SPECIAL CALLED CITY COUNCIL MEETING AGENDA

MONDAY, AUGUST 3, 2026, AFTER COMMITTEE MEETINGS
CITY HALL - COUNCIL CHAMBERS
5 EAST BUTLER ROAD, MAULDIN, SC 29662

COUNCIL MEMBERS

Mayor
Terry Merritt

Council Members
Taft Matney, Carol King, Jason Kraeling, Michael Reynolds, Frank Allgood and Mark Steenback

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AGENDA

1. **Call to Order**
   a. Welcome
   b. Invocation
   c. Pledge of Allegiance

2. **Unfinished Business**
   Committee of the Whole
   Ordinances Second Reading
   a. 1% Sales Tax Referendum Ordinance [Pages 2-16]

3. **New Business**
   Standing Committee Items
   a. Resolution Authorizing a Lease/Purchase Agreement for Vehicles and Equipment [Pages 17-36]

4. **Call for Executive Session**

   Executive Session to consider the following items as allowed by State Statute 30-4-70(a)(2)

   a. Lease and Stadium Project Agreement Amendment 2

   Immediately Following Executive Session
   Possible action on items discussed in Executive Session

5. **Adjournment**

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

CITY COUNCIL
AGENDA ITEM SUMMARY

UPDATE

MEETING DATE: August 3, 2026
AGENDA ITEM: 2a

TO: City Council
FROM: Seth Duncan, City Administrator
SUBJECT: Municipal Tax Relief Act – 1% Municipal Sales Tax Referendum

SUMMARY

In May, South Carolina enacted the Municipal Tax Relief Act (S. 866), which allows for the imposition of a 1% sales tax within the municipality for property tax relief and infrastructure improvements. The Act is modeled after similar county-wide optional sales tax programs and must be approved by referendum. Staff is presenting this information to Council for their consideration.

Municipal Tax Relief Act

The Municipal Tax Relief Act (MTRA or Act), by referendum, imposes a 1% ($0.01) sales and use tax within the municipality for property tax relief and specified infrastructure improvements. No less than 20% of the funds generated must be used to provide a credit against a taxpayer's municipal ad valorem tax liability on owner occupied property. Remaining funds can be used for projects located within or without (or both) the municipal boundaries ton include the following types of projects:

- Highways, roads, streets, bridges, public parking lots, public parking garages, core local government services, and related facilities;
- Administration buildings, civic centers, police stations, and fire stations;
- Any combination of projects described above.

The maximum time, in two-year increments, may not exceed 8 years from the imposition date. The municipality may utilize bonds for projects listed and use tax proceeds to repay the bonds. The referendum must be put to the voters during a general election (2026, 2028, etc) after being approved by an ordinance by Council. If enacted, the 1% sales tax would begin being imposed on May 1st following the referendum and expire on April 30th of the year adopted in the ordinance.

Ordinance Requirements

To place the Municipal Tax Relief Act before the voters, the municipality must adopt an ordinance that meets the following criteria:

- Contains the ballot question
- The purpose for which the proceeds of the tax are to be used
- Duration of the tax (May 1, 2027 – April 30, 20XX)
- Expected revenues and expenses of funds received from the tax
- Adhere to bond requirements as outlined within the Act.

Revenue Projections

Staff received official estimates from the SC Revenue and Fiscal Affairs Office (RFA) to generate official revenue projections for the duration of the penny tax. These projections are as follows:

