



FINANCE AND POLICY COMMITTEE
3rd COMMITTEE MEETING

MONDAY, AUGUST 3, 2026, 6PM
CITY HALL - COUNCIL CHAMBERS
5 EAST BUTLER ROAD, MAULDIN, SC 29662

COMMITTEE MEMBERS

Michael Reynolds (Chair), Taft Matney and Jason Kraeling

AGENDA

1. **Call to Order**
2. **Public Comment (Agenda Items)**
3. **Reading and Approval of Minutes**
 - a. May 4, 2026 [Pages 2-4]
4. **Reports or Communications from City Officers**
 - a. Seth Duncan, City Administrator
 - b. Holly Abercrombie, Finance Director
 - c. Mark Putnam, HR Director
5. **Unfinished Business**

There is no unfinished business.
6. **New Business**
 - a. Discussion on AI Policy and Social Media Comments [Pages 5-7]
 - b. Resolution Authorizing a Lease/Purchase Agreement for Vehicles and Equipment [Pages 8-27]
7. **Public Comment (Non-Agenda Items)**
8. **Committee Concerns**
9. **Adjournment**

All meetings are streamed live at <https://cityofmauldin.org/your-government/meeting-minutes-agendas/>.
A quorum of Council may be present.

MINUTES
FINANCE AND POLICY COMMITTEE MEETING
MONDAY, MAY 4, 2026, 6PM
CITY HALL - COUNCIL CHAMBERS
5 EAST BUTLER ROAD, MAULDIN, SC 29662
2nd committee meeting

Committee members present: Jason Kraeling and Taft Matney. Chairman Michael Reynolds was not present.

Others present: Finance Director Holly Abercrombie, HR Director Mark Putnam, City Administrator Seth Duncan and Assistant City Administrator Gregory Saxton

1. Call to Order- Councilman Matney

2. Public Comment (Agenda Items)- None

3. Reading and Approval of Minutes

a. January 5, 2026

Motion: Councilman Kraeling made a motion to approve the minutes with Councilman Matney seconding.

Vote: The vote was unanimous (2-0).

4. Reports or Communications from City Officers

a. Seth Duncan, City Administrator

Mr. Duncan reported sidewalks on Miller Road are being repaired and Miller Road will be repaved soon. The Finance Department has once again won the GFOA award for the CAFR.

b. Holly Abercrombie, Finance Director

Mrs. Abercrombie said revenues are being monitored.

c. Mark Putnam, HR Director

Mr. Putnam said he is continuing to recruit, but there are no glaring vacancies. The vehicle policy is being looked at again and will come to committee in June.

Roundtable discussions are going to start with employees. Employees will be asked why they stay employed with the City, so we can see what we are doing right and also see places for improvement.

The City has won a grant for a defensive driving course. Several employees will

participate in the training.

5. Unfinished Business- There is no unfinished business.

6. New Business

a. FY 2026 Budget Amendment Ordinance

Throughout the year Council has approved various expenditures, projects, and grants to support the operations of the City. Staff has accumulated all budgetary changes to present in one amendment to more accurately reflect funds received and expended throughout the fiscal year. The changes total over \$9 million dollars.

Motion: Councilman Kraeling made a motion to send this ordinance to Council with Councilman Matney seconding.

Vote: The vote was unanimous (2-0).

b. FY 2027 Budget Ordinance

The Fiscal Year 2026-2027 budget is brought for consideration and approval to account for expected revenues and expenditures starting July 1, 2026 through June 30, 2027. The total budget is \$49,952,250 and includes no tax increase.

Motion: Councilman Kraeling made a motion to send this ordinance to Council with Councilman Matney seconding.

Vote: The vote was unanimous (2-0).

c. Ordinance Establishing Sewer Pump Station Fee for Parcels of the Hawk Haven Subdivision, and for Additional Parcels of the Adams Glen and Amaris Subdivisions, and Reestablishing the Pump Station Fee for Indigo Point, The Retreat, Deer Ridge and parts of the Pine Forest Subdivision.

The City of Mauldin has had a long-standing practice of implementing sewer pump station fees for the parcels utilizing such resource to cover the cost associated with operations and maintenance.

Motion: Councilman Kraeling made a motion to send this ordinance to Council with Councilman Matney seconding.

Vote: The vote was unanimous (2-0).

7. Public Comment (Non-Agenda Items)- None

8. Committee Concerns- None

9. Adjournment- Councilman Matney adjourned the meeting at 6:34 p.m.

Respectfully Submitted,
Cindy Miller
Municipal Clerk



FINANCE & POLICY COMMITTEE

AGENDA ITEM SUMMARY

MEETING DATE: August 3, 2026

AGENDA ITEM: 6a

TO: Council

FROM: Seth Duncan, City Administrator

SUBJECT: Discussion for need of AI and Social Media Comment Policy

REQUEST

Staff is requesting a discussion regarding the need for an organization-wide AI Policy and Social Media Comment Policy.

HISTORY/BACKGROUND

As AI continues to expand in use and everyday life, the importance of an AI policy becomes necessary as employees interact with new tools and technologies every day. While more research is needed, staff wanted to open a discussion regarding AI use and restrictions before a policy is drafted for consideration.

In addition, staff believes that it might be time to adopt a formal Social Media Policy to ensure a clear and consistent approach to inappropriate, threatening, or solicitation comments made on the City's social media posts. While the City welcomes comments, questions, and diverse viewpoints on our social media channels, but our accounts provide a moderated, limited forum, and not a traditional public forum.

