

**City Council Minutes**  
**April 19, 2022**

Orangeburg City Council held a Public Hearing and meeting on Facebook Live via Zoom on Tuesday, April 19, 2022, at 6:00 PM with Mayor Michael C. Butler presiding.

**PRESENT:**

**Michael C. Butler, Mayor**  
**Dr. Kalu Kalu, Mayor Pro Tem**  
**Bernard Haire**  
**Jerry Hannah**  
**L. Zimmerman Keitt**  
**Sandra P. Knotts**  
**Richard F. Stroman**

Mayor Butler opened the Public Hearing for consideration of an Annexation into the City by 75 Percent Petition and Ordinance Method properties belonging to Lewis and Flossie M. Robinson, 831 Travers Street TMS #0172-07-01-008.000; Local Mortgage Corp Re Ben Connors J, 859 Travers Street TMS #0172-07-01-007.000; Lorraine R. Shuler & Michelle Robinson, 831 Travers Street TMS #0172-07-01-006.000; Gary James Sr Etal, 891 Travers Street TMS #0172-07-01-005.000; Sylvia J. Fogle, 171 Sprinkle Avenue TMS #0172-07-01-013.000; Eva Lee Robinson, 868 Travers Street, TMS #0172-07-01-011.000; Gussie Mae Gooden Heirs, 888 Travers Street TMS #0172-07-01-012.000; Jessie James, 848 Travers Street TMS #0172-07-01-010.000; and Harry and Pearl S. Tucker, 820 Travers Street TMS #0172-07-01-009.000.

Assistant City Administrator Singh addressed Council. He stated, "We had a few members of the Travers Street community meet with us the end of last week. They have had additional discussions with Ms. Johnson who put the annexation package together. They have requested they do not want to go forward with the annexation at this time."

Ms. Lorraine Shuler read the following statement to Council, "To whom it may concern. We are the residents of and affiliated persons of Travers Street. We stand in unity requesting we remain in the County. After attending the Public Meeting on March 17, we do not see where the changes will be in our best interest. The majority of the residents are elderly citizens that are on a fixed income and their monthly budget will not allow the extra responsibilities. We understand if we annex into the City, there will be a difference in taxes and there will also be codes, rules, and regulations. We understand there are some benefits such as the weekly trash pickup (at a fee), more lighting and cameras, faster law enforcement and City sewage. We want to remain in the County due to less financial responsibility and a piece of mind."

City Attorney John Michael Mosser stated, "No action is needed at this time. When Item #6 comes up on the agenda, then a vote will need to be taken. Certainly, the remarks of the residents during this Public Hearing can be considered by Council."

A motion was made by Councilmember Stroman seconded by Councilmember Keitt to approve the April 7, 2022, City Council minutes. The motion was unanimously approved.

City Administrator Evering addressed Council concerning Item #2, appearance by Mr. Herbert Myers. He stated, "It has been brought to my attention that Mr. Myers has decided not to speak tonight."

Ms. Phyllis Pelzer, 1090 St. Matthews Road made an appearance concerning an Ordinance for a Zoning Map change from A-1 Residential, Single-Unit District to B-1, General Business District for properties located at 1090 St. Matthews Road, 1070 St. Matthews Road and 1080 St. Matthews Road. She stated, "Orangeburg is my home. I grew up here. Orangeburg used to be a bustling town with a lot of stores, banks, and things to do. As I rode through the City tonight, it almost looks like a ghost town. If we have the opportunity to expand our City, we should look into it. A lot of times, people sit in positions, and they hold thoughts and ideas that are not progressive and are not aligned with growth and opportunity. We must bring some business and livelihood back to the City of Orangeburg. I know it has been five minutes. I want to ask for more minutes as I do not want to be rushed. Mayor, I want to be heard."

Mayor Butler stated, "I will allow it."

Ms. Pelzer continued, "We have been going through this rezoning process for a number of years. I have been involved since 2019. I moved to my home in 2016. I do not have to tell you how busy the intersection is at Boulevard Street and St. Matthews Road. It is a lot of noise, traffic, and a lot of business in and around us. You will see on the map in red, half of my block in Pecanway Terrace is already zoned B-1 and it has been that way since 1972. I do not understand the opposition. In October, we came for the Ordinance First Reading to change from B-1, and it was denied. November 5, we went to City Council, and they requested the Planning Commission amend the Comprehensive Map. That was approved. September 2020, we went to the Planning Commission and Mr. Singh explained the study. February 21, City Council had an update on the Comprehensive Plan. March 26, 2021, City Council approved the Ordinance First Reading to amend the Future Land Plan. The Second Reading was approved on April 6 and April 20 Third Reading was approved. December 21, 2021, City Council had the First Reading on the buffers, the Second Reading on January 4, 2022, and the Third Reading on January 18, 2022. All three readings passed unanimously. On March 17, 2022, the Planning Commission unanimously approved the rezoning to B-1. On April 7, 2022, City Council had the First Reading of Rezoning of our properties to B-1. We were not allowed to speak at that meeting. The vote was 3-3 and one Councilmember not saying anything when the others voted. It was asked of him, are you voting? And he said, I am not voting. Then, it was asked of him, do you abstain? And he said no, I am not voting. Council asked the City Attorney for guidance on an abstained vote. Is it a no vote? The lawyer said, I think so. And the vote was counted as a no. At a government meeting, we generally uphold Robert's Rules of Order. When you have a vote, the voter can remain silent. If a voter remains silent, their silence is taken in the affirmative. What happened here was he remained silent, and he was poked and prodded to say, no I am not voting. So, he was talked out of his silence and made to take a stand and it was decided, then you abstained and then it was counted in the negative. I am saying the results of the vote, were not counted accurately and that his silence should have been taken as an abstention, not a dissension. It should have been a four to three vote in the affirmative. I would like to ask my representative, Councilmember Jerry Hannah, to make a motion that the vote be counted in accordance to accepted practices of Robert's Rules of Order and that Mr. Stroman's silence be taken in the affirmative and that the vote be 4-3 in the affirmative."

Mayor Butler stated, "Ms. Pelzer, I understand what you are saying. After we investigated all of this, someone on the no side, would have to make a motion for Council to revisit this."

Ms. Pelzer stated, "I just asked Mr. Hannah to make a motion."

No motion was made by Council.

