positive majority of the City Council following such public hearing;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MAULDIN, SOUTH CAROLINA, AS FOLLOWS:

SECTION 1. Establishment of Pump Station Fee

The City hereby enacts, as of the date of enactment of this Ordinance, the Pump Station Fee on the Parcels in the Development set forth on the attached *Exhibit A* in the amount of not exceeding \$250 per Parcel per year. The Pump Station Fee will be due annually and assessed on each Parcel owner's real property tax bill. Except for the amount of the Pump Station Fee to be assessed in the first year which will be established in this Ordinance, the exact Pump Station Fee will be set annually by the City Council in its budget, provided such fee does not exceed \$250 per Parcel per year, unless increased pursuant to the procedures of Title 6, Chapter 15 of the Code of Laws of South Carolina, 1976, as amended. Once set each year, the City will inform Greenville County of the amount of the Pump Station Fee in order for Greenville County to place the Pump Station Fee on the Parcels' real property tax bills.

The Pump Station Fee for the 2020-21 Fiscal Year will be \$135 per Parcel.

SECTION 2. Imposition of Lien for Nonpayment of Pump Station Fees

Pursuant to the authorization of Title 6, Chapter 15 of the Code of Laws of South Carolina, 1976, as amended, a Pump Station Fee due but not paid shall constitute a lien on the affected real property as long as the Pump Station Fee remains unpaid. In addition to such other rights and remedies as may be available to the City in law or in equity for the collection of the Pump Station Fees, the lien may be enforced by the City in the same manner and fashion as the lien of property taxes on real estate. The lien herein provided shall be superior to all other liens except liens for unpaid property taxes.

SECTION 3. Authorization

The Mayor and the City Administrator, for and on behalf of the City, acting jointly or individually, are fully empowered and authorized to take such further action as may be reasonably necessary to effect the establishment and implementation of the Pump Station Fee and related lien including entering into any agreements as may be needed for the collection of such Fee.

SECTION 4. Severability

If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 5. Repealing Clause

All ordinances, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistencies.

DONE IN MEETING DULY ASSEMBLED, this 15th day of June, 2020.

CITY OF MAULDIN, SOUTH CAROLINA

Mayor

ATTEST:

City Clerk

First Reading: May 18, 2020

Second Reading: June 15, 2020

Public Hearing: May 18, 2020

EXHIBIT A

PROPERTY SUBJECT TO SEWER PUMP STATION FEE

The following Parcels more particularly described on the attached Plats are subject to the Sewer Pump Station Fee:

Parcel Numbers

1 – 16
37 – 56
66 – 69
86 – 105

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

CERTIFICATE OF ORDINANCE

I, the undersigned, City Clerk of the City of Mauldin, South Carolina (the “*City*”) **DO HEREBY CERTIFY:**

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance which was given two readings on two separate days, with an interval of at least six days between the readings by the City Council of the City (the “*City Council*”). The original of this Ordinance is duly entered in the permanent records of minutes of meetings of the City Council, in my custody as such City Clerk.

That each of said meetings was duly called, and all members of the City Council were notified of the same; that a quorum of the membership remained throughout the proceedings incident to the enactment of this Ordinance.

IN WITNESS WHEREOF, I have hereunto set my Hand this 15th day of June, 2020.

City Clerk
City of Mauldin, South Carolina

First Reading: May 18, 2020
Second Reading: June 15, 2020

Public Hearing: May 18, 2020

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 8a

TO: City Council

FROM: Business & Development Services Director, David C. Dyrhaug

SUBJECT: Extension of Moratorium for Small Box Discount Stores
*** 1st Reading ***

BACKGROUND

In January, staff shared with the Planning Commission remarks from the Institute for Local Self-Reliance about the rapid growth of chain dollar stores, particularly the two dominant chains—Dollar General and Dollar Tree, which also owns Family Dollar. Because these dollar stores typically only offer a limited selection of processed foods and no fresh vegetables, fruits, or meats, the Mauldin City Council has expressed concern that they are opening stores at a density that might crowd out full-service grocery stores and thereby exacerbate the issue of food deserts. In response, the Mauldin City Council adopted a moratorium on new dollar store development on February 17, 2020.

At its January 28, 2020, meeting, the Planning Commission directed staff to further study this issue and to consider appropriate regulations. Since that time, the Planning Commission and staff have been working on drafting an ordinance with appropriate regulations for these types of stores. The Planning Commission and staff have recently completed a draft ordinance and will be holding a public hearing for this ordinance on June 23, 2020.