In 2022, the Municipal Association of South Carolina in an *Uptown* article wrote the following:

The First Amendment to the [U.S. Constitution](#) states that government "shall make no law ... abridging the freedom of speech, or of the press." The First Amendment limits a municipality's ability to do things like delete a post or ban a user, and a key issue for social media platforms is whether the local government has created an open public forum or limited public forum. In an open public forum, which a municipality might establish by inviting or allowing open comment on any topic, the government may impose very few regulations.

Municipalities should take care to avoid establishing open public forums on social media. If they allow comments, they should include language and rules that create limited public forums, where expression is available only for a specific purpose or topic. Courts have found, however, that deleting comments that criticize the municipality or its employees violates the First Amendment, even in a limited public forum.

Municipalities should consult with an attorney when drafting the rules. The model social media policy from the [International Municipal Lawyers Association](#) suggests this language on social media platforms to clarify that the forum is limited:

"The purpose of this site is to discuss matters of public interest in and to the municipality as identified and raised by the municipality for discussion. We encourage you to submit comments

that are on topic, but please address your comments to the specific topic(s) discussed. This is a forum limited to the specific topics identified and raised by the municipality.”

Having established only a limited public forum, the municipality may then impose viewpoint-neutral terms and conditions for comment, which may prohibit — for example — profanity, threats or racist comments.

DISCUSSION

A discussion regarding the need for an organization-wide AI Policy and Social Media Comment Policy is requested to better understand the thoughts, ideas, and concerns of the Committee prior to submitting a draft policy for adoption.

ATTACHMENT(S)

- Draft City of Mauldin Social Media Comment Policy



City of Mauldin Social Media Comment Policy July 2020

The City of Mauldin uses social media channels to provide timely information about the city's news, events, projects and programming for members of the public. Our goal is to help community members stay connected to all that's happening in the City and to foster discussion that remains civil and on-topic.

The City welcomes comments, questions and diverse viewpoints on our social media channels, but our accounts provide a moderated, limited forum, not a traditional public forum. With that in mind, we reserve the right to delete comments that contain the following:

- Irrelevant or repetitive content; spam
- Content that is obscene, profane, violent or pornographic
- Content that attacks or harasses people based on factors such as race, creed, color, gender, age, sexual orientation or religion
- Overtly threatening or defamatory content
- Promotions, advertising or solicitation
- Statements that advocate or encourage illegal activity
- Sensitive personal identifying information, such as addresses or phone numbers
- Content that infringes on the intellectual property rights of a third party

Any links that are posted within comments will be reviewed and may be deleted if they are deemed inappropriate based on the above specifications.

Subject to Disclosure

Please be aware that comments are subject to disclosure as public records in accordance with the South Carolina Freedom of Information Act (FOIA).

Disclaimer

Comments posted on City of Mauldin social media channels do not reflect the opinions or position of Mauldin City Council, the City of Mauldin, or its officers or employees.

Please note that social media platforms may remove comments that violate those individual platforms' Community Standards or Terms of Service.

If you have any questions regarding the City of Mauldin's social media comment policy, please contact Communications Manager Lauren Carter at lcarter@mauldincitysc.com.



FINANCE & POLICY COMMITTEE

AGENDA ITEM SUMMARY

MEETING DATE: August 3, 2026

AGENDA ITEM: 6b

TO: Council
FROM: Seth Duncan, City Administrator
SUBJECT: Resolution for FY2027 Lease Purchases

REQUEST

Council is being asked to approve a Resolution to authorize the FY2027 Lease Purchases as approved in the FY2026-2027 Budget.

HISTORY/BACKGROUND

In June, Council approved a FY2026-2027 Budget that included provisions for purchasing various equipment and vehicles for City Departments. The total purchase price was not to exceed \$2,963,000 for the following items:

5- Year	Police Vehicles (5)	\$ 568,000
	Fleet Maintenance Truck	\$ 80,000
	Fire Dept. Staff Trucks	\$ 140,000
7-Year	Side-Loader Sanitation Truck	\$ 325,000
10-Year	Fire Rescue Apparatus	\$1,400,000
	Sunset Park Field Lights	\$ 450,000

The debt is being sorted into three tranches to be financed over the life of the equipment and will be repaid annually through the Debt Service Fund.

ANALYSIS or STAFF FINDINGS

The City's Financial Advisor (First Tryon) issued an RFP to seek qualified bids which were due in early July. The following bids were received and evaluated:

Bank	Term	Interest Rate	Prepayment
SouthState*	5-Year	3.74%	Prepayable from internal City sources at any time without penalty.
	7-Year	3.74%	
	10-Year	3.74%	Prepayable through refinancing with another financial institution as follows: Beginning in 3rd Year: 102% Beginning in 4th Year: 101% Beginning in 5th Year: 100%