Mr. and Mrs. Randy Shuler, St Matthews Road made an appearance concerning an Ordinance for a Zoning Map change from A-1 Residential, Single-Unit District to B-1, General Business District for properties located at 1090 St. Matthews Road, 1070 St. Matthews Road and 1080 St. Matthews Road. Mrs. Shuler stated, "Our involvement in this process began in September 2013 when a meeting was held with the property owners of Pecanway Terrace to explain the plan and process to have the original covenants and restrictions from the 1940s revised to reflect what modern neighborhoods use today. These updates would allow property zoning changes for those interested in requesting a change. This meeting resulted in a majority of the property owners signing a document stating their approval of the changes and then resulted in a judge ruling that the changes could be made. The property owners were assisted in this process by a local attorney. What is the difference in the area of St. Matthews Road across Chestnut Street going toward the hospital that can result in a Walgreens and a strip mall? Previously, that area was residential directly across from a busy commercial area, Grove Park just like our houses are directly across from a busy commercial area, the Orangeburg Mall. We are also concerned that several Councilmembers for reasons unknown to us are dead set against the rezoning request. Last week, at the meeting it was said that the people do not know about this. To clarify, part of the process to have the original covenants and restrictions changed required that every property owner be notified and those in favor had to sign a document stating that they agreed. This moved forward because a majority of property owners agreed to the changes. Renters in the neighborhood might not know but the property owners throughout Pecanway Terrace know. Also, quite a few of the property owners in previous sessions have spoken publicly, voicing their support. To the comment that anything can be put on these lots; it was mentioned a McDonalds, ABC or liquor store or a nightclub. The

revised covenants and restrictions prohibit certain businesses on any Pecanway Terrace property regardless of its zoning designation that includes nightclubs and liquor stores. Council has been previously provided this revised and court approved document that clearly lists all the restrictions, and this document also addresses buffers. We have done all that has been asked of us by the City, but we feel we have been treated unfairly and not by the rules of procedure. The Council talks about progress for our entire City, but we feel that right now, progress is only for certain areas and is occurring at a rapid pace unlight ours which is taking years and it still has not taken place. The exterior of Pecanway Terrace which is on one of the busiest streets in the City and across from many businesses, but it still seems that it is determined that this area is going to stay in the 1960s or 1970s. After nine long years and jumping through many hoops, we respectfully request our application to rezone be approved for future benefit of all residents of the City of Orangeburg. Please work together as a Council to make Orangeburg a better place. We feel there has been a lack of open dialogue as to why this rezoning request has failed multiple times to pass. We ask what else do we need to do?"

Councilmember Stroman asked, "I did not vote no, I abstained which they say is a no vote. We spent around \$25,000 on a study and they recommended O-I, correct?"

Assistant City Administrator Singh stated, "The observations and recommendations were at this time O-I. B-1 is probably a development about 10 to 15 to 20 years out and the O-I is a lesser zoning in terms as it is not as hard as a commercial entity. It is more like a doctor's office, a bank, or an office building. O-I has typically been the City's position when you have transition between housing and going out from that point. This position has been held by City Council for a number of years. Mr. Ford stated when the Comprehensive Plan was changed that it could be B-1 but that is Council and Planning Commission decision."

Mr. Shuler stated, "We were asking for B-1 because why go to O-I now and then have to go to B-1 later. Yes, it could be O-I, but it could also be B-1. There is commercial all around us. There are some properties behind us on Dantzler that have already been zoned B-1."

Assistant City Administrator Singh stated, "The City zoned the area behind you as B-1 in 1972 but not withstanding all the uses basically that are in that area fit the O-I category. But technically it is zoned B-1."

Mr. Shuler asked, "Yes, there are O-I there. You can have O-I under B-1 zoning. That is why we are requesting B-1. It does not mean we will have B-1 commercial there. It means it could be O-I. But if someone commercial wanted to come there, it would be already zoned B-1. The Comprehensive Plan was looking down St. Matthews Road, down Chestnut Street. All of that could be B-1. You have a motel on Chestnut Street that is B-1. You have B-1 across the street at Walgreens. So why not zone it B-1?"

A motion was made by Councilmember Keitt, seconded by Mayor Pro Tem Kalu to approve the Third Reading of an Ordinance providing for an Installment Plan of Finance not to exceed \$7,000,000 for Certain Capital Projects and Equipment; Authorizing the issuance of General Obligation Bonds, in one or more series, Tax-Exempt or Taxable, to Acquire Undivided Interests in such Capital Projects and Equipment; and Other Related Matters. The motion was approved 5-2. Councilmembers Haire and Stroman opposed.

Assistant City Administrator Singh addressed Council concerning Second Reading of an Ordinance for Annexation into the City of Orangeburg by 75 Percent Petition and Ordinance Method for properties 831 Travers Street, TMS #0172-07-01-008.000, 859 Travers Street, TMS #0172-07-01-007.000, 831 Travers Street, TMS #0172-07-01-006.000, 891 Travers Street, TMS #0172-07-01-005.000, 171 Sprinkle Avenue, TMS #0172-07-01-013.000, 868 Travers Street, TMS #0172-07-01-011.000, 888 Travers Street, TMS #0172-07-01-012.000, 848 Travers Street, TMS #0172-07-01-010.000 and 820 Travers Street, TMS #0172-07-01-009.000. He stated, "Council can choose to not take any action and that will be the end of the Ordinance, or you can take action and vote no which would also be the end of the Ordinance."

City Attorney John Marshall Mosser stated, "Council could allow the petitioning landowners to withdraw their petition which I understand now places you below the 75% threshold for South Carolina Code. At that point, you would have a pending First Reading that has happened and you

have at this point a request to withdraw. You either allow them to withdraw their petition and you take no action on the Second Reading of the Ordinance or you vote no."

Councilmember Keitt asked, "Can we table it?"

City Attorney Mosser stated, "Yes, you can table it and ask staff to come back with a report as to what the percentages are at this point."

Councilmember Haire stated, "The representatives have spoken, and I do not wish to force them into the City. I think we need to allow them to withdraw the petition."

A motion was made by Councilmember Knotts, seconded by Mayor Pro Tem Kalu to accept the withdrawal of the petition from the Travers Street residents to annex into City of Orangeburg. The motion was unanimously approved.

Assistant City Administrator Singh addressed Council concerning a Resolution ratifying authorization for the City of Orangeburg to enter a Lease Purchase or other similar agreement, selecting a proposal. He stated, "This Lease Purchase package is for fire apparatus, a commercial garbage truck, a forklift, and a compressor. The institution that we are recommending is Truist Bank with a variable rate but combined is the lowest rate because we have the larger equipment on a seven-year term and the smaller items on a three-year term. The three-year term is 2.29% interest rate, and the seven-year is 2.91% interest rate. It is our recommendation to move forward with the resolution for the City Administrator to enter this agreement."