Fiscal Year	Estimated 1% Local Option Municipal Sales Tax Collections	DOR Collection Fee (1%)	Net to City	Property Tax Relief (20%)	Capital Projects Revenue (80%)
2026-27	$ 217,000.00	$ 2,170.00	$ 214,830.00	$ 42,966.00	$ 171,864.00
2027-28	$ 2,695,000.00	$ 26,950.00	$ 2,668,050.00	$ 533,610.00	$ 2,134,440.00
2028-29	$ 2,804,000.00	$ 28,040.00	$ 2,775,960.00	$ 555,192.00	$ 2,220,768.00
2029-30	$ 2,917,000.00	$ 29,170.00	$ 2,887,830.00	$ 577,566.00	$ 2,310,264.00
2030-31	$ 3,035,000.00	$ 30,350.00	$ 3,004,650.00	$ 600,930.00	$ 2,403,720.00
2031-32	$ 3,158,000.00	$ 31,580.00	$ 3,126,420.00	$ 625,284.00	$ 2,501,136.00
2032-33	$ 3,285,000.00	$ 32,850.00	$ 3,252,150.00	$ 650,430.00	$ 2,601,720.00
2033-34	$ 3,418,000.00	$ 34,180.00	$ 3,383,820.00	$ 676,764.00	$ 2,707,056.00
2034-35	$ 3,260,000.00	$ 32,600.00	$ 3,227,400.00	$ 645,480.00	$ 2,581,920.00
	$ 24,789,000.00	**$ 247,890.00**	**$ 24,541,110.00**	**$ 4,908,222.00**	**$ 19,632,888.00**

During further staff review of the new law, it was discovered that the SC Department of Revenue will assess a 1 percent collection fee from revenues generated/received. The chart above reflects amount the City is expected to collect during an eight year period if the referendum is approved by voters in November.

Property Tax Relief

One of the primary purposes of the Act is to provide municipal property tax relief. To this end, staff have provided a table of various scenarios that depicts the likely property tax rebate based upon a home's taxable value. The amount of any credit allowed is determined by multiplying the property tax value of the property, before the exemption provided in Section 12-37-250 (Homestead Exemption), by a fraction in which the numerator is the total estimated revenue allotted to the credit during the applicable fiscal year and the denominator is the total of all property tax value on property assessed pursuant to Section 14-43-220(c) (Legal Residence) in the City. In other words:

$$\text{Credit} = \text{Property Value} \times \frac{\text{Total Estimated Revenue Allotted to Credit}}{\text{Total Assessed Value of Property in City}}$$

Using the above formula, the table below shows a projected tax credit based upon home value for the projected 8 years.

Fiscal Year	Credit Revenue	TMV 4% Property	Credit	Property Value			
				150,000	300,000	450,000	600,000
2026-27	$ 42,966.00	$2,138,932,510.00	2.00876E-05	$ 3.01	$ 6.03	$ 9.04	$ 12.05
2027-28	$ 533,610.00	$2,138,932,510.00	0.000249475	$ 37.42	$ 74.84	$ 112.26	$ 149.68
2028-29	$ 555,192.00	$2,138,932,510.00	0.000259565	$ 38.93	$ 77.87	$ 116.80	$ 155.74
2029-30	$ 577,566.00	$2,138,932,510.00	0.000270025	$ 40.50	$ 81.01	$ 121.51	$ 162.02
2030-31	$ 600,930.00	$2,138,932,510.00	0.000280949	$ 42.14	$ 84.28	$ 126.43	$ 168.57
2031-32	$ 625,284.00	$2,138,932,510.00	0.000292335	$ 43.85	$ 87.70	$ 131.55	$ 175.40
2032-33	$ 650,430.00	$2,138,932,510.00	0.000304091	$ 45.61	$ 91.23	$ 136.84	$ 182.45
2033-34	$ 676,764.00	$2,138,932,510.00	0.000316403	$ 47.46	$ 94.92	$ 142.38	$ 189.84
2034-35	$ 645,480.00	$2,138,932,510.00	0.000301777	$ 45.27	$ 90.53	$ 135.80	$ 181.07

*TMV = Taxable Market Value; TMV Average in the City is $258,543.

Potential Projects

Staff prepared the following list of potential projects that could be included in the referendum, should Council move forward with the idea. These projects include a combination of facility enhancements, new operational capacity, and transportation improvements and are included in the City's long-term Capital Improvement Program (CIP).