Truist	5-Year	3.689%	Make-Whole Call
	7-Year	3.787%	
	10-Year	3.937%	
Bank of America	5-Year	3.938%	Prepayable in whole at par after first half of the term has expired.
	7-Year	4.028%	
	10-Year	4.235%	
Bank of Travelers Rest	5-Year	4.090%	Prepayable at Par.
	7-Year	4.090%	
	10-Year	4.150%	
Webster	5-Year	4.25%	Prepayable as follows: Closing - 7/31/28: No Call 8/1/28 - 7/31/29: 101% On or after 8/1/29: 100%
	7-Year	4.28%	
	10-Year	4.32%	
Huntington	5-Year	4.23%	Prepayable as follows: Before 8/1/29: 101% On and after 8/1/29: 100%
	7-Year	4.30%	
	10-Year	4.39%	
United Financial	5-Year	4.28%	Not Provided.
	7-Year	4.50%	
	10-Year	4.75%	
Arthur State Bank	5-Year	4.500%	No Prepayment Penalty
	7-Year	4.750%	
	10-Year	4.950%	

* Loan will be fully funded at closing and held in a money market account with the Bank. The money market rate is currently 3.63%; the rate will be subject to change as market changes. Funds can be drawn

from the account as needed to fund the purchase of the equipment as needed during the first 24 months after closing.

FINANCIAL IMPACT

Staff is awaiting the final numbers from First Tryon, but do expect annual debt service to be approximately \$470k.

RECOMMENDATION

Staff recommends Council approve the FY2027 Lease Purchase agreement as presented and select SouthState Bank as the lowest responsive bidder.

ATTACHMENT(S)

- Master Lease Agreement

A RESOLUTION

AUTHORIZING A LEASE/PURCHASE AGREEMENT, SERIES 2026 IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$3,005,000 RELATING TO THE FINANCING OF VEHICLES AND EQUIPMENT TO BE USED FOR MUNICIPAL PURPOSES; AUTHORIZING THE EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS INCLUDING THE LEASE AGREEMENT; AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MAULDIN, SOUTH CAROLINA, AS FOLLOWS:

Section 1. The City Council (the “**Council**”) of the City of Mauldin, South Carolina (the “**City**”), as lessee, hereby finds and determines that:

(a) the City is a body politic and corporate and a municipal corporation and, as such, possesses all powers granted to municipal corporations by the Constitution and general laws of the State of South Carolina; and

(b) the City desires to enter into a lease/purchase agreement (the “**Lease**”) with _____ (the “**Bank**”) for the purpose of financing vehicles, machinery and equipment (collectively, the “**Equipment**”) which have been approved in the City’s fiscal year 2026-2027 budget; and

(c) the payments by the City under the Lease will be subject to annual appropriation by the Council.

Section 2. The Council hereby ratifies the actions of the City Administrator and the Finance Director in soliciting proposals from various financial institutions by distributing a request for proposals. The Council hereby accepts the proposal of the Bank to finance the Equipment (i) for a term of approximately 10 years at an interest rate of ____% per annum; (ii) for a term of approximately 7 years at an interest rate of ____% per annum; and (iii) for a term of approximately 5 years at an interest rate of ____% per annum, without further action required of the Council.

Section 3. The Council hereby authorizes the Mayor, the City Administrator, the Finance Director and the City Clerk, acting jointly or individually, to execute and deliver the Lease and such other documents and instruments as necessary to effect the execution and delivery of the Lease.

Section 4. The Lease will be designated as a “qualified tax-exempt obligation” within the meaning of and for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended, provided the Lease is executed and delivered in calendar year 2026.

Done in meeting duly assembled this 20th day of July, 2026.

CITY OF MAULDIN, SOUTH CAROLINA

Mayor

ATTEST:

City Clerk

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

CERTIFICATE OF RESOLUTION

I, the undersigned City Clerk of the City of Mauldin, South Carolina (the “*City*”), do hereby certify as follows:

Attached hereto is a full, true and correct copy of a resolution duly adopted by the City Council of the City at a meeting thereof duly held on July 20, 2026, which resolution has not been amended, altered or repealed but the same and each and every part thereof is in full force and effect at the date hereof.

IN WITNESS WHEREOF, I have hereunto set my Hand this 20th day of July, 2026.

CITY OF MAULDIN, SOUTH CAROLINA

City Clerk

MASTER LEASE AGREEMENT

LESSOR:

LESSEE:

**CITY OF MAULDIN, SOUTH CAROLINA
5 EAST BUTLER ROAD
MAULDIN, SOUTH CAROLINA 29662**

This Master Lease Agreement, made and entered into on August 4, 2026, (together with any amendments hereto made in accordance herewith, the ***“Master Lease”***), entered into by and between _____ (the ***“Lessor”***), as the lessor hereunder, and the **CITY OF MAULDIN, SOUTH CAROLINA** (the ***“Lessee”***), as lessee hereunder.

WITNESSETH:

WHEREAS, the Lessee is a public body corporate and politic and a municipal corporation organized and existing pursuant to the laws of the State of South Carolina, and is authorized thereunder to enter into this Master Lease; and

WHEREAS, the Lessor has the requisite corporate power to enter into this Master Lease; and

WHEREAS, the City Council of the City of Mauldin (the ***“Council”***), the governing body of the Lessee, has determined, and hereby determines, that it is in the Lessee’s best interest to purchase certain equipment as more particularly described on **Schedule A** attached hereto and incorporated herein by reference (collectively, the ***“Equipment”***) through this Master Lease with the Lessor; and

WHEREAS, the acquisition of the leased property serves a valid corporate and public purpose of the Lessee; and

WHEREAS, the execution, delivery and performance of the Master Lease by the Lessor has been authorized and approved by all necessary and appropriate action of the Lessor;