A motion was made by Councilmember Stroman, seconded by Councilmember Keitt to approve the Resolution ratifying authorization for the City of Orangeburg to enter a Lease Purchase or other similar agreement; selecting a proposal; and other related matters. The motion was unanimously approved.

A motion was made by Mayor Pro Tem Kalu, seconded by Councilmember Stroman to approve a Resolution recognizing April 19<sup>th</sup> as Lineworkers Appreciation Day. The motion was unanimously approved.

Ms. Phyllis Pelzer requested to address Council again. Mayor Butler requested City Attorney Mosser clarify whether she can speak again.

City Attorney Mosser stated, "The body can recognize anyone at any time. However, it is usually customary to address all matters when given the time on the agenda and less customary to continue reopening the floor."

Mayor Butler allowed Ms. Pelzer to speak again.

Ms. Pelzer asked, "What is the purpose of the second reading where the public is allowed to speak?"

City Attorney Mosser stated, "The Code of Ordinances requires three readings. It does not say what needs to occur at those readings. It is simply a matter of complying with the code in order to pass valid ordinances and to have multiple readings."

Ms. Pelzer asked, "I understood you to say, you are required to have three readings, but you do not have to do anything at those readings."

City Attorney Mosser stated, "No ma'am that is not what I said. The Code requires that there are three readings."

Ms. Pelzer asked, "So the purpose of the second reading is to fulfill the requirements of the Code to have three readings? It is not to hear from the public and decide?"

City Attorney Mosser stated, "I am not sure I entirely follow that question. In order to pass a valid ordinance, you have to have three readings in accordance with the Code. So, in order to comply with the Code and have a valid ordinance, you have to have three readings unless City Council

changes the Code. South Carolina law requires two readings, and the City of Orangeburg has three readings which gives the City of Orangeburg residents more input than some other jurisdictions.”

Ms. Pelzer asked, “If it requires three readings, would it make more sense for the vote to be taken at the third reading like Charleston County does after the first reading, and after the public hearing not at the first meeting before the public hearing is scheduled?”

Councilmember Hannah requested Council return to the agenda.

City Attorney Mosser stated, “To answer Ms. Pelzer’s question, if you vote no at the first reading, there is no need to have a second and third reading. You would have to have three affirmative readings. If any one of those readings is no, there is not a process by which that a no is converted to a yes”

A motion was made by Councilmember Keitt, seconded by Mayor Pro Tem Kalu to go into Executive Session concerning Economic Development of Project EA – Discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body S.C. Code 30-4-70(a)(5). The motion was unanimously approved.

A motion was made by Councilmember Keitt, seconded by Mayor Pro Tem Kalu to Return to Open Session. The motion was unanimously approved.

DPU Manager Harley addressed Council concerning a Resolution authorizing an Economic Development contribution to the County of Orangeburg in an amount not to exceed thirty thousand dollars (\$30,000). He stated, “As you recall, we created this fund to assist the County and City efforts in development economic opportunities with industries and downtown. This is a resolution authorizing a disbursement to the County of Orangeburg in an amount not to exceed thirty thousand dollars (\$30,000) from the Economic Development Revolving Fund.”

A motion was made by Mayor Pro Tem Kalu, seconded by Councilmember Stroman to approve the Resolution authorizing an Economic Development contribution to the County of Orangeburg in an amount not to exceed thirty thousand dollars (\$30,000). The motion was unanimously approved.

A motion was made by Councilmember Hannah, seconded by Councilmember Knotts to adjourn. The motion was unanimously approved.

Respectfully submitted,

*Linda McDaniel*

Linda McDaniel  
City Clerk



VOID

VOID

VOID





**RATIFYING AUTHORIZATION FOR THE CITY TO ENTER A LEASE-PURCHASE OR OTHER SIMILAR AGREEMENT; SELECTING A PROPOSAL; AND OTHER RELATED MATTERS.**

**BE IT RESOLVED** by the City Council, as the governing body of the City of Orangeburg, South Carolina, that the Mayor of the City Council ("Mayor") and the City Administrator ("Administrator"), each acting individually on behalf of and for the benefit of the City, is authorized to arrange for and execute a lease or other similar agreement, as appropriate, as provided below.

***Section 1. Findings***

(a) The City intends to acquire and finance various equipment, including Exhibit C and related equipment, in an amount not exceeding \$2,617,113.00 (collectively, "Equipment"), through means of borrowing money from a bank or other financial institution selected by the Mayor or the Administrator, each acting individually.

(b) It is in the best interest of the City to acquire the Equipment by entering into the Financing (defined below). The Financing will enable the City to acquire the Equipment, which is necessary for the City's proper functioning.

***Section 2. Approval of Acquisition/Financing; Delegation of Authority.*** The City may acquire and finance the Equipment according to a lease purchase financing, or other means of financing, in an amount not to exceed \$2,617,113.00, which includes costs of issuance, which is repayable through annual appropriations from any legally available source ("Financing"). The Administrator has endeavored to structure the Financing, so it does not impact the City's constitutional debt limit.

The City authorizes the Financing and either the Mayor or the Administrator, acting individually, may determine all items related to Financing, for example (if and when applicable), the method and timing, any applicable notices, the form of all documents, the method for calculating interest, the dated and delivery dates, any early termination provisions. Each document related to the Financing, shall be executed in the name of the City with the manual or facsimile signature of either the Mayor or Administrator attested by the manual or facsimile signature of the City Clerk, and authenticated by the registrar/paying agent.

***Section 3. Proposal Selection.*** The City received seven proposals to provide the Financing, all of which are attached to this Resolution as Exhibit A ("Proposals"). Of the Proposals, the City selects the proposal from Truist Bank, dated April 13, 2022, which is attached to this Resolution as Exhibit B, on the basis of various factors, including, the lowest cost of funds being offered (expressed as the true interest cost of the Financing), optional redemption provisions (if any), and other criteria the City deemed, in its sole discretion, to be relevant.

***Section 4. Tax Covenant.*** The City covenants that no use of the proceeds of the Financing shall be made which, if that use had been reasonably expected on the date of issue of the Financing, would have caused the Financing to be an "arbitrage bond," as defined in Section 148 of the Internal Revenue Code ("Code"). If, at the time of financing, the City does not reasonably anticipate issuing in excess of \$10,000,000 in tax exempt obligations in the current calendar year, the City is authorized to designate the Financing as a "bank qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code.