Potential Project Title	Projected Cost	Project Details
City Resurfacing Program	$ 15,600,000.00	For the construction, repair, and improvement of city-owned roadways and intersections to include the following roads in whole or in part: Holland Road, Mourning Dove Ln, S Park Dr, Moore St, Brookbend Rd, Bridges Rd, Whatley Cir, Taylor Rd, Brookbend Rd (N), Chelseabrook Ct, Fargo St, Pinecrest Dr, Brookbend Ct, Peachtree Ln, Park Plz, Knollwood Dr, Manchester Dr, Massey Ct, Bartlett St, Verdin Dr, Renaissance Cir, Pine Straw Way, Brookfield Pkwy, Tideland Ct, Cold Springs Rd, Battle Abby Ct, Bi-Lo Blvd, McDougall Ct, Crestwood Dr, Shadecrest Dr, Huntington Cir, Drury Ln, Parsons St, Whixley Ln, Stapleford Park Dr, Pheasant Trl, Riggs Ct, Mylon Ray Hopkins Ct, Forrester Dr, Fairfield Dr, Old Hall Dr, Baldwin Cir, Adams Mill Rd, Fieldgate Ct, Shairpin Ln, Tillman Ct, Alexander St, Lanceway Dr, Coligny Ct, Bayou Cove, Calix Ct, Woodland Dr, Glasgow Ct, Clearfield Rd, Owens Ln, Shawn Dr, Abby Cir, Royal Oak Rd, Devon Dr, Tanner Chase Way, Pine Gate r, Evanshire Ct, Harwich Lane, Braddock Dr, High Farm Rd, Kalmia reek Dr, Jenkins Ct, Maple Dr, Catalan St, Hickory Ln, Hill Ln, Meadowood Dr, Cobb Hall Ct, Brookwood Point Pl, Brooks Rd, Crepe Myrtle Ct, Tagus Ct, St Andrews Ct, Woodbark Ct, Tallin Ct, Croftstone Ct, Mcbee Chapel Rd, Fowler Cir, Rainbow Cir, Oak Hollow Ct, Boulder Rd, Heather Ln, Chetsworth Ln, White Dr, Duncan Ct, Sanderling Ln, Devonshire Rd, Belford Rd, N Golden Strip Dr, Lanewood Dr, Wateroak Way, Vesper Cir, Rockbridge Rd, Lawnfield St
Fire Station 5	$ 4,000,000.00	for the design, engineering, and construction of a fire station.

The road projects listed above are those with a PCI score of less than 70 based upon the last road survey. Fire Station 5 is projected to be needed in the growing Fire Service Area along Interstate 185 between the City of Mauldin and City of Simpsonville. The previously listed park projects were removed at the advice of legal counsel due the listed projects more closely aligning with legislative intent of the new law.

The ordinance drafted and provided below has certain portions highlighted due to those being optional and only needed if Council desires to bond out any portion of the future funds. If Council decides to use a pay-go approach instead, all of the highlighted language will be deleted prior to Second Reading.

Timeline

If Council desires to move forward with the referendum, the following timeline is proposed in order to meet all requisite deadlines.

July 6th	Introduction of Act, Council Workshop (tonight)
July 20th	First Reading of Ordinance

August 3rd	Second Reading of Ordinance (possible Public Hearing)
August 17th	Last day to transmit adopted ordinance to Greenville County Voter Registration and Election Board
October 21st	Ballot question and project list published in newspaper (GCVREB)
November 4th	Election Day
May 1, 2027	Effective day of tax collection
August 2027	First quarterly distribution to City

Sample Ballot Question
Below is a sample ballot question utilizing the required language of the statute.

> *Must a 1 percent sales and use tax be levied in the City of Mauldin for no more than eight years for the purpose of allowing a credit against certain municipal ad valorem tax liability and for the purpose of raising the amounts specified for the following purposes?*
>
> *(1) $15,600,000 for city road infrastructure improvements, including repaving, drainage systems, curbs and sidewalks*
>
> *(2) $4,000,000 for a new fire station project.*
>
> *and must the City Council of the City of Mauldin, South Carolina be authorized to issue and sell, either as a single issue or as several separate issues, not exceeding $15,600,000 principal amount of general obligation bonds of the City of Mauldin, to defray the costs of the foregoing purposes, plus issuance costs, to be paid from the sales and use tax to be imposed as stated herein and pledged to the payment of the principal of and interest on such bonds, and, in the event such sales and use tax is inadequate for the payment of such bonds, such bonds shall be payable from an ad valorem tax imposed on all taxable property in the City of Mauldin?*
>
> *Yes []*
>
> *No []*

Questions for Council
In closing, staff is providing Council with this overview to facilitate a conversation regarding this new law. To further this conversation, staff has prepared with legal counsel an ordinance for consideration. If Council enacts an ordinance, staff will work with Greenville County Voter Registration and Election Board to ensure the ballot question meets their deadline of August 17th to be placed before the voters in 2026's General Election.