NOW, THEREFORE, for and in consideration of the financing of the Master Lease described herein provided by the Lessor, the payment of the Lease Payments (as hereinafter defined) by the Lessee, the mutual promises, conditions and covenants herein set forth, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto agree as follows:

MASTER LEASE; SCHEDULES

The Master Lease is a master lease agreement to which one or more schedules (hereinafter referred to as ***“Schedule”*** or ***“Schedules”***) may, from time to time, be annexed hereto. Each Schedule shall provide, without limitation, a description of the relevant Equipment (hereinafter defined) leased thereunder, the term of such Schedule, Lease Payment(s), Equipment location and commencement date of such Schedule. The terms of each Schedule hereto shall be subject to any and all conditions and provisions set forth herein (as the same may be amended from time to time), which terms are and shall be

incorporated by reference into each Schedule. It is the express intent of the parties that each Schedule shall be enforceable as an independent contract according to the terms and conditions contained therein and herein. In the event of a conflict between the language of the Master Lease and any Schedule, the language of such Schedule shall prevail with respect to the transaction governed by such Schedule.

TERMS AND CONDITIONS APPLICABLE TO EACH SCHEDULE

1. MASTER LEASE. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, in accordance with the terms and conditions set forth herein and in the Schedules, the personal property described in such Schedule, together with all replacement parts, repairs, additions, accessories and systems incorporated therein or affixed thereto.

2. NO WARRANTIES. Lessee acknowledges that it has selected both (a) the Equipment listed in the Schedule and (b) the supplier (the **“Supplier”**) from whom Lessor is to purchase said Equipment. In this respect, Lessee acknowledges that Lessor is not the manufacturer of said Equipment nor the agent of said manufacturer or Supplier. LESSEE FURTHER ACKNOWLEDGES THAT LESSOR HAS NOT MADE AND DOES NOT MAKE ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT INCLUDING, BUT NOT LIMITED TO, (i) THE FITNESS, DESIGN, OR CONDITION OF THE EQUIPMENT; (ii) THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE; (iii) THE QUALITY OR CAPACITY OF THE EQUIPMENT, THE MATERIALS IN THE EQUIPMENT, OR WORKMANSHIP IN THE EQUIPMENT; (iv) ANY LATENT DEFECTS IN THE EQUIPMENT; (v) ANY PATENT, COPYRIGHT, OR TRADE SECRET INFRINGEMENT; (vi) THE CONDITION OF TITLE TO THE EQUIPMENT, AND SPECIFICALLY AS TO WHETHER SUCH TITLE IS FREE AND CLEAR OF LIENS, SECURITY INTERESTS AND OTHER ENCUMBRANCES; AND (vii) THE COMPLIANCE OF THE EQUIPMENT WITH ANY REQUIREMENTS OF LAW, RULE, SPECIFICATION, OR CONTRACT PERTAINING THERETO. Lessee further acknowledges that it is leasing the Equipment from Lessor in an “as is” condition and that no defect or unfitness of the Equipment shall relieve Lessee of Lessee’s obligation to pay rent or any other obligation Lessee may have under the terms of the Master Lease. It is agreed that Lessor shall have no obligation to install, erect, test, adjust, repair, or service the Equipment. If the Equipment is not properly installed, does not operate as represented or warranted by the manufacturer or the Supplier or is unsatisfactory for any reason, Lessee shall make a claim on account thereof solely against the Supplier and/or manufacturer and shall, nevertheless, pay Lessor all Lease Payments (as defined herein) payable hereunder. As between Lessee and Lessor and only in those instances where the Supplier and/or manufacturer of the Equipment has provided any warranty or guarantee of any nature whatsoever applicable to the Equipment, Lessor hereby assigns to Lessee whatever assignable interest, if any, Lessor may have in such warranty or guarantee. The aforesaid assignment shall not in any way be deemed to limit, negate, or otherwise affect the disclaimer of warranties contained in this **Section 2**, and Lessor shall not incur any duties arising out of any Supplier’s and/or manufacturer’s warranties or guarantees. Further, Lessor shall not incur any liability whatsoever arising out of any breach of any Supplier’s and/or manufacturer’s warranties or guarantees applicable to the Equipment.

3. ORDERING EQUIPMENT. Lessee agrees to order the Equipment from the Supplier shown in each Schedule. Lessee agrees to arrange for delivery of the Equipment so it can be accepted in accordance with **Section 4** hereof. Lessee hereby authorizes Lessor to insert in the applicable Schedule the serial numbers and other identification data of the Equipment when determined by Lessee.

4. DELIVERY AND ACCEPTANCE. Lessee shall inspect the Equipment promptly after delivery to Lessee. Within ten (10) days following the delivery of the Equipment to Lessee, Lessee shall furnish to Lessor a written statement (a) stating that (i) Lessee has fully inspected the Equipment; (ii) the

Equipment is in good condition and repair; (iii) Lessee has accepted the Equipment; and (iv) Lessee irrevocably approves the payment of the invoice of the Supplier pertaining to the Equipment; or (b) specifying any objection to the Equipment. Any statement given by Lessee to Lessor to the effect that the matters set forth in subsection (a) of this **Section 4** are true and correct shall, as between Lessor and Lessee, be binding upon and irrevocable by Lessee and may be conclusively relied upon by Lessor. Unless such statement specified in subsection (b) of this **Section 4** is received by Lessor within such ten (10) day period, Lessor may conclusively presume as between Lessor and Lessee that the matters set forth in subsection (a) of this **Section 4** are true and correct and that Lessee irrevocably approves the payment of the invoice pertaining to the Equipment. Nothing contained in the Master Lease shall impose upon Lessor any duty of delivery of the Equipment or installation thereof or maintenance with respect thereto. If any Equipment is not accepted by the Lessee, such Equipment shall be returned to the Supplier or its designee without any expenses or penalty to the Lessee.