All property provided by the net proceeds of the Financing will be owned by the City in accordance with rules governing ownership of property for federal tax income purposes.

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

The City is not party to or nor will it enter into any contracts with and person for the use or management of any facility provided with the proceeds of the Financing that do not conform to the guidelines set forth in Revenue Procedure 2017-13.

**Section 5. Authorization to Execute.** The City Council authorizes the Mayor or the Administrator, each individually, and City Clerk to execute whatever documents and instruments as may be necessary to effect the issuance of the Financing.

**Section 6. General Repealer.** All orders, resolutions, and parts thereof in conflict herewith are to the extent of that conflict hereby repealed. This Resolution shall take effect and be in full force upon adoption by the Council.

ADOPTED BY the City Council on April 19, 2022.



Mayor

Michael C. Butler

Members of Council

James J. Haire  
Daniel D. Hodge  
James A. [unclear]  
Michael A. [unclear]  
L. J. [unclear]  
Michael A. Storm

Attest: Linda McDaniel  
City Clerk



EXHIBIT A  
PROPOSALS

**TRUIST**

**Truist Financial Corporation**

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Governmental Finance

2320 Cascade Point Blvd. Suite 600

Charlotte, North Carolina 28208

Phone (704) 954-1700

Fax (704) 954-1799

April 13, 2022

Mr. John Singh  
City of Orangeburg  
979 Middleton St.  
Orangeburg, SC 29115

Dear Mr. Singh:

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

**PROJECT:** 2022 Equipment Lease Purchase

**AMOUNT:** not to exceed \$2,617,113

**TERM:** 3 years (\$32,700)  
7 years (\$2,584,413)

**INTEREST RATE:** 2.29% (3 year term)  
2.91% (7 year term)

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

**PAYMENTS:** Interest: Annual  
Principal: Annual

**INTEREST RATE  
CALCULATION:** 30/360

**SECURITY:** Vehicles and Equipment

**PREPAYMENT  
TERMS:** Prepayable in whole at any time without penalty

**RATE  
EXPIRATION:** May 28, 2022

**DOCUMENTATION/  
LEGAL REVIEW  
FEE:** N/A

**FUNDING:** Proceeds will be deposited into an account held at Lender pending disbursement unless equipment is delivered prior to closing.

**DOCUMENTATION:** Lender proposes to use its standard form financing contracts and related documents for this installment financing. We shall provide a sample of those documents to you should Lender be the successful proposer.

The financing documents shall include provisions that will outline appropriate changes to be implemented in the event that this transaction is determined to be taxable or non-bank qualified in accordance with the Internal Revenue Service Code. All documentation must be deemed appropriate by Lender before closing.

**REPORTING**

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

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to Lender. If your board adopts this resolution, then Lender shall not require any further board action prior to closing the transaction.

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

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

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

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

Sincerely,

*Truist Bank*



Andrew G. Smith  
Senior Vice President

**Resolution Approving Financing Terms**

**WHEREAS:** The City of Orangeburg ("Borrower") has previously determined to undertake a project for the financing of vehicles and equipment (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The Borrower hereby determines to finance the Project through Truist Bank ("Lender") in accordance with the proposal dated April 13, 2022. The amount financed shall not exceed \$2,617,113.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.29 %, with a financing term not to exceed three (3) years from closing. The annual interest rate (in the absence of default or change in tax status) shall not exceed 2.91 %, with a financing term not to exceed seven (7) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the Borrower are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Borrower officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The Borrower shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Borrower hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The Borrower intends that the adoption of this resolution will be a declaration of the Borrower's official intent to reimburse expenditures for the Project that are to be financed from the proceeds of the Lender financing described above. The Borrower intends that funds that have been advanced, or that may be advanced, from the Borrower's general fund or any other Borrower fund related to the Project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of Borrower officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

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

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

Title: \_\_\_\_\_

Title: \_\_\_\_\_

SEAL

Orangeburg, SC - 2022 Equipment Lease Purchase (3yr. DRAFT)

Nominal Annual Rate: 2.290%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	05/06/2022	32,700.00	1		
2	Payment	09/01/2022	11,231.38	3	Annual	09/01/2024

TValue Amortization Schedule - Normal, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	05/06/2022				32,700.00
<b>2022 Totals</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
1	09/01/2022	11,231.38	245.45	10,985.93	21,714.07
<b>2023 Totals</b>		<b>11,231.38</b>	<b>245.45</b>	<b>10,985.93</b>	
2	09/01/2023	11,231.38	497.25	10,734.13	10,979.94
<b>2024 Totals</b>		<b>11,231.38</b>	<b>497.25</b>	<b>10,734.13</b>	
3	09/01/2024	11,231.38	251.44	10,979.94	0.00
<b>2025 Totals</b>		<b>11,231.38</b>	<b>251.44</b>	<b>10,979.94</b>	
<b>Grand Totals</b>		<b>33,694.14</b>	<b>994.14</b>	<b>32,700.00</b>	



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Orangeburg, SC - 2022 Equipment Lease Purchase (7yr. DRAFT)

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Nominal Annual Rate: 2.910%

**Cash Flow Data - Loans and Payments**

	Event	Date	Amount	Number	Period	End Date
1	Loan	05/06/2022	2,584,413.00	1		
2	Payment	09/01/2022	405,550.54	7	Annual	09/01/2028

**TValue Amortization Schedule - Normal, 360 Day Year**

	Date	Payment	Interest	Principal	Balance
Loan	05/06/2022				2,584,413.00
<b>2022 Totals</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
1	09/01/2022	405,550.54	24,650.99	380,899.55	2,203,513.45
<b>2023 Totals</b>		<b>405,550.54</b>	<b>24,650.99</b>	<b>380,899.55</b>	
2	09/01/2023	405,550.54	64,122.24	341,428.30	1,862,085.15
<b>2024 Totals</b>		<b>405,550.54</b>	<b>64,122.24</b>	<b>341,428.30</b>	
3	09/01/2024	405,550.54	54,186.68	351,363.86	1,510,721.29
<b>2025 Totals</b>		<b>405,550.54</b>	<b>54,186.68</b>	<b>351,363.86</b>	
4	09/01/2025	405,550.54	43,961.99	361,588.55	1,149,132.74
<b>2026 Totals</b>		<b>405,550.54</b>	<b>43,961.99</b>	<b>361,588.55</b>	
5	09/01/2026	405,550.54	33,439.76	372,110.78	777,021.96
<b>2027 Totals</b>		<b>405,550.54</b>	<b>33,439.76</b>	<b>372,110.78</b>	
6	09/01/2027	405,550.54	22,611.34	382,939.20	394,082.76
<b>2028 Totals</b>		<b>405,550.54</b>	<b>22,611.34</b>	<b>382,939.20</b>	
7	09/01/2028	405,550.54	11,467.78	394,082.76	0.00
<b>2029 Totals</b>		<b>405,550.54</b>	<b>11,467.78</b>	<b>394,082.76</b>	
<b>Grand Totals</b>		<b>2,838,853.78</b>	<b>254,440.78</b>	<b>2,584,413.00</b>	