In the meantime, there has been concern about the possibility that the current moratorium could expire before the draft ordinance is adopted. The current moratorium expires on August 17, 2020. Right now the draft ordinance is on pace to be adopted by City Council at second reading on August 17, 2020. In case the draft ordinance needs to undergo any revisions, the City Attorney, Daniel Hughes, has suggested it may be practical to extend the current moratorium.

The attached ordinance has been prepared by Mr. Hughes and in effect extends the current moratorium for small box discount stores by 3 months.

ATTACHMENTS

Ordinance to Extend Moratorium by 3 months

ORDINANCE _____-2020

AN ORDINANCE TO EXTEND A MORATORIUM TO TEMPORARILY SUSPEND THE ACCEPTANCE AND ISSUANCE OF PERMITS AND BUSINESS LICENSES FOR SMALL BOX DISCOUNT STORES PENDING THE CONSIDERATION OF AMENDMENTS TO THE CITY ZONING ORDINANCES.

WHEREAS, on February 17, 2020, the City Council adopted Ordinance No. 933-2020 which imposed a six (6) moratorium that temporarily suspended the acceptance and/or issuance of any permits, business licenses, land development applications for new development of small box discount stores; and,

WHEREAS, the City of Mauldin Planning Commission is scheduled to hold a public hearing on June 23, 2020 regarding a proposed ordinance to amend the City's zoning ordinance to establish standards and definitions for small box discount stores; and,

WHEREAS, to provide for an extension of time for study, analysis, public review and finalization of ordinances adopted in accordance herewith, the City desires to extend its temporary moratorium and suspension upon new development of small box discount stores; and,

WHEREAS, the City further determines and finds that a period of three (3) months from the date of expiration of the previously approved temporary moratorium is appropriate;

WHEREAS, the City deems it in the best interests of the citizens and residents of Mauldin to extend the moratorium for new development of small box discount stores; and,

WHEREAS, the moratorium shall now be in effect for a period of three (3) months from August 17, 2020 or until Council has taken final action on proposed text amendments and other ordinances associated with the regulation of discount stores.

NOW, THEREFORE, be it ordained by the Mayor and City Council of the City of Mauldin:

SECTION 1. The City Council hereby extends the moratorium adopted pursuant to Ordinance No. 933-2020 for three (3) months following the expiration of the original moratorium according to the same terms contained therein.

SECTION 2. The Council, by subsequent ordinance, may extend the temporary moratorium for a further time period upon appropriate findings.

This Ordinance shall be effective from the date of second and final reading.

Passed on First Reading: _____

Passed on Second Reading _____

CITY OF MAULDIN, SOUTH CAROLINA

BY: _____
Terry W. Merritt, Mayor

ATTEST:

Cindy Miller, Municipal Clerk

APPROVED AS TO FORM:

City Attorney

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 8b

TO: City Council

FROM: Finance Director, Holly Abercrombie

SUBJECT: FY21 Auditor Appointment

REQUEST

Staff is asking Council to approve Greene, Finney based off bids received from RFP.

HISTORY/BACKGROUND

By law, the City has to have an auditor appointed by July of the year they will be auditing. Staff released an RFP on March 30, 2020 soliciting bids for audit services. We received three bids: Greene Finney LLP; Mauldin & Jenkins; and McKinley, Cooper & Co. LLC. Staff requested bids on a three year term (FY21, FY22, FY23) with renewal options for two additional years.

ANALYSIS or STAFF FINDINGS

Staff evaluated each bid submittal based off the criteria set forth in the bid document. Based on the evaluations, it is recommended that Council select Greene Finney LLP as the auditor for the City starting FY2021.

RECOMMENDATION

Staff recommends appointing Greene Finney LLP to be the City's auditor starting FY2021.

ATTACHMENTS

Bid Tabulation form.

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15,

2020 AGENDA ITEM: 8c

TO: City Council

FROM: City Council

SUBJECT: Event Coordinator Position for the Community Development Department

REQUEST

The Council is requested to consider an amendment to the FY2021 Budget that was presented by Council during its May 18, 2020 meeting to appropriate \$39,313 from the H&A Tax fund balance to fund a full-time event coordinator position for the Community Development Department.

HISTORY/BACKGROUND

This item was referred to the Finance & Policy Committee for review during the May 18, 2020 Council meeting.

ANALYSIS / STAFF FINDINGS

The FY2021 budget includes \$18,500 for a part-time event coordinator position.