5. LEASE TERM AND LEASE PAYMENT. This Master Lease shall be effective as of the date of execution by the Lessor.

The term of this Master Lease shall commence as of the date of execution hereof and shall continue until the end of the Lessee's then fiscal period such being June 30, 2027 (the "**Original Term**") with payments to be made by Lessee as set forth on **Schedule B** attached hereto and made a part hereof, as it may be amended hereunder (the "**Lease Payments**") upon the lease of additional Equipment. The Lessee shall have the option to continue this Master Lease, subject to annual appropriation by the Council, for such additional fiscal periods plus the concluding fractional fiscal period (the "**Renewal Terms**") needed to complete the anticipated total term of the Master Lease as set forth in **Schedule B**, as it may be amended hereunder.

A portion of each Lease Payment is paid as, and represents payment of interest, and a portion of each Lease Payment is paid as, and represents payment of principal. Set forth in **Schedule B** are the interest component and the principal component of each Lease Payment during the term of the Master Lease. The interest component of each Lease Payment shall be calculated on the basis of a 360-day year and the actual number of days elapsed. The Lease Payments will be payable without notice or demand at the office of the Lessor (or such other place as Lessor or its assignee may from time to time designate in writing). A supplemental **Schedule B** shall be prepared upon the lease of additional Equipment.

Notwithstanding any dispute between Lessee and (i) the Supplier and/or manufacturer of the Equipment or (ii) Lessor, Lessee shall make all payments when due (subject to the provisions of **Section 18(a)** hereof), subject to annual appropriation by the Council, and shall not withhold any payments or portions thereof, pending final resolution of such dispute. Lessee hereby covenants it will not assert any right of setoff or counterclaim against its obligation to make the payments provided for in **Schedule B** and that it will take such action as is necessary under the laws applicable to Lessee to budget for, seek appropriation for, and include and maintain funds sufficient and available to discharge its obligation to meet all payments due during the term of the Master Lease pursuant to the provisions of this Master Lease.

No late fee can be assessed against Lessee unless the Lease Payment is more than seven (7) days past due.

6. NONAPPROPRIATION OF FUNDS. In the event no funds or insufficient funds are appropriated and budgeted or are not otherwise available by any means whatsoever in any fiscal year for Lease Payments due under this Master Lease and **Schedule B**, then the Lessee will immediately notify the Lessor or its assignee of such occurrence and the Master Lease shall terminate on the last day of the fiscal year for which appropriations were received without penalty or expense to Lessee of any kind

whatsoever, except as to the portions of Lease Payments herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available. In the event of such termination due to the nonappropriation of funds by the Council, Lessee agrees to peaceably surrender possession of the Equipment to Lessor or its assignee on the date of such termination, packed for shipment in accordance with manufacturer specifications and freight prepaid and insured to any location in the continental United States designated by the Lessor. Lessor will have all legal and equitable rights and remedies to take possession of the Equipment.

7. AUTHORITY AND AUTHORIZATION. Lessee represents, covenants and warrants, and as requested by Lessor, will deliver an opinion of counsel to the effect that: (i) Lessee is a municipal corporation of the State of South Carolina; (ii) the execution, delivery and performance by Lessee of the Master Lease and each Schedule have been duly authorized by all necessary action on the part of the Lessee; and (iii) the Master Lease constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms. Lessee agrees that (i) it will do or cause to be done all things necessary to preserve and keep the Master Lease in full force and effect; (ii) it has complied with all bidding requirements where necessary and by due notification presented the Master Lease and the Schedule for approval and adoption as a valid obligation on its part, and (iii) it has sufficient appropriations or other funds available to pay all amounts due hereunder for the current fiscal year.

8. TITLE. Upon acceptance of the Equipment by Lessee hereunder, title to the Equipment will vest in Lessee; subject to reversion to Lessor (i) in the event of termination of the Master Lease by Lessee pursuant to **Section 6** hereof or (ii) upon the occurrence of an Event of Default hereunder related to such Equipment, and as long as such Event of Default is continuing. Upon the occurrence of (ii) above, the title to only such Schedule which includes Equipment to which the Event of Default relates shall be deemed to revert to Lessor.

9. SECURITY INTEREST. In order to secure all of its obligations hereunder, Lessee hereby (i) grants to Lessor a security interest in any and all right, title and interest of Lessee in the Equipment and all additions, attachments, accessions, and substitutions thereto, and on any proceeds therefrom, (ii) agrees that the Master Lease and the Schedules, if requested by the Lessor, may be filed as a financing statement evidencing such security interest, and (iii) agrees to execute and deliver any financing statements, certificates of title and other instruments necessary or appropriate to evidence such security interest, provided, however, any Equipment shall secure only the Lease Payments related to the lease of such Equipment. The Lessor acknowledges that under the present laws of the State of South Carolina, governmental transfers of a security interest are exempt from the South Carolina Uniform Commercial Code and that the security interest may not be perfected as such term is used in the South Carolina Uniform Commercial Code.