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## PROPOSAL AND TERMS SHEET

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Master Lease Financing

By and Between

Signature Public Funding Corp.,

and

City of Orangeburg, South Carolina



**SIGNATURE**  
**PUBLIC FUNDING**

Signature Public Funding Corp.,  
a wholly-owned subsidiary of Signature Bank



***Signature Public Funding Corp.***  
Dennis McDermott, Executive Sales Officer  
600 Washington Avenue, Suite 305  
Towson, Maryland 21204  
(470) 597-9280  
[dmcdermott@signatureny.com](mailto:dmcdermott@signatureny.com)

The logo features the word "Signature" in a large, elegant, cursive script. A thin vertical line is positioned to the right of the word.

**SIGNATURE  
PUBLIC FUNDING**

April 13, 2022

John D. Singh  
Assistant City Manager  
City of Orangeburg, South Carolina

**RE: Master Lease Financing**

Dear Singh:

Signature Public Funding Corp. is pleased to present a proposal for financing of various equipment under a Master Lease Financing (Master Lease). The terms and conditions of our proposal are outlined in the attached Proposal & Terms Sheet.

If you have questions about the proposal, please contact me for clarification or follow-up.

Yours truly,

A handwritten signature in dark ink, appearing to read "D. McDermott", with a stylized flourish at the end.

Dennis M. McDermott  
Executive Sales Officer

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**PROPOSAL & TERMS SHEET**

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City of Orangeburg, South Carolina

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**LESSEE:** City of Orangeburg, South Carolina, ("Lessee"), which shall be political subdivision or body corporate and politic of the State of South Carolina and qualify as a political subdivision within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the "Code").

**LESSOR:** Signature Public Funding Corp., a wholly-owned subsidiary of Signature Bank ("Lessor"), or its Assignee.

**USE OF PROCEEDS:** The proceeds will be used to finance various equipment and vehicles.

**TYPE OF FINANCING:** Master Lease, subject to annual appropriation

**INTEREST RATE:** 3.126%

This Term Sheet assumes a closing no later than May 13, 2022. If funding does not take place by May 13, 2022, then the Interest Rate may be adjusted based changes in average life Swap Rate in effect on any of the three (3) days prior to the actual closing date. Once set, the Initial Interest Rate will remain fixed through the maturity date of the Master Lease.

**SECURITY:** A security interest in the equipment.

**TERM:** Three (3) and seven (7) year schedules

**REPAYMENT:** Principal amortization tables can be found attached hereto. Any changes to the final principal schedule will be determined in a manner that does not materially alter the weighted average life of the principal recovery as reflected in the principal schedules of the Request for Proposal.

If any amounts due and owing with respect to the Master Lease (including principal, interest, or other amounts) are not paid within thirty (30) days of the regularly scheduled due date, then such amounts will accrue and be subject to additional interest at the Taxable Interest Rate as defined below. The Taxable Interest Rate shall be calculated on a 30/360 basis, and charged for each day after the due date that such payment remains unpaid.

**TAX EXEMPT STATUS:**

The Master Lease will be a tax-exempt financing such that the interest component of payments will be excluded from the gross income calculations of the Lessor's federal and state taxes. The Lessee covenants and agrees to comply with all requirements of the Code and other rules, laws, regulations and promulgations necessary to keep the interest portion exempt from such income taxes. In the event that the interest income on the Master Lease is included in the Lessor's federal and state gross income tax calculations for any reason not related to an act or omission on the part of the Lessor, a per annum interest rate not to exceed 6.25% (the "Taxable Interest Rate") will be due on the outstanding principal of the Master Lease, together with any fees, fines or penalties, that results in the Lessor's interest income being deemed taxable by the IRS.

The Lessor has not provided, nor will it provide tax or accounting advice to the Lessee regarding this transaction or the treatment thereof for tax and accounting purposes. The Lessor is not a registered financial advisor, nor registered with IRMA, the MSRB or as broker-dealer in securities. The Lessee has obtained independent tax, financial advisory, securities and accounting advice as it deems necessary. An 8038-G will be provided with respect to the Master Lease issued in connection herewith.

**PREPAYMENT:**

The Lessee will have the option to prepay the Master Lease on any payment date at 101% of par.

**ESCROW FUNDING:**

LESSOR has assumed the Lease Proceeds will fund into an escrow at Signature Bank. There will be no fee for the escrow account; however, interest earnings will not be paid to Lessee for any period of time that any Lease Proceeds are held in such account.

**REIMBURSEMENT:**

If the Lessee intends to be reimbursed for any cost associated with the Equipment, the RFP or the Lease financing, intent for reimbursement from the Lease Proceeds must be evidenced and must qualify under the Treasury Regulation Section 1.150.2.

**LEGAL OPINION:**

The Lessee's counsel shall furnish Lessor with a validity and tax opinion covering, *inter alia*, the tax-exempt nature of this transaction, the ability of the Lessee to issue the Master Lease, and the approval of the documentation used in connection therewith. This opinion shall be in a form and substance satisfactory to Lessee and its counsel. Upon request by Lessee and agreement of the Lessor, the tax portion of the opinion

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may be waived for any schedule issued under the Master Lease.

**DOCUMENTATION:**

The documentation will be prepared by the Lessor and is subject to review, reasonable negotiation and approval by Lessee, Lessee's Counsel, Lessor and Lessor's counsel. The Lessee will be responsible for a \$0.00 fee to Lessor, which will be applied to Lessor's legal and other transaction costs.

Documentation shall include all standard representations, warranties, and covenants typically associated with a transaction of this nature, including any requirements of the Lessor's final credit approval.