Questions to be resolved if moving forward with the Ordinance:
1. Does Council desire to bond out a specific scope of work/projects for a specific amount of moeny?
2. Are the projects listed representative of Council's desire?

ORDINANCE NO. ____

ENACTED PURSUANT TO THE MUNICIPAL TAX RELIEF ACT, TITLE 5, CHAPTER 41 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, PROVIDING FOR THE IMPOSITION OF A ONE PERCENT SALES AND USE TAX TO PROVIDE PROPERTY TAX RELIEF TO OWNER-OCCUPIED HOMES AND TO FINANCE CERTAIN PROJECTS UPON REFERENDUM APPROVAL; THE FORM OF THE BALLOT TO BE USED IN CONNECTION THEREWITH; THE AUTHORIZATION OF THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF MAULDIN, SUBJECT TO SUCH REFERENDUM, TO DEFRAY COSTS OF PROJECTS AND ISSUANCE COSTS; AND OTHER MATTERS RELATING THERETO.

ENACTED AUGUST 3, 2026

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

ARTICLE I
FINDINGS

Section 1.01 Findings

In connection with the enactment of this ordinance (the ***"Ordinance"***), the City Council of the City of Mauldin (the ***"City Council"***), the governing body of the City of Mauldin, South Carolina (the ***"City"***), hereby finds and determines as follows:

(a) Pursuant to the Municipal Tax Relief Act, codified at Title 5, Chapter 41 of the Code of Laws of South Carolina, 1976, as amended (the ***"Tax Relief Act"***), the City Council is authorized to impose an up to one percent sales and use tax (the ***"Sales and Use Tax"***), subject to the approval of a referendum to be held in the City. The proceeds of the Sales and Use Tax must be applied for the purposes identified by the City pursuant to Section 5-41-120 of the Tax Relief Act, including providing a credit against a taxpayer's municipal ad valorem tax liability for owner-occupied homes.

(b) The City Council has considered the funding of certain capital projects within the City with an estimated total cost of approximately $19.6 million, has evaluated and determined which capital projects to be funded from the Sales and Use Tax, and has determined the form of the ballot question (the ***"Ballot Question"***), pursuant to Section 5-41-120(E) of the Tax Relief Act.

(c) The City has estimated that a one percent sales and use tax within the City would generate on average approximately $3 million annually totaling more than $24 million during the 8-year period from May 1, 2027 to April 30, 2035.

(d) Pursuant to Section 5-41-120(I) of the Tax Relief Act, the Sales and Use Tax proceeds will be spent on the basis of a priority ranking assigned to the capital projects as established in ***Exhibit A*** attached hereto (the ***"Capital Projects"***), subject to certain conditions and adjustments.

(e) Pursuant to Section 5-41-120(A)(2), since Greenville County has never imposed any tax pursuant to Chapter 10 or Chapter 37, Title 4 of the Code of Laws of South Carolina, 1976, as amended, or pursuant to any local law enacted by the South Carolina General Assembly, the City may impose the Sales and Use Tax at any qualifying general election, the first opportunity being November 3, 2026.

(f) The City Council finds that the health, safety and welfare of the residents of the City shall be benefited from the imposition of the Sales and Use Tax (i) to fund the Capital Projects and (ii) to utilize no less than twenty percent (20%) of the Sales and Use Tax proceeds to provide a credit against taxpayer's municipal ad valorem tax liability for owner-occupied homes and is now minded to enact this Ordinance imposing the Sales and Use Tax subject to a favorable referendum, to be held at the next qualifying general election, as defined in the Tax Relief Act, on November 3, 2026 (the ***"Referendum"***).

(g) The City Council desires that the Ballot Question also include the issuance of general obligation bonds of the City (the ***"Bonds"***) to defray a portion of the costs of the Capital Projects, as allowed under the Tax Relief Act.