10. PERSONAL PROPERTY. The Equipment is and will remain personal property and will not be deemed to be affixed or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any building thereon.

11. LOCATION; INSPECTION. The Equipment shall be delivered to the location specified on **Schedule A** or, if none is specified, at Lessee's address set forth above. Lessor shall have the right to inspect the Equipment at any reasonable time.

12. CARE AND USE OF EQUIPMENT. Lessee, at its own cost and expense, shall maintain the Equipment in good operating condition, repair, and appearance, and shall protect such Equipment from deterioration other than normal wear and tear; shall use the Equipment in the regular course of its business only, within its normal capacity, without abuse, and in a manner contemplated by

the manufacturer thereof; and shall not make modifications, alterations, or additions to the Equipment (other than normal operating accessories or controls), without the written consent of Lessor, which shall not be unreasonably withheld. All modifications, repairs, alterations, additions, replacements, substitutions, operating accessories, and controls shall accrue to the Equipment and become the property of the Lessee, subject to **Sections 18 and 19** hereof. Lessor shall have the right, during normal hours, to enter upon the premises where the Equipment is located in order to inspect, observe, or otherwise protect Lessor's interest, and Lessee shall cooperate in affording Lessor the opportunity to do the same. For the purpose of assuring Lessor that the Equipment will be properly serviced, Lessee agrees to cause the Equipment to be maintained pursuant to the manufacturer's standard preventive maintenance contract and/or recommendations and will provide proof of proper maintenance to the Lessor at the Lessor's written request. Lessee agrees that Lessor shall not be responsible for any loss or damage whatsoever to the Equipment, nor shall Lessor be responsible for latent defects, wear and tear or gradual deterioration or loss of service, or use of the Equipment or any part thereof. Lessor shall not be liable to Lessee or anyone else for any liability, claim, loss, damage, or expense of any kind or nature caused directly or indirectly by the inadequacy of the Equipment, or any item supplied by the Supplier or another party, any interruption of use or loss of service or use of performance of any Equipment; and loss of business or other consequence or damage, whether or not resulting from any of the foregoing.

Any obligation of Lessee under this **Section 12** to pay money shall be limited solely to the payment of such moneys, if any, as shall be then appropriated and budgeted and legally available or otherwise legally available to the Lessee and legally applicable to the purpose for which payment is to be made.

13. LIENS AND TAXES. Lessee shall keep the Equipment free and clear of all liens and encumbrances except those created under the Master Lease. Lessee shall pay, when due, all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment. If Lessee fails to pay any charges and taxes when due, Lessor shall have the right, but shall not be obligated, to pay such charges and taxes. If Lessor pays any charges or taxes for which Lessee is responsible or liable under the Master Lease, Lessee shall promptly reimburse Lessor therefor.

14. RISK OF LOSS; DAMAGE; DESTRUCTION. Lessee assumes all risk of loss of or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof shall relieve Lessee of the obligations to make Lease Payments or to perform any other obligation under the Master Lease. In the event of damage to any item of Equipment, Lessee will immediately place the same in good repair with the proceeds of any insurance recovery applied to the cost of such repair. If Lessee determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair (the ***"Destroyed Equipment"***) and the Lessee is current in making its Lease Payments, then the Lessor will provide the necessary documentation (such as title to the Destroyed Equipment) to the Lessee to enable the Lessee to sell the Destroyed Equipment without the Lessee paying any additional monies to the Lessor.

15. INSURANCE. Lessee will, at its expense, maintain at all times during the term of this Master Lease, fire and extended coverage, public liability and property damage insurance with respect to the Equipment in such amounts, covering such risks, and with such insurers as shall be satisfactory to Lessor, or the Lessee may self-insure against any or all such risks. In no event will the insurance limits be less than the amount of the then applicable purchase option price with respect to such Equipment computed pursuant to **Section 16** hereof. The proceeds of any such policies will be payable to Lessee as its interest may appear. Upon acceptance of the Equipment and upon each insurance renewal date, Lessee will deliver to Lessor a certificate evidencing such insurance if required. In the event that Lessee has self-insured, Lessee will furnish Lessor with a letter or certificate to such effect. In the event of any loss,

damage, injury or accident in excess of \$100,000 involving the Equipment, Lessee will promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto.

16. PURCHASE OPTION. At its option at any time, the Lessee may prepay the outstanding principal component of the amount advanced under a Schedule (in whole but not in part), and thereby obtain ownership of all the Equipment (if prepaid in whole) under that Schedule free of this Master Lease and the Lessor's security interest in the Equipment, by paying (a) all Lease Payments then due and payable, including all interest accrued and unpaid to the prepayment date, and (b) 100% of the outstanding principal component of the amount advanced under such Schedule to be prepaid. Upon satisfaction by Lessee of such purchase conditions, Lessor will transfer any and all of its right, title and interest in the Equipment to Lessee as is, without warranty, express or implied, except that Lessor will warrant to Lessee that the Equipment is free and clear of any liens created by Lessor.

17. ASSIGNMENT. Without Lessor's prior written consent, Lessee will not either (i) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of the Master Lease or the Equipment or any interest in the Master Lease or the Equipment, or (ii) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may assign its rights and interest in and to the Master Lease, the Equipment and any other documents executed with respect to the Master Lease and/or grant or assign a security interest in the Master Lease and the Equipment, in whole or in part. Any such assignees shall have all of the rights of Lessor under the Master Lease. Subject to the foregoing, the Master Lease inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto. Upon assignment of Lessor's interests herein, Lessor will cause written notice of such assignment to be sent to Lessee which will be sufficient if it discloses the name of the assignee and address to which further payments hereunder should be made. No further action will be required by Lessor or by Lessee to evidence the assignment, but Lessee will acknowledge such assignments in writing if so requested.

18. EVENTS OF DEFAULT. The term "*Event of Default*" as used herein, means the occurrence of any one or more of the following events:

(a) Lessee fails to make any Lease Payment (or any other payment), except as specifically provided in **Section 6** herein, as it becomes due in accordance with the terms of the Master Lease, and any such failure continues for ten (10) days after the due date thereof; provided, however, no late fee can be assessed against Lessee unless the Lease Payment is more than seven (7) days past due;

(b) Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured within twenty (20) days after written notice thereof by Lessor; or

(c) The discovery by Lessor that any statement, representation, or warranty made by Lessee in this Master Lease, the Schedule or in any writing ever delivered by Lessee pursuant hereto or in connection herewith is false, misleading, or erroneous in any material respect.

19. REMEDIES. Upon the occurrence of an Event of Default, and as long as such Event of Default is continuing, Lessor may, at its option, exercise any one or more of the following remedies as to the Schedule or Lease Payment subject to the Event of Default provided that an Event of Default pertaining to a Schedule shall not constitute an Event of Default related to any other Schedule:

(a) By written notice to Lessee, declare an amount equal to such amount then due under such Schedule to the Master Lease to be immediately due and payable, whereupon the same shall become immediately due and payable; provided, however, that the actual amount due as of the date of such acceleration shall be limited to the unpaid principal component and interest component of Lease Payments accrued to the date of expiration of the fiscal year in which such acceleration occurs;

(b) By written notice to the Lessee, request Lessee to (and Lessee agrees that it will), at Lessee's expense, promptly return the Equipment subject to the Schedule to which the Event of Default relates to Lessor in the manner set forth in **Section 6** hereof, or Lessor, at its option, may enter upon the premises where the Equipment is located and take immediate possession of and remove the same;

(c) Sell or lease the Equipment or any part thereof which is the subject of the Schedule to which the Event of Default relates, at public auction or by private sale or lease at such time or times and upon such terms as Lessor may determine, free and clear of any rights of Lessee and, if notice thereof is required by law, any notice in writing of any such sale or lease by Lessor to Lessee not less than ten (10) days prior to the date thereof shall constitute reasonable notice thereof to Lessee;

(d) Proceed by appropriate action either by law or in equity to enforce performance by Lessee of the applicable covenants of this Master Lease or to recover damages for the breach thereof; or

(e) Exercise any and all rights accruing to a secured creditor under the South Carolina Uniform Commercial Code to a Lessor under any applicable law.

In addition, Lessee will remain liable for all covenants under the Master Lease.

Any obligation of Lessee under this **Section 19** to pay money shall be limited solely to the payment of such moneys, if any, as shall be then appropriated and budgeted and legally available or otherwise legally available to the Lessee and legally applicable to the purpose for which payment is to be made.

20. NOTICES. All notices to be given under this Master Lease shall be made in writing and mailed by certified mail, return receipt requested, to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five (5) days subsequent to mailing.

21. LEASE PROCEEDS. Any proceeds received by the Lessee from the Lessor under this Master Lease shall be deposited directly into an account of the Lessee to acquire the Equipment and will not be placed into an escrow account.

22. SECTION HEADINGS. All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Master Lease.

23. GOVERNING LAW. This Master Lease shall be construed in accordance with and governed by the laws of the State of South Carolina.

24. DELIVERY OF RELATED DOCUMENTS. Lessee will execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to

the transaction(s) contemplated by this Master Lease. At the request of Lessor, Lessee will furnish Lessor a copy of Lessee's most recent audited financial statements within 180 days after the end of Lessee's fiscal year.

25. ENTIRE AGREEMENT; WAIVER. The Master Lease and the Schedule, together with the attachments hereto, and other documents or instruments executed by Lessee and Lessor in connection herewith, constitute the entire agreement between the parties with respect to the Master Lease of the Equipment, and the Master Lease shall not be modified, amended, altered, or changed except with the written consent of Lessee and Lessor. Any provision of the Master Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Master Lease. The waiver by Lessor of any breach by Lessee of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach thereof.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Master Lease to be executed in their names by their duly authorized representatives as of the date first above written.

LESSOR:

LESSEE:

CITY OF MAULDIN, SOUTH CAROLINA

By: _____
Its: _____

Terry Merritt, Mayor

SCHEDULE A

**MASTER LEASE SCHEDULE NO. 1 DATED 08/04/26
(PURSUANT TO MASTER LEASE AGREEMENT DATED 08/04/26)**

DESCRIPTION OF EQUIPMENT

DESCRIPTION

Training Officer pickup truck
Fire Department vehicle
Police vehicles
Public works truck – fleet
Public works side loader trash truck (sanitation)
Lighting at Sunset Park
Rescue fire trucks
Such other equipment designated by the City

EQUIPMENT LOCATION

City of Mauldin, South Carolina

SCHEDULE B

**MASTER LEASE SCHEDULE NO. 1 DATED 08/04/26
(PURSUANT TO MASTER LEASE AGREEMENT DATED 08/04/26)**

LEASE PAYMENT SCHEDULE

LESSEE'S FISCAL YEAR: July 1 to June 30

**EXPIRATION OF FINAL
RENEWAL TERM:** _____

INTEREST RATE: %

Date	Pymt No.	Interest	Principal	Debt Service	Balance
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SCHEDULE C

**MASTER LEASE SCHEDULE NO. 1 DATED 08/04/26
(PURSUANT TO MASTER LEASE AGREEMENT DATED 08/04/26)**

ESSENTIAL USE LETTER

DATE: AUGUST 4, 2026

TO: _____

RE: MASTER LEASE AGREEMENT DATED AUGUST 4, 2026

This letter is being written with respect to the use of the Equipment (herein so called) to be leased to the undersigned under the above-referenced Master Lease Agreement. The Equipment will be used by a department or division of the City of Mauldin, South Carolina, for the following purposes:

Public safety, public works and general government

The undersigned hereby represents that the use of the Equipment is essential to its proper, efficient, and economic operation.

LESSEE:

CITY OF MAULDIN, SOUTH CAROLINA

Seth Duncan, City Administrator

**MASTER LEASE SCHEDULE NO. 1 DATED 08/04/26
PURSUANT TO MASTER LEASE AGREEMENT DATED 08/04/26**

DATE: AUGUST 4, 2026

RE: MASTER LEASE AGREEMENT DATED AUGUST 4, 2026, BY AND BETWEEN

(THE “LESSOR”) AND THE CITY OF
MAULDIN, SOUTH CAROLINA (THE “LESSEE”)

I am the City Attorney for the **City of Mauldin, South Carolina** (the “*Lessee*”), and pursuant to the above-referenced transaction, I am familiar with the Master Lease Agreement (the “*Master Lease*”) dated August 4, 2026, by and between (the “*Lessor*”) and the Lessee.

Based on the examination of this and such other documents, records and papers as I have deemed to be relevant and necessary as the basis for my opinion set forth below, it is my opinion that:

1. The Lessee is a public body corporate and politic and a municipal corporation organized and existing pursuant to the laws of the State of South Carolina and is authorized by the Constitution and laws of the State of South Carolina to enter into the transactions contemplated by the Master Lease and to carry out its obligations thereunder.
2. The Master Lease has been duly authorized, executed and delivered by the Lessee and assuming the valid execution and delivery of the Master Lease by the Lessor, the Master Lease constitutes a valid, legal and binding agreement enforceable in accordance with its terms.
3. No further approval, consent or withholding of objections is required from any federal, state or local governmental authority with respect to the entering into or performance by the Lessee of the Master Lease and the transactions contemplated thereby.
4. The entering into and performance of the Master Lease and other related documents will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or the Equipment (as defined in the Master Lease) pursuant to any indenture, mortgage, deed of trust, bank loan, credit agreement or other instrument by which the Lessee is a party or by which it or its assets may be bound other than as contemplated in the Master Lease.
5. There are no actions, suits or proceedings pending or, to the knowledge of the Lessee, threatened against or affecting the Lessee in any court or before any governmental commission, board or authority, which, if adversely determined, will have a material

adverse effect on the ability of the Lessee to perform its obligations under the Master Lease.

6. The Equipment is personal property and, when subject to use by the Lessee, will not be or become fixtures under the laws of the State of South Carolina.

It is to be understood that the rights of the Lessor or any assignor or holder of the Master Lease and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

City Attorney

SCHEDULE E

**MASTER LEASE SCHEDULE NO. 1 DATED 08/04/26
(PURSUANT TO MASTER LEASE AGREEMENT DATED 08/04/26)**

CERTIFICATE OF APPROPRIATION

I, Seth Duncan, City Administrator of the City of Mauldin, South Carolina (the “**City**”), hereby certify that there are no lease payments due by the City under that certain Master Lease Agreement dated August 4, 2026 between the City, as lessee, and _____, as lessor, for the fiscal year ending June 30, 2027.

IN WITNESS WHEREOF, I have set my hand this 4th day of August, 2026.

LESSEE

CITY OF MAULDIN, SOUTH CAROLINA

Seth Duncan, City Administrator

SCHEDULE F

**MASTER LEASE SCHEDULE NO. 1 DATED 08/04/26
(PURSUANT TO MASTER LEASE AGREEMENT DATED 08/04/26)**

DESIGNATION OF AUTHORIZED REPRESENTATIVES

I, Cindy Miller, do hereby certify that I am the duly appointed City Clerk of the City of Mauldin, South Carolina (the “*City*”), a municipal corporation duly organized and existing under the laws of the State of South Carolina, that I have custody of the records of such entity, and that, as of the date hereof, the individuals named below are the duly elected Mayor of the City and the duly appointed City Administrator of the City, holding the office set forth opposite his respective name. I further certify that the signatures set opposite their names and titles are their true and authentic signatures.

<u>NAME</u>	<u>TITLE</u>	<u>SIGNATURE</u>
Terry Merritt	Mayor	_____
Seth Duncan	City Administrator	_____

IN WITNESS HEREOF, I have duly executed this certificate this 4th day of August, 2026.

Cindy Miller, City Clerk