**DUE DILIGENCE:**

The Lessee shall provide to Lessor three (3) years of current financial statements, budgets, demographics, and proof of appropriation for the current Fiscal Year and such other financial information relating to the ability of Lessor to continue the Lease as may be reasonably requested by SPFC. This proposal shall not be construed as a commitment to lend by Lessor and is subject to final credit approval by the Signature Public Funding Corp. and Signature Bank and approval of the definitive documentation for the transaction in Signature Public Funding Corp.'s sole discretion. To render a final credit decision, the Lessee shall provide Lessor with the information requested above. Any and all capitalized terms not specifically defined herein shall be given their meaning under the Master Lease documents.

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PROPOSAL & TERMS SHEET: PROPOSAL ACCEPTANCE  
City of Orangeburg, South Carolina

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**ACCEPTANCE BY Lessee:**

The Proposal & Terms Sheet submitted by Signature Public Funding Corp., has been reviewed, agreed to, and accepted by City of Orangeburg, South Carolina on \_\_\_\_\_, 2022.

AGREED AND ACCEPTED:

City of Orangeburg, South Carolina

By: \_\_\_\_\_  
Name:  
Title:





RFP for Equipment Lease-Purchase Financing  
City Orangeburg, SC

Assistant City Administrator,

Baystone Government Finance, a division of KS StateBank, has specialized in tax-exempt lease purchase financing for over three decades. Our personal attention to detail and 150+ years of combined experience has made us a leader in tax-exempt financing since our inception in 1988.

Chartered in 1969, KS StateBank is a full service community bank located in Manhattan, Kansas. KS StateBank has over \$2.2 billion in total assets including a portfolio of municipal obligations in excess of \$575 million. KS StateBank underwrites, documents, services, and funds over 1,500 municipal obligations originated by Baystone Government Finance each year.

Baystone Government Finance is an active member of the Association of Governmental Leasing and Finance (AGL&F) and have continuously attended and been involved with annual meetings and conferences.

I have attached for your review a formal proposal as well as amortization schedules per the request. If you need any additional information, please contact me at 800-752-3562 or via email at [dburr@ksstate.bank](mailto:dburr@ksstate.bank).

Thank you,

A handwritten signature in blue ink, appearing to read 'D. Burr'.

David Burr  
Assistant Vice President  
Baystone Government Finance  
2627 KFB Plaza, Suite 202E  
Manhattan, Kansas 66503  
Phone: 800.752.3562  
Fax: 785.537.4806





Baystone Government Finance

April 8, 2022

## FORMAL PROPOSAL

**OBLIGOR:** CITY OF ORANGEBURG, SC

- ✓ This is a finance/ownership contract. No residual value.
- ✓ Fixed interest rate for the three (3) year, and seven (7) year terms.

**EQUIPMENT:** RFP EQUIPMENT LEASE PURCHASE FINANCING

**OPTION 1**

Acquisition Cost:	\$ 32,700.00	Term:	Three (3) years	First Payment Due:	September 1, 2022
Down Payment:	\$ 0.00	Payment Mode:	Annual	Payment Amount:	\$11,350.01
Trade In:	\$ 0.00	Interest Rate:	3.110%		
Principal Balance:	\$ 32,700.00	Rate Factor:	0.347095		

**OPTION 2**

Acquisition Cost:	\$2,584,413.00	Term:	Seven (7) years	First Payment Due:	September 1, 2022
Down Payment:	\$ 0.00	Payment Mode:	Annual	Payment Amount:	\$411,145.42
Trade In:	\$ 0.00	Interest Rate:	3.350%		
Principal Balance:	\$2,584,413.00	Rate Factor:	0.159087		

- To lock in the Obligor's rate for the term of the obligation, Baystone Government Finance will establish a Vendor Payable Account (VPA) on behalf of the Obligor. This transaction must be credit approved, all documents properly executed and returned to Baystone Government Finance and the transaction funded on ALL proposals on or before May 7, 2022. If funding does not occur within that time-frame, or there is a change of circumstance which adversely affects the expectations, rights, or security of Obligor or its assignees, then Obligor or its assignees reserve the right to adjust and determine a new interest rate factor and payment amount, or withdraw this proposal in its entirety. The Obligor will control the draws from this VPA. This is a non-interest bearing account.
- Failure to consummate this transaction once credit approval is granted and the documents are drafted and delivered to Obligor will result in a documentation fee being assessed to the Obligor.
- This transaction must be designated as tax-exempt under Section 103 of the Internal Revenue Code of 1986 as amended.
- **OBLIGOR'S TOTAL AMOUNT OF TAX-EXEMPT DEBT TO BE ISSUED IN THIS CALENDAR YEAR WILL NOT EXCEED THE \$10,000,000 LIMIT, OR THE INTEREST RATE IS SUBJECT TO CHANGE.**

**BAYSTONE GOVERNMENT FINANCE**

**CITY OF ORANGEBURG, SC**

David Burr ~ dburr@ksstate.bank  
Assistant Vice President

Signature

Title

Date

1010 Westloop Place, Manhattan, KS 66502  
800.752.3562 ~ Fax: 785.537.4806

## City of Orangeburg (3 year) SAMPLE

Compounding Period: Annual

Nominal Annual Rate: 3.110%

**Cash Flow Data - Loans and Payments**

Event	Date	Amount	Number	Period	End Date
1 Loan	05/06/2022	32,700.00	1		
2 Payment	09/01/2022	11,350.01	3	Annual	09/01/2024

**TValue Amortization Schedule - Normal, 360 Day Year**

	Date	Payment	Interest	Principal	Balance
Loan	05/06/2022				32,700.00
1	09/01/2022	11,350.01	333.34	11,016.67	21,683.33
2	09/01/2023	11,350.01	674.35	10,675.66	11,007.67
3	09/01/2024	11,350.01	342.34	11,007.67	0.00
<b>Grand Totals</b>		<b>34,050.03</b>	<b>1,350.03</b>	<b>32,700.00</b>	

## City of Orangeburg (7 year) SAMPLE

Compounding Period: Annual

Nominal Annual Rate: 3.350%

**Cash Flow Data - Loans and Payments**

Event	Date	Amount	Number	Period	End Date
1 Loan	05/06/2022	2,584,413.00	1		
2 Payment	09/01/2022	411,145.42	7	Annual	09/01/2028