(h) In accordance with Section 5-41-120 of the Tax Relief Act, this Ordinance (i) imposes the Sales and Use Tax subject to Referendum approval; (ii) contains the Ballot Question; (iii) specifies the purposes for which the Sales and Use Tax proceeds will be used as set forth on the Ballot Question; (iv) states the maximum time for which the Sales and Use Tax may be imposed; (v) states the maximum amount of Bonds that may be issued to fund Capital Projects, and that the amount of Sales and Use Tax proceeds is expected to meet the cost of defraying or financing Capital Projects; (vi) states that no less than twenty percent (20%) of the Sales and Use Tax proceeds collected will be used to provide a nonrefundable credit against existing municipal ad valorem tax liability on property assessed pursuant to Section 12-43-220(c) of the Code of Laws of South Carolina, 1976, as amended; (vii) states the maximum cost of the Capital Projects; and (viii) states the maximum amount of net Sales and Use Tax proceeds to be used to fund the Capital Projects.

ARTICLE II
SALES AND USE TAX IMPOSITION, PURPOSES, TERMS AND CONDITIONS

Section 2.01 Imposition, Term

Subject to Referendum approval, City Council hereby imposes the Sales and Use Tax in the City for the 8-year period May 1, 2027, through April 30, 2035.

Section 2.02 Purposes

The Sales and Use Tax proceeds shall be applied for the purposes set forth on the Ballot Question (i) to defray the costs of Capital Projects and (ii) no less than twenty percent (20%) of the Sales and Use Tax proceeds will be used to provide a nonrefundable credit against existing municipal ad valorem tax liability in accordance with Section 5-41-170 of the Tax Relief Act on property assessed pursuant to Section 12-43-220(c) of the Code of Laws of South Carolina, 1976, as amended.

So that the construction of many of the Capital Projects can be commenced as soon as possible and in order to achieve the most economic and efficient use of proceeds of the Sales and Use Tax, City Council has determined that Bonds should be issued to defray a portion of the costs of the Capital Projects. The principal amount of the Bonds to be issued pursuant to the Referendum shall not exceed $15.6 million, excluding such premium, if any, named by the purchaser or purchasers of the Bonds as a portion of the purchase price of the Bonds. The proceeds of the Sales and Use Tax shall be pledged to payment of the Bonds.

Section 2.03 Terms and Conditions

The City Council has determined to require Sales and Use Tax proceeds to be spent on the basis of a priority ranking system, subject to the conditions set forth below:

(a) The projects to be funded from the Sales and Use Tax proceeds, and each project's designated tier of funding priority, are listed on ***Exhibit A*** attached hereto. Except as otherwise permitted by subsections (b) and (c) below, the City Council has determined that those projects with a higher priority tier ranking will be funded before projects with a lower priority tier ranking (with Tier 1 being the highest priority ranking) as and to the extent that Sales and Use Tax proceeds become available. Nothing herein shall prevent the simultaneous funding of multiple projects within the same funding tier.

(b) Once the construction contracts for 70% of all projects in a given funding tier have been let, the City can begin spending Sales and Use Tax proceeds on projects in the next funding tier. In addition to property acquisition and construction costs, Sales and Use Tax proceeds and Bond proceeds may be spent on procurement, project management, right-of-way acquisition and work, preconstruction work, such as design, engineering, and related planning, for projects in the next funding tier.

(c) Notwithstanding the above, upon the written request of the City Administrator, the City Council, by ordinance, may determine to fund projects in the next lower priority funding tier before projects of a higher priority funding tier (e.g., funding a Tier 2 project before funding a Tier 1 project). Such ordinance must contain findings that either (i) the higher priority project is delayed or impractical because of construction schedules or other events that may affect the schedule or scope for such project or (ii) the lower priority project has received partial funding from grants or other sources allowing such lower priority project to be undertaken ahead of schedule. The written request and ordinance required by this subsection will specify either (i) the basis of the delay or scope adjustment, which may include issues concerning acquisition of title and rights-of-way, design and engineering considerations, environmental issues, the receipt of all necessary permits and regulatory approvals, bids in excess of project estimates and cost overruns and related scope reduction or value engineering, qualification of bidders, the availability of Sales and Use Tax proceeds or other funding sources, project impossibility, and force majeure or other unforeseen circumstances or (ii) the alternative source or sources of funding of the lower priority project.