FINANCIAL IMPACT

The starting salary range for a full-time event coordinator would be \$32,000 - \$37,000. Using a starting salary amount of \$35,000, the total cost for a full-time event coordinator position would be \$57,813, which is inclusive of FICA, retirement and health insurance costs. An additional \$39,313 is needed to make the position full-time. The use of the H&A Tax fund balance is for FY2021 only. In future budget years, the position will be funded out of recurring H&A tax revenues.

RECOMMENDATION

This item is a Council-initiated request. Staff will proceed at the direction of Council.

ATTACHMENTS

None.

A RESOLUTION

FOR THE PURPOSE OF ESTABLISHING THE MAULDIN PUBLIC FACILITIES CORPORATION, STATING ITS PURPOSES AND APPOINTING THE MEMBERS TO THE BOARD OF DIRECTORS OF THE CORPORATION.

WHEREAS, the Mauldin Public Facilities Corporation (the “*Corporation*”) will be duly created and organized under the laws of the State of South Carolina as a nonprofit corporation, to operate exclusively for the benefit of, to perform the functions of, and to carry out the purposes of owning, leasing, financing, constructing, acquiring, developing and operating land, buildings and equipment, and facilities functionally related thereto and to perform any other lawful purpose related to the furtherance of the governmental powers of the City of Mauldin, South Carolina (the “*City*”); and

WHEREAS, the Corporation will be governed by a Board of Directors (the “*Board*”) who will consist of three (3) members appointed by the City Council of the City (the “*City Council*”); and

WHEREAS, the City Council desires to appoint the members of the Board and to authorize the creation of the Corporation;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL:

1. Purposes of Corporation. The purposes for which the Corporation will be established and shall operate are as follows:

(a) The Corporation shall be organized and shall be operated exclusively for the benefit of, to perform the functions of, and to carry out the purposes of (i) holding title, owning, leasing, financing, constructing, acquiring, developing and operating land, buildings and equipment, and facilities functionally related thereto and (ii) performing any other lawful purpose related to the furtherance of the governmental powers of the City that is not inconsistent with the Corporation’s nonprofit status; provided that all property owned or leased by the Corporation shall be used for a valid public purpose.

(b) The Corporation shall be organized and shall operate exclusively for the aforesaid purposes, and in connection therewith its scope of activities shall include the following:

(i) To accept, buy, sell, own, hold, lease, develop, operate, mortgage, insure, pledge, assign, transfer or otherwise receive or dispose of real and personal property.

(ii) To engage in any and all lawful activities necessary or incident to the foregoing purposes, except as limited herein.

(iii) To do any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its directors or officers. In furtherance of its corporate purposes, the Corporation shall have all general powers enumerated in Section 33-31-302 of the Code of Laws of South Carolina 1976, as amended, (or the corresponding provision of any subsequent law).

Notwithstanding the foregoing, the funds or assets of the Corporation shall not be distributed or otherwise made available to any organization or entity other than the City unless such funds or assets are transferred or exchanged in return for goods or services acceptable to the Corporation.

(c) In the event of dissolution of the Corporation, all of the remaining assets and property of the Corporation shall, after necessary expenses thereof, be distributed to the City.

2. Appointment of Board Members. The following are hereby appointed as members of the Board of the Corporation each for a three-year term commencing on the date of incorporation of the Corporation:

Diana Graceley
Rodney Neely
Cristina Ortiz

3. Designation of Corporation. The City Council hereby designates the Corporation a governmental organization pursuant to Section 115 of the Internal Revenue Code of 1986, as amended (the “*Code*”). Rental income to the Corporation is excludable under Section 115 of the Code because the Corporation exercises an essential governmental function, and the Corporation will not be required to file an annual federal information return (Form 990) under current federal law.

4. Establishment of Corporation. The City Council hereby directs the City Administrator or his designee to have Article of Incorporation and any other necessary documents filed with the South Carolina Secretary of State’s Office in order to cause the incorporation of the Corporation.

5. Conflicting Provisions. All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

6. Effective Date. This Resolution shall be in full force and effect from and upon its date of adoption.

ADOPTED AND APPROVED this 15th day of June, 2020.

CITY OF MAULDIN, SOUTH CAROLINA

Mayor

ATTEST:

City Clerk

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 8e

TO: City Council
FROM: Business & Development Services Director, David C. Dyrhaug
SUBJECT: Vacancies on Boards and Commissions

Since the start of May, the City has advertised that it is accepting applications from volunteers interested in serving on the City's boards and commissions.