**TValue Amortization Schedule - Normal, 360 Day Year**

	Date	Payment	Interest	Principal	Balance
Loan	05/06/2022				2,584,413.00
1	09/01/2022	411,145.42	28,378.29	382,767.13	2,201,645.87
2	09/01/2023	411,145.42	73,755.14	337,390.28	1,864,255.59
3	09/01/2024	411,145.42	62,452.56	348,692.86	1,515,562.73
4	09/01/2025	411,145.42	50,771.35	360,374.07	1,155,188.66
5	09/01/2026	411,145.42	38,698.82	372,446.60	782,742.06
6	09/01/2027	411,145.42	26,221.86	384,923.56	397,818.50
7	09/01/2028	411,145.42	13,326.92	397,818.50	0.00
<b>Grand Totals</b>		<b>2,878,017.94</b>	<b>293,604.94</b>	<b>2,584,413.00</b>	



April 13, 2022

Mr. John D Singh, Assistant City Administrator  
City of Orangeburg  
973 Middleton St  
Post Office Box Drawer 387  
Orangeburg SC 29116

RE: Proposal for \$2,617,113.00 tax-exempt equipment lease purchase

Dear Mr. Singh,

South State Bank, NA (hereinafter, "Bank") is pleased to commit to financing \$2,617,113.00, a tax-exempt equipment lease purchase for the City of Orangeburg (hereinafter, "Borrower"), as described in the Request for Proposals dated March 25, 2022 which is by reference hereby made part of this bid, according to the following rates and terms:

**Borrower:** City of Orangeburg, South Carolina

**Rate:** A bank qualified, tax exempt rate equaling 2.75 %. Rate shall be fixed for duration of the term.

**Terms:** Closing is anticipated to take place on, before, or about May 6, 2022.

**Prepayment:** Anytime, in whole or in part, at par.

**Fees:** None will be paid to or on behalf of the Bank. This includes the initial closing of the Bond and on an annual basis. All costs relating to the preparation of the Bond and fees of bond counsel will be paid by the City.

**Security:** A perfected UCC/Lien upon the related equipment as further described in the RFP or invoice(s) to be provided.

**Acquisition/Escrow Account:**

Funds will be deposited into an interest bearing account at South State Bank.

**Requirements:** Closing documents prepared by City of Orangeburg's bond counsel satisfactory in form and content to Bank. The legal opinion of bond counsel satisfactory to Bank that the Bond: constitutes a valid and binding obligation of Borrower; will be "Qualified Tax-Exempt Obligation" within the meaning of Section 265 (b)(3)(B) of the Internal Revenue



Code of 1986, as amended; and will be exempt from all Federal, State, County, and Municipal taxes.

We acknowledge that the City may reject any and all proposals as well as negotiate with the lowest responsible proposer. We acknowledge that we may not alter, modify, or withdraw our bid after we have submitted it to the City.

Sincerely,



Wanda Odom  
Vice President  
South State Bank  
1255 St. Matthews Road  
Orangeburg, SC 29115

Accepted this \_\_\_\_ day of April, 2022

Orangeburg County

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

Its: \_\_\_\_\_



April 13, 2022

To: John D. Singh, Assistant City Administrator  
CC: Michael Kozlarek, Bond Counsel, King Kozlarek Law LLC

Re: Proposal for 2022 Equipment Lease Purchase, City of Orangeburg, South Carolina

Following is our offer for the financing requested in the amount of \$2,617,113 (prepayable in whole at par):

Interest Rate	Final Maturity	Proposed Payment Structure
3.15% BQ	September 1, 2029	See Attached Exhibit

This transaction can be closed using draft documents provided by First-Citizens Bank & Trust Company or Bond Counsel. There will be no closing costs or ongoing fees due to the Bank. In addition to executed transaction documents in form satisfactory to the Bank, you must provide an opinion of your attorney addressing certain matters, including, but not limited to:

1. The Lease Purchase is valid, legal, binding, and enforceable;
2. The tax status of the interest component of payments due under the financing. The attorney's opinion must state that the borrowing is designated as a "qualified tax-exempt obligation" under Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

The borrowing entity must also designate the obligation as a "qualified tax-exempt obligation" prior to closing. As the amount borrowed hereunder exceeds \$1,000,000, your attorney will be required to provide you with such tax certifications as required by the Internal Revenue Code of 1986, as amended. It is recommended that this designation be included or recited in the borrowing ordinance/resolution. You or your advisors will be responsible for preparing and filing any IRS required documents.

The rate contained in this proposal is subject to change unless the loan is closed within 45 days of the date hereof. If you have any questions, please contact Courtney Dunlap at 803-931-1721 or me at 803-931-1723.

Thank you for the opportunity to submit this proposal.

**First-Citizens Bank & Trust Company**

By: Steve Groth  
Director of Government Lending

The foregoing proposal is  
accepted and approval of  
rate and funding is requested:

City of Orangeburg, South Carolina

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## City of Orangeburg 2022 Lease Purchase

Computation Interval: Annual

Nominal Annual Rate: 3.150%

## Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	05/06/2022	2,617,113.00	1		
2	Payment	09/01/2022	367,389.77	7	Annual	09/01/2028
3	Payment	09/01/2029	367,389.80	1		

## TValue Amortization Schedule - U.S. Rule, 30E3/360

	Date	Payment	Interest	Principal	Balance
Loan	05/06/2022				2,617,113.00
1	09/01/2022	367,389.77	26,334.70	341,055.07	2,276,057.93
<b>2022 Totals</b>		<b>367,389.77</b>	<b>26,334.70</b>	<b>341,055.07</b>	
2	09/01/2023	367,389.77	71,695.82	295,693.95	1,980,363.98
<b>2023 Totals</b>		<b>367,389.77</b>	<b>71,695.82</b>	<b>295,693.95</b>	
3	09/01/2024	367,389.77	62,381.47	305,008.30	1,675,355.68
<b>2024 Totals</b>		<b>367,389.77</b>	<b>62,381.47</b>	<b>305,008.30</b>	
4	09/01/2025	367,389.77	52,773.70	314,616.07	1,360,739.61
<b>2025 Totals</b>		<b>367,389.77</b>	<b>52,773.70</b>	<b>314,616.07</b>	
5	09/01/2026	367,389.77	42,863.30	324,526.47	1,036,213.14
<b>2026 Totals</b>		<b>367,389.77</b>	<b>42,863.30</b>	<b>324,526.47</b>	
6	09/01/2027	367,389.77	32,640.71	334,749.06	701,464.08
<b>2027 Totals</b>		<b>367,389.77</b>	<b>32,640.71</b>	<b>334,749.06</b>	
7	09/01/2028	367,389.77	22,096.12	345,293.65	356,170.43
<b>2028 Totals</b>		<b>367,389.77</b>	<b>22,096.12</b>	<b>345,293.65</b>	
8	09/01/2029	367,389.80	11,219.37	356,170.43	0.00
<b>2029 Totals</b>		<b>367,389.80</b>	<b>11,219.37</b>	<b>356,170.43</b>	
<b>Grand Totals</b>		<b>2,939,118.19</b>	<b>322,005.19</b>	<b>2,617,113.00</b>	