(d) The expenditures of Sales and Use Tax proceeds or the proceeds of any related Bonds will be subject to acquisition of property, rights-of-way, design and engineering considerations, the receipt of all necessary permits and regulatory approvals, funding of projects from other sources (including unanticipated grants that fund a project), bids in excess of project estimates, qualifications of bidders, cost overruns, exhaustion or insufficiency of net Sales and Use Tax proceeds or Bond proceeds to complete the projects in the order and priority stated above, and other unforeseen circumstances and conditions. Net Sales and Use Tax proceeds may be used to pay debt service on Bonds, if any, issued to pay the cost of Capital Projects.

(e) All Sales and Use Tax proceeds must be deposited into a separate account of the City and not comingled with any other funds.

Section 2.04 Capital Projects Estimates and Sales and Use Tax Proceeds Estimates

(a) The total cost of the Capital Projects as described herein is expected to be approximately $19.6 million and the net proceeds of the Sales and Use Tax to be used in such regard is expected to be approximately $19.6 million.

(b) The City shall apply the proceeds of the Sales and Use Tax to defray or to finance the cost of the Capital Projects, provided that any Bonds issued for such purposes shall not exceed an aggregate principal amount of $15.6 million, as set forth in the Ballot Question. Sales and Use Tax proceeds may be applied to defray or finance the cost of Capital Projects in accordance with the Tax Relief Act.

ARTICLE III
REFERENDUM

Section 3.01 Ballot Question

The Ballot Question, pursuant to Section 5-41-120(E) of the Tax Relief Act, is set forth below.

BALLOT QUESTION

Must a one percent sales and use tax be levied in the City of Mauldin, South Carolina for no more than eight years for the purpose of allowing a credit against certain municipal ad valorem tax liability and for the purpose of raising the amounts specified for the following purposes?

(1) $15,600,000 for city road infrastructure improvements, including repaving, drainage systems, curbs and sidewalks

(2) $4,000,000 for a new fire station project.

and must the City Council of the City of Mauldin, South Carolina be authorized to issue and sell, either as a single issue or as several separate issues, not exceeding $15,600,000 principal amount of general obligation bonds of the City of Mauldin, to defray the costs of the foregoing purposes, plus issuance costs, to be paid from the sales and use tax to be imposed as stated herein and pledged to the payment of the principal of and interest on such bonds, and, in the event such sales and use tax is inadequate for the payment of such bonds, such bonds shall be payable from an ad valorem tax imposed on all taxable property in the City of Mauldin?

Yes [ ]   No [ ]

INSTRUCTIONS TO VOTERS: All qualified electors of the City of Mauldin desiring to vote in favor of imposing the tax for the stated purposes and authorizing the issuance and sale of bonds in connection therewith as outlined above shall vote "YES," and all qualified electors opposed to levying the tax and issuing such bonds shall vote "NO."

Section 3.02 Certification of Referendum

The appropriate election commission (the ***"Election Commission"***) shall conduct the Referendum under the election laws of this State, *mutatis mutandis,* and shall certify the result to the City Council and to the South Carolina Department of Revenue no later than thirty days after the Referendum. The City Council shall thereafter declare the result of the Referendum by resolution.

Section 3.03 Notice of Referendum

To assist the Election Commission in complying with the Tax Relief Act, the contents of the notice of the Referendum required by the Tax Relief Act are described in ***Exhibit B*** hereto.

ARTICLE IV
MISCELLANEOUS

Section 4.01 Transmittal to Election Commission

Upon enactment of this Ordinance, the City Clerk is directed to provide the same to the Election Commission with direction to provide for the submission of the Ballot Question to the electors of the City at the Referendum.

Section 4.02 Authorization for Further Action

The City Council hereby authorizes the City Administrator to take all actions necessary and convenient in connection with implementing this Ordinance.

Section 4.03 Effective Date

This Ordinance shall take effect upon second and final reading thereof.

ENACTED AT MAULDIN, SOUTH CAROLINA, THIS 3RD DAY OF AUGUST, 2026.