PLANNING COMMISSION

The terms of the Planning Commission members serving in seats #1, 4, and 7 will expire at the end of June. The volunteers currently serving in those seats have each applied for re-appointment. See attached applications. This includes Michael Forman (seat #1), Jonathan Paulsen (seat #4), and Dean Oang (seat #7). Each of these volunteers has provided a breadth of planning and development knowledge to the Planning Commission and has been outstanding in their service to the City. Staff fully supports their re-appointment to their respective seats.

In addition, Mr. Ted Allison (seat #5) has indicated that his schedule no longer allows him to continue to serve on the Planning Commission. Therefore, he has stepped down from his seat on the Planning Commission. The City has a need to fill the remainder of his appointment which expires at the end of June 2022.

The City has received an application from Mr. Michael King to be appointed to the Planning Commission. See attached application.

Staff supports and recommends the re-appointment of Michael Forman (seat #1), Jonathan Paulsen (seat #4), Dean Oang (seat #7) and the appointment of Michael King (seat #5).

BUILDING AND ZONING BOARD OF APPEALS

The terms of three Zoning Board members will expire at the end of June. In addition, there is presently an open seat on the Zoning Board. Therefore, the City needs to appoint four volunteers to serve on the Zoning Board.

The City has received an application from Mr. Paul Calabrese and Mr. Michael Burns for re-appointment to the Zoning Board. No other applications for the Zoning Board have been received to date.

The Zoning Board meets very infrequently and primarily reviews requests for variances and exceptions from the zoning standards. The infrequency of their meetings may be a contributor to low interest in volunteering to serve on this Board.

Staff supports and recommends the re-appointment of Paul Calabrese and Michael Burns. The remaining open positions can continue to be advertised.

ATTACHMENTS

Volunteer Applications

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 8f

TO: City Council
FROM: Business & Development Services Director, David C. Dyrhaug
SUBJECT: Permitting and Licensing Software

BACKGROUND

Last spring the City received notice that its permitting and licensing software at the time, Viewpermit, would be discontinued. At the time, the City elected to stay with the same company that it had been contracting with since 2014, ViewPoint, and transition to their newest product, Viewpoint Cloud. Unfortunately, we have been experiencing some issues and limitations with Viewpoint Cloud.

EXPLORATION OF OTHER PRODUCTS

During February and March of this year, staff researched other products to explore if there may be a better fit for our needs. Some the products that staff has researched, reviewed and demonstrated include:

- | | |
|-----------------------------------|--------------------------|
| • Idt Plans | • OpenCounter |
| • Cityworks | • Evolve (by Infovision) |
| • SmartGov (by Dude Solutions) | • CentralSquare |
| • citizenserve | • Accela |
| • EnerGov (by Tyler Technologies) | • BasicGov |

Building off our experience with Viewpoint Cloud, we drilled down into a multitude of questions about each product and the type of support offered by each company. We also researched the products used by our neighboring communities.

REQUEST FOR PROPOSALS

In May, staff issued a request for proposals. The City received four proposals in response to this RFP. The table on the following page includes brief information about each company and their proposal. Staff has rated these proposals for the criteria listed below. Additionally, staff has reached out to South Carolina communities that use these products to inquire about their experience.

- Quality of the product
- Vendor qualifications
- Municipal experience

- Pricing model
- Delivery of services
- Customer service model

Company	Staff Size	Experience	First Year Price (Annual Recurring)	Implementation Timeframe
Citizenserve	32 employees	17 years 300 customers 6 in SC	\$53,500 (\$21,000)	32 weeks
Dude Solutions	450 employees	21 years 4,000 customers 40 in SC	\$54,970 (\$15,140)	34 weeks
General Code CMS	25 employees	2 years 200 customers 0 in SC	\$90,035 (\$30,250)	Not specified (staff estimates about 30 weeks)
Municipy	15 employees	37 years 220 customers none indicated in SC	\$34,900 (\$24,900)	26 weeks

Staff has dismissed General Code CMS from consideration because of their excessive price tag and lack of customers in South Carolina. Staff has also dismissed Municipy from consideration because of their lack of customers in South Carolina and they do not appear to be an upgrade from the City’s current software.

PRICING

Citizenserve largely bases their price model on the number of users. They have quoted their price of \$53,500 based on 10 staff users. If we can manage to reduce the number of staff users, we may be able to bring down their price a little bit.

Dude Solutions bases their price model on the population of the community. They have quoted their price of \$54,970 based on a community population up to 30,000 citizens. We have less ability to influence their pricing.

As of 5/28/2020, we have \$83,263 available in this budget line.

RECOMMENDATION

In our review of these and other products, Citizenserve has stood out to our staff as a favorite, with Dude Solutions coming in a close second. Staff prefers Citizenserve for their more attractive interface, more flexible pricing model, and the glowing reviews from South Carolina communities that use them. Citizenserve stands to improve upon the City’s current software functionality and experience.

REQUEST

At this time, staff recommends the selection of Citizenserve to provide permit and license software for the City and that the City Council authorize staff to select and contract with Citizenserve for the provision of permit and license software services.

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 8g

TO: City Council
FROM: Police Chief M. Bryan Turner
SUBJECT: Traffic Calming Edgewood Drive

REQUEST

In October 2019, a resident of Edgewood Drive relayed a concern to the Public Safety Committee about excessive speeds and residential safety. At the request of the Public Safety Committee, a speed measurement study was completed on Edgewood Drive. The first traffic study started on October 11th and continued until the end of the month. Data collected showed the road met volume requirements to be eligible for traffic calming, and also met the minimum threshold of 32mph at the 85th percentile. The speed limit for Edgewood Drive is posted at 25mph.

HISTORY/BACKGROUND

At the conclusion of the first traffic study, a digital sign board was positioned on Edgewood Drive to alert drivers of their speed and the speed limit. This display was left active for two weeks. This posting of the signboard on the street was part of Level 1 Traffic Calming methods.

Following the education efforts, MPD officers were assigned to work directed traffic enforcement (RADAR/LIDAR) along the roadway. This assignment began on December 6, 2019 and continued until after the Christmas Holiday. During this time, no warnings or citations were issued. This extra enforcement was also completed as part of the Level 1 traffic calming methods.

On Tuesday, December 31, 2019 the Digital Sign Board was repositioned on Edgewood Drive to capture data post education and enforcement efforts. This study concluded on January 9, 2020. The following data was provided from the 10-day collection period.

Speed at the 85th percentile has decreased to 24.3mph and the average daily volume on the roadway was 172.8, with a total volume of 1555 vehicles. At this point speeding at the 85th percentile is not considered to be a major factor as it falls under the threshold of 32 mph. In addition, roadway traffic is not considered to be “cut through” in nature.

We have continued to monitor the area periodically through normal patrol efforts. The aforementioned information was provided during the February 2020 Public Safety committee after which I was

instructed to provide the resident with a petition and information for obtaining other possible traffic calming measures. The information was provided to the resident on February 14, 2020 via email.

ANALYSIS or STAFF FINDINGS

On March 23, 2020, the petition was returned and the process began on verifying signatures. On April 27, 2020, a final portion of the petition was provided and the petition was verified. A total of eighteen property owners have signed the petition requesting traffic calming measures. Although a total of 30 homes comprise the study area, this petition meets the 60% as outlined in the traffic calming policy.

FISCAL IMPACT

UNDER \$1,000- STREET ASPHALT BUDGET LINE

TIMELINE - October 2019 - March 2020

RECOMMENDATION

Full council discussion and consideration of installation of level 2 traffic calming methods.

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 8h

TO: Mauldin City Council
FROM: Police Chief M. Bryan Turner
SUBJECT: Mutual Aid Agreement –Mount Pleasant

REQUEST

In recent years the Mauldin Police Department has provided assistance to various SC Law Enforcement Agencies. In late April 2020 a request was initiated by the City of Mount Pleasant to have our officers assist with an ongoing case/operations. In reviewing our existing mutual aid agreements it was observed there is not a current mutual aid agreement on file between our agencies.

HISTORY/BACKGROUND

None.

ANALYSIS or STAFF FINDINGS

SC Code requires the governing body to provide approval to all mutual aid documents. The documents provided by the City of Mount Pleasant have been reviewed by the City Attorney.

TIMELINE - June 2020

RECOMMENDATION

Approval of the Mutual Aid documents in the June 2020 City Council Meeting.

ATTACHMENTS :

City of Mauldin/City of Mount Pleasant Mutual Aid 2020

STATE OF SOUTH CAROLINA)
)
) LAW ENFORCEMENT
) ASSISTANCE AND SUPPORT AGREEMENT
 Charleston County
 City of Mount Pleasant)

This agreement is made and entered into this _____ day of _____, 2020, by and between the Mauldin Police Department, P.O Box 249 Mauldin, SC 29662 and the Mount Pleasant Police Department, 100 Ann Edwards Lane, Mount Pleasant, SC 29464.

WHEREAS, as amended on June 3, 2016, South Carolina Code Ann. Section 23-20-10, et seq., provides for contractual agreements between and among state, county, municipal and local law enforcement agencies for the purpose of providing the proper and prudent exercise of public safety functions across jurisdictional lines;

WHEREAS, the **Mauldin Police Department** desires to enter into such an agreement with the **Mount Pleasant Police Department** for the purposes of securing to each other the benefits of mutual aid in the event of natural disaster, disorder, special events, emergency situations, and any other law enforcement activities;

WHEREAS, the purpose of this Agreement is to define the scope of such mutual aid and the responsibilities of the parties; and

WHEREAS, during these activities, it is possible that law enforcement officers will respond to, become involved with, and/or deal with emergency situations, civil disorders, arrests, natural or manmade disasters, pursuits of criminal suspects, location of missing persons, criminal investigations, and/or any other matter handled by law enforcement, and the requesting agency desires replying agency’s officers to have lawful authority and jurisdiction to respond to, become involved with, and/or deal with these or any other situations which may arise during the presence of responding agency’s officers in the requesting agency’s jurisdiction.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, it is the intent of the parties to share jurisdiction under this written Agreement to the fullest extent permitted under South Carolina law and it is further agreed as follows:

1. **VESTING OF AUTHORITY AND JURISDICTION**

To the fullest extent permitted by the Constitution and the statutes of this State, officers assigned under the Agreement shall be vested with authority, jurisdiction, rights, immunities, and privileges outside his resident jurisdiction for the purpose of investigation, arrest, or any other activity related to the criminal activity for which the agreement is drawn. This Agreement is in no way intended to effect any other multi-jurisdictional agreement(s) which may exist between the agencies. The assistance to be rendered pursuant to this Agreement shall solely involve responding law enforcement officers from one party’s jurisdiction to the other. When so responding, such law enforcement officers shall have all powers and authorities of law

enforcement officers employed by the requesting jurisdiction. However, local ordinances adopted by a responding party's jurisdiction shall not be deemed extended into areas of operation that are located outside the geopolitical territorial limits of that party.

2. REQUEST FOR ASSISTANCE

The responding law enforcement officers may be requested in response to any public safety function across jurisdictional lines, such as multijurisdictional task forces, criminal investigations, patrol services, crowd control, traffic control and safety, and other emergency service situations. Assistance provided in this Agreement includes, but is not limited to:

- A. Emergency Situations;
- B. Civil Disorders;
- C. Natural or Manmade Disasters;
- D. Mass Processing of Arrests;
- E. Transporting of Prisoners;
- F. Operating Temporary Detention Facilities & Housing Inmates;
- G. Arrests;
- H. Pursuits of Criminal Suspects;
- I. Location of Missing Persons;
- J. Traffic Control and Safety;
- K. Criminal Investigations; or
- L. Any Other Matter Handled by Law Enforcement for that Particular Jurisdiction.

3. PRIMARY RESPONSIBILITY

It is agreed and understood that the primary responsibility of the parties to this Agreement is to provide law enforcement services within the geographical boundaries of their respective jurisdictions. Therefore, it is agreed that the law enforcement agency whose assistance is requested shall be the sole judge as to whether or not it can respond and to what extent it can comply with the request for assistance from the other agency.

4. PROCEDURE FOR REQUESTING LAW ENFORCEMENT ASSISTANCE

- A. Request. A request for assistance shall only be made by **the Chief of Mauldin Police Department**, or his/her designee, or the **Chief of Mount Pleasant Police Department**, or his/her designee. This request shall include a description of the situation creating the need for assistance, the specific aid needed, the approximate number of law enforcement officers requested, the location to which law enforcement personnel are to be dispatched, and the officer in charge of such location.
- B. Reply. A reply to any request for assistance shall only be made by **the Chief of Mauldin Police Department**, or his/her designee, or **Chief of**

Mount Pleasant Police Department, or his/her designee. If the request is granted, the requesting law enforcement agency shall be immediately informed of the number of law enforcement officers to respond.

- C. Officer in Charge. The responding law enforcement officers shall report to the officer in charge of the requesting law enforcement agency at the designated location and shall be subject to the lawful orders and commands of that officer. The responding law enforcement officer shall exert their best efforts to cooperate with, and aid, the requesting law enforcement agency. The responding law enforcement officers shall be responsible at all times for acting within the policies and procedures set forth in the policy and procedure manual of the law enforcement agency by which they are regularly employed.
- D. Release. The responding law enforcement officers shall be released by the officer in charge when their services are no longer required or when they are needed to respond to a situation within the geographic boundaries of their own jurisdiction; provided however, the responding law enforcement officers shall use their best efforts to complete the requested service prior to being released.

5. PERSONNEL, COSTS AND RECORDS

Except as otherwise agreed among the parties, each party shall maintain control over its personnel. Except as otherwise provided herein, each party shall bear its own costs incurred in the performance of its obligations hereunder, and shall keep its own personnel and other usual records as to its assigned officers.

Any and all records of law enforcement activities conducted pursuant to this Agreement shall be the property of and maintained by the agency conducting the activity, including any incident reports, citations, photographs, or other images captured on any photographic or digital media. Nothing contained herein prohibits or precludes any participating agency from making or maintaining a copy of any such records referenced above.

6. REQUESTS FOR INFORMATION PURSUANT TO THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT

Upon receipt, each agency participating in this Agreement must respond to requests for information pursuant to the South Carolina Freedom of Information Act.

7. COMPENSATION

This Agreement shall in no manner affect or reduce the compensation, pension, or retirement rights of any responding officer. Except as otherwise agreed, each party shall bear its own costs and expenses incurred in complying with this Agreement.

8. INSURANCE

Each party shall maintain such insurance coverage for general liability, workers' compensation, and other such coverage as may be required by law or deemed advisable by individual parties.

9. EMPLOYMENT STATUS

Nothing herein shall be construed or interpreted to imply that the law enforcement officers responding in accordance with this Agreement shall be the employees of the law enforcement agency requesting such assistance.

10. MODIFICATION OR AMENDMENT

This Agreement shall not be modified, amended, or changed in any manner except upon express written consent of the parties to this Agreement.

11. RESPONSIBILITY TO RESPECTIVE GOVERNING BODIES

Each party is responsible for any approval requirements to their respective governing body as may be required under South Carolina law.

12. SEVERABILITY

Should any part of this Agreement be found to be unenforceable by any court or other competent authority, then the rest shall remain in full force and effect.

13. BINDING SUCCESSORS IN OFFICE

All parties agree that any and all successors in interest to their offices will be similarly bound by the terms of this agreement without necessitating execution of any amendment.

14. NO INDEMNIFICATION OR THIRD PARTY RIGHTS

To the extent provided by law, the parties shall be solely responsible for the acts and omissions of their respective employees, officers, and officials, and for any claims, lawsuits and payment of damages that arise from activities of its officers. No right of indemnification is created by this agreement and the parties expressly disclaim such. The provisions of this agreement shall not be deemed to give rise to or vest any rights or obligations in favor of any rights or obligations in favor of any party or entity not a party to this agreement.

15. TERMINATION

This Agreement shall be terminated at any time upon written notice to the other party to this Agreement.

16. TERM AND RENEWAL

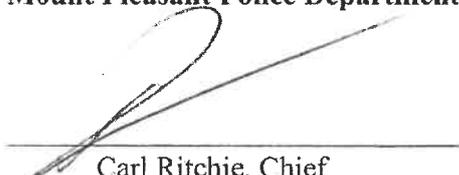
This Agreement is effective as to each party at the date and time of signing and will automatically renew each anniversary date, year to year, and term to term unless a party exercises its right to terminate as further described herein.

17. USE OF EQUIPMENT AND FACILITIES

Each party shall be responsible for the maintenance of its own equipment and shall be responsible for the procurement of facilities unless otherwise agreed upon by the parties.

IN WITNESS WHEREOF, these parties have set their hands and seals at the date set forth above.

Mount Pleasant Police Department



Carl Ritchie, Chief
Mount Pleasant Police Department

WITNESSES



Witness

Mauldin Police department

M. Bryan Turner, Chief
Mauldin Police Department

WITNESSES

Witness

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: 8i

TO: City Council
FROM: Interim Recreation Director Bart Cumalander
SUBJECT: Approval of PARD Grant funds

REQUEST

The Council is requested to approve the use of PARD Grant funds for the resurfacing of the walking trail at the City Park.

HISTORY/BACKGROUND

Through its Park and Recreation Development Fund (PARD), the SC Department of Parks, Recreation & Tourism manages the PARD grant program which is a state-funded noncompetitive reimbursable grant program for eligible local government or special purposes district entities within each county which provide recreational opportunities.

The PARD grants are available to eligible local governmental entities within each county area for development of new public recreation facilities or enhancement/renovations to existing facilities. The grants require an 80-20 match.

Entities can submit applications for the grant funds the 10th of each month.

Eligible entities notified of new allocation amounts each July. The City is eligible for \$22,288.51 for 2019 which must be spent and reimbursed by May 31, 2021.

Council is requested to approve using the 2019 PARD grant funds for the resurfacing of the walking trail at City Park.

ANALYSIS / STAFF FINDINGS

The City used the 2018 PARD grant funds resurfacing the portion of the City Park walking trail that encompasses the location of the new City Park playground. Staff recommends using the 2019 PARD grant funds to resurface other portions of the trail that are in disrepair with cracks and damaged asphalt.

FINANCIAL IMPACT

\$22,288.51 in PARD grants funds are available, which require a 20% match or \$4,457.70. The needed matching funds are available in the current Council approved budget. If approved by Council, the matching funds will be encumbered for use in FY2021 as the project completion deadline is May 31, 2021.

RECOMMENDATION

Approval of the use of the 2019 PARD grant funds for the resurfacing the walking trail at City Park.

ATTACHMENTS

None.

CITY COUNCIL AGENDA ITEM

MEETING DATE: June 15, 2020

AGENDA ITEM: Hospitality Tax and Local Accommodations Fee Payments

TO: City Council

FROM: City Administrator Brandon Madden

ITEM NUMBER: 8j

SUBJECT: Ordinance Waiving Local Hospitality Tax and Local Accommodations Fee Payments

REQUEST

The Committee is requested to consider an ordinance waiving late fees associated with City Hospitality Tax and Local Accommodations fee payment through June 30, 2020.

HISTORY/BACKGROUND

During its March 23, 2020 Special Called Emergency Council Meeting, Council approved an Emergency Ordinance which amongst other provisions, waived late fees associated with City hospitality tax and local accommodations fee payment through May 23, 2020.

ANALYSIS

Given the impact of COVID-19, the waiver of late fees associated with City hospitality tax and local accommodations fee payment through June 30, 2020 may assist businesses as they mitigate the fiscal impacts resulting from the COVID-19 pandemic.

FISCAL IMPACT

The waiver of the late fees may result in a longer closeout period for the current fiscal year due to the fact that hospitality tax and local accommodations fee revenues will be collected and reconciled after the fiscal year ends.

RECOMMENDATION

Staff will proceed at the direction of Council.

ATTACHMENTS

Ordinance

ORDINANCE _____-2020

AN EMERGENCY ORDINANCE TO TEMPORARILY WAIVE PENALTIES FOR THE LATE PAYMENT OF FEES FOR BUSINESS LICENSE PERMITS AND LOCAL HOSPITALITY TAX AND LOCAL ACCOMMODATIONS FEE PAYMENTS; AND MATTERS RELATED THERETO.

WHEREAS, it is well recognized that SARS-CoV-2, the virus that causes the disease COVID-19, presents a public health concern that requires extraordinary protective measures and vigilance; and

WHEREAS, these matters have taken many forms across the nation including travel bans, school closures, individual quarantines, and cancellation of major events, among other measures; and

WHEREAS, the City of Mauldin is working with other government agencies in an effort to prevent the spread of the disease; and

WHEREAS, on March 23, 2020, the City of Mauldin adopted an emergency ordinance whereby, among other things, it waived late fees associated with business license permits and local hospitality and accommodations taxes through May 23, 2020;

WHEREAS, due to the COVID-19 pandemic, many of the City's businesses have incurred substantial financial hardship; and,

WHEREAS, Section 5-7-250(d) of the South Carolina Code of Laws empowers Council to enact emergency ordinances affecting life, health, or safety; and

WHEREAS, in light of the foregoing, Mauldin City Council deems it proper and necessary to adopt this emergency ordinance to extend the waiver of penalties for the late payment of fees for business license permits and local hospitality tax and local accommodations fee payments.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of Mauldin, in Council assembled, that:

1. The payment of new business license permits and business license renewal permits shall not accrue a penalty for late payment through _____, 2020.
2. Local accommodations fee and hospitality tax report forms must continue to be filed with the City by the appropriate due dates; provided however, that the payment of the local accommodation fee and hospitality tax shall not accrue a penalty for late payment

through _____, 2020 provided the taxpayer timely submits all reporting forms when due. The failure to timely file a tax report form, with or without payment, shall be deemed non-payment of the fee or tax and shall accrue a late penalty in the normal course.

3. This emergency ordinance shall be terminated by the issuance of another ordinance or shall automatically expire on the 61st day after enactment of this ordinance, whichever date is earlier.

SIGNED, SEALED AND DELIVERED THIS _____ DAY OF _____, 2020.

This Ordinance shall be effective from the date of first and final reading.

Introduced: _____

Final Reading: _____

CITY OF MAULDIN, SOUTH CAROLINA

BY: _____
Terry Merritt, Mayor

ATTEST:

Cindy Miller, Municipal Clerk

APPROVED AS TO FORM:

City Attorney