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
<b>3.150%</b>	<b>\$322,005.19</b>	<b>\$2,617,113.00</b>	<b>\$2,939,118.19</b>



## **BankFunding, LLC**

*a subsidiary of a MBE/SWAM-certified firm*

Stanley G. Oldroyd  
Managing Director  
**BankFunding, LLC**  
14024 Clopper Road  
Boyds, MD 20841  
Phone 301-518-4360  
Email [sol\\_droyd@comcast.net](mailto:sol_droyd@comcast.net)

April 13, 2022

Mr. John D. Singh  
Assistant City Administrator  
City of Orangeburg  
979 Middleton Street  
Orangeburg, SC 29116

via E-mail: [john.singh@orangeburg.sc.us](mailto:john.singh@orangeburg.sc.us)

Re: RFP – Lease-Purchase Financing

Dear Mr. Singh:

BankFunding, LLC is pleased to propose the following terms to provide tax-exempt lease-purchase financing of the new vehicles and equipment for the City, in accordance with your Request For Proposals.

BankFunding, LLC is not a registered Municipal Advisor with the SEC or MSRB, and is not acting as a municipal or financial advisor. The information provided in this document is not intended to be and should not be construed as “advice” within the meaning of Section 15B of the Securities Exchange Act of 1934 and the municipal advisor rules of the SEC.

- Lessee:** **City Council of the City of Orangeburg, SC.**  
Lessee is a state or political subdivision within the meaning of Section 103(e) of the Internal Revenue Code of 1986, as amended (the “Code”).
- Lessor:** **BankFunding, LLC**, Boyds, MD, on behalf of its Assignee/Designee.
- Type of Financing:** Schedules under a tax-exempt Lease/Purchase Agreement (the “Agreement”). Said Agreement shall be a net lease arrangement whereby Lessee is responsible for all costs of operation, maintenance, insurance and taxes. Payments due under the Agreement shall be based on the annual appropriation of funds during each year of the lease.
- Date of Funding:** assumed to be on or around May 6, 2022.

**Equipment Type:** various new vehicles and equipment, as outlined in the RFP, subject to review and acceptance by the Lessor.

**Amount Financed:** assumed to be \$2,617,113. in the aggregate.

**Schedule 1 – 3 years**

**Amount Financed:** assumed to be \$32,700.

**Lease Term / Rate:** 3 years / 2.95%, or as adjusted with movements in Treasury rates (see Proposal Expiration below).

**Payments:** Three (3) payments of \$11,549.33, payable annually in arrears, (plus an interest payment of \$313.51 due September 1, 2022), approximately as shown on the attached amortization schedule.

**Schedule 2 – 7 years**

**Amount Financed:** assumed to be \$2,584,415.

**Lease Term / Rate:** 7 years / 3.04%, or as adjusted with movements in Treasury rates (see Proposal Expiration below).

**Payments:** Seven (7) payments of \$415,440.59, payable annually in arrears, (plus an interest payment of \$25,534.02 due September 1, 2022), approximately as shown on the attached amortization schedule.

**Pre-Payment:** Lessee will have the option to pre-pay the remaining lease balance on any payment due date after the first anniversary for 101% of the remaining balance.

**Escrow Funding:** Subject to the terms of acceptance of this proposal, Lessor is willing to fund the final Amount Financed for this transaction into an escrow account as a means of holding the Lease Rate. In the event an escrow account is utilized, the escrow account will be used to pay equipment vendors, contractors, and any escrow expenses. Lessor will review and approve disbursement requests prior to disbursement of funds by the Escrow Agent.

**Reimbursement:** If Lessee intends to be reimbursed for any equipment costs associated with this Agreement, intent for reimbursement from the proceeds of this Agreement must be evidenced, and must qualify under Treasury Regulation Section 1.150.2.



**Authorized Signors:** Lessee's governing board shall provide Lessor with its resolution or ordinance authorizing this Agreement and shall designate the Individual(s) to execute all necessary documents used therein.

**Legal Title:** Title to the equipment will be in the name of the Lessee. Lessor will be granted a security interest or lien on all collateral being financed.

**Insurance:** Lessee shall furnish confirmation of all-risk physical damage insurance coverage for the full cost of the property plus one million dollars (\$1,000,000) combined single limit property damage and bodily injury insurance covering the property. In the event the Lessee maintains self-insurance, or alternative coverage, Lessor must approve the final insurance arrangements.

**Documentation:** Documentation will be industry-standard and will be furnished by Lessor subject to negotiation between the parties.

**Legal Opinion:** Lessee's counsel shall furnish Lessor with an opinion covering this transaction and the documents used herein. This opinion shall be in a form and substance satisfactory to Lessor.

**Proposal Expiration:** In order to hold the interest rate through the date of funding into escrow, Lessee must notify Lessor that the Lessor is the apparent winner of the bid by April 20, 2022. If notification occurs by this date the Lessor will honor the quoted Lease Rate for a closing on or before May 13, 2022.

However, if notice is not received by April 20, 2022, or if funding does not take place by May 13, 2022, the Lease Rate and Lease Payment Amounts may be adjusted up or down in accordance with 79% of any change in the 3-year swap rate (2.79% average for the week ended 4/8/2022).

**Financial Statements:** Lessee shall provide to Lessor updated financial statements as needed so that the Lessor has at least the last three consecutive years of financial information, as well as a current budget, demographics, and proof of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be reasonably requested by Lessor.

This proposal is subject to final credit approval by the Credit/Investment Committee of the Lessor, and to mutually-acceptable documentation. To render a credit decision, Lessee shall provide Lessor with the information requested above.

Mr. John D. Singh  
April 13, 2022  
Page 4

Upon receipt of the signed proposal, we will endeavor to provide you with a timely commitment. It is a pleasure to offer this proposal to the City. We look forward to your favorable acknowledgment.

Sincerely,  
BankFunding, LLC



Stanley G. Oldroyd  
Managing Director

The proposed financing terms as outlined above are hereby agreed to and accepted by:

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

Lessor: BankFunding, LLC  
Lessee: City of Orangeburg, SC