CITY OF MAULDIN, SOUTH CAROLINA

____
Mayor

Attest:

____
City Clerk

Approved as to Form:

____
City Attorney

First Reading: July 20, 2026
Second Reading: August 3, 2026

EXHIBIT A

PROJECT LIST

EXHIBIT B

NOTICE OF REFERENDUM

NOTICE IS HEREBY GIVEN that a Referendum will be held in the City of Mauldin, South Carolina (the "City"), on November 3, 2026, for the purpose of submitting to all persons qualified to vote in the City, under the Constitution and laws of the State of South Carolina the following question:

Ballot Question

Must a one percent sales and use tax be levied in the City of Mauldin, South Carolina for no more than eight years for the purpose of allowing a credit against certain municipal ad valorem tax liability and for the purpose of raising the amounts specified for the following purposes?

(1) $15,600,000 for city road infrastructure improvements, including repaving, drainage systems, curbs and sidewalks

(2) $4,000,000 for a new fire station project.

and must the City Council of the City of Mauldin, South Carolina be authorized to issue and sell, either as a single issue or as several separate issues, not exceeding $15,600,000 principal amount of general obligation bonds of the City of Mauldin, to defray the costs of the foregoing purposes, plus issuance costs, to be paid from the sales and use tax to be imposed as stated herein and pledged to the payment of the principal of and interest on such bonds, and, in the event such sales and use tax is inadequate for the payment of such bonds, such bonds shall be payable from an ad valorem tax imposed on all taxable property in the City of Mauldin?

Yes [ ]   No [ ]

INSTRUCTIONS TO VOTERS: All qualified electors of the City of Mauldin desiring to vote in favor of imposing the tax for the stated purposes and authorizing the issuance and sale of bonds in connection therewith as outlined above shall vote "YES," and all qualified electors opposed to levying the tax and issuing such bonds shall vote "NO."

The question is being submitted pursuant Title 5, Chapter 41, Code of Laws of South Carolina, 1976 as amended, and an ordinance of the City Council of the City of Mauldin, South Carolina enacted on August 3, 2026 (the "Ordinance"). The referendum ordered by the Ordinance includes the authorizations of the imposition of a sales and use tax and the issuance of general obligation bonds in the principal amount of not exceeding $15,600,000. If a majority of the qualified electors of the City voting in the Referendum vote in favor of the question, (a) a one percent sales and use tax will be imposed in the City of Mauldin for eight years, beginning on May 1, 2027 and will continue to April 30, 2035 and (b) the City Council of the City of Mauldin will be authorized to issue not exceeding $15,600,000 principal amount of general obligation bonds of the City of Mauldin to defray a portion of the costs of the projects listed above and issuance costs. The receipts from the sales and use tax will be applied (i) to pay the debt service on such bonds; (ii) to pay the cost of the projects listed above in the manner set forth in the Ordinance; and (iii) no less than twenty percent (20%) of the Sales and Use Tax proceeds collected will be used to provide a nonrefundable credit against existing municipal ad valorem tax liability on property assessed pursuant to Section 12-43-220(c) of the Code of Laws of South Carolina, 1976, as amended.

Every person offering to vote must be at least eighteen (18) year of age, must reside in the City and must be duly registered on the books of registration for the City as an elector in the precinct in which he or she resides and offers to vote on or before the date on which said books of registration are closed for the Referendum, and must produce, upon presenting himself or herself to vote, a valid and current: (1) South Carolina driver's license, (2) other form of identification containing a photograph issued by the South Carolina Department of Motor Vehicles, (3) passport, (4) military identification containing a photograph issued by the federal government, or (5) South Carolina voter registration card containing a photograph of the voter. Persons who do not or cannot present valid and current identification as provided herein may cast a provisional ballot in accordance with Section 7-13-710, Code of Laws of South Carolina, 1976, as amended.

Any persons wishing to register to vote in the Referendum, if registering by mail, must have such registration postmarked not later than October __, 2026, to the Greenville County Voter Registration and Elections Commission, 225 S. Pleasantburg Dr., Suite B6, Greenville, South Carolina 29607, telephone (864) 467-7250, or, if registering to vote in person, must do so by no later than ______ p.m. on October ____, 2026. Voter registration forms are available online but must be postmarked by October __, 2026; instructions are available via internet at www.scvotes.gov.

Any such registered elector who has moved his or her place of residence within the City after the date on which said books of registration are closed for the Referendum, but before the date of the Referendum, shall be entitled to vote in his or her previous precinct of residence in the Referendum; provided, however, in case any registered elector shall have moved from one precinct in the City to another precinct in the City within thirty days prior to November 3, 2026, and shall have surrendered his registration certificate and has received a new certificate, such elector may vote in the precinct provided for by such new certificate. Persons who become of age during the 30-day period preceding the Referendum shall be entitled to register before the closing of the books if otherwise qualified.

Any person eligible to register to vote in the Referendum who has been discharged or separated from his service in the Armed Forces of the United States prior to November 3, 2026, and has returned home too late to register at the time when registration is required, is entitled to register for the purpose of voting in the Referendum after the discharge or separation from service, up to 5:00 p.m. on the day of the Referendum. This application for registration must be made at the office of the Greenville County Voter Registration and Elections Commission, and if qualified, the person must be issued a registration notification stating the precinct in which he is entitled to vote and a certification to the managers of the precinct that he is entitled to vote and should be placed on the registration rolls of the precinct.

The polls shall be open from 7:00 a.m. until 7:00 p.m. at the polling places designated below and shall be open during these hours without intermission or adjournment. Appropriate vote recorders will be provided at the polling places for the casting of ballots on the aforesaid question. Managers of Election will be appointed by the Greenville County Voter Registration and Elections Commission. The Managers of Election shall see that each person offering to vote takes the oath that he is qualified to vote at this election according to the Constitution of this State, and that he has not voted before in this election. The precincts within the City and locations of the several polling places for such Referendum are as follows:

Precinct Number	Name	Location

[Precinct information to be inserted by the Greenville County Voter Registration and Elections Commission]

Voters who are blind, who are otherwise physically handicapped, or who are unable to read or write are entitled to assistance in casting their ballot. This assistance may be given by anyone the voter chooses except his employer, an agent of his employer, or an officer or agent of his union. The Managers of Election must be notified if assistance is needed. Voters who are unable to enter their polling place due to physical handicap or age may vote in the vehicle in which they drove or were driven to the polls. When notified, the Managers will help voters effectuate this curbside voting provision. Registered voters may be eligible to vote by absentee ballot. Persons wishing more information concerning absentee balloting should contact the Greenville County Voter Registration and Election Commission at (864) 467-7250.

The Greenville County Voter Registration and Elections Commission shall hold a hearing on Ballots challenged in the election on Thursday, November 5, 2026 at ____:00 a.m., at ____________________, Greenville, South Carolina 296__.

CITY COUNCIL
AGENDA ITEM SUMMARY

MEETING DATE: August 3, 2026
AGENDA ITEM: 3a

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. Prepayable through refinancing with another financial institution as follows: Beginning in 3rd Year: 102% Beginning in 4th Year: 101% Beginning in 5th Year: 100%
	7-Year	3.74%	
	10-Year	3.74%	

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:
	7-Year	4.28%	Closing - 7/31/28: No Call
	10-Year	4.32%	8/1/28 - 7/31/29: 101%
			On or after 8/1/29: 100%
Huntington	5-Year	4.23%	Prepayable as follows:
	7-Year	4.30%	Before 8/1/29: 101%
	10-Year	4.39%	On and after 8/1/29: 100%
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	)	
	)	**CERTIFICATE OF RESOLUTION**
COUNTY OF GREENVILLE	)	

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

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

SCHEDULE D

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

OPINION OF CITY ATTORNEY

DATE: **AUGUST 4, 2026**

TO: ______________________________________

RE: **MASTER LEASE AGREEMENT DATED AUGUST 4, 2026, BY AND BETWEEN _______________________________________ (THE *"LESSOR"*) AND THE CITY OF MAULDIN, SOUTH CAROLINA (THE *"LESSEE"*)**

Ladies and Gentlemen:

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.

NAME	TITLE	SIGNATURE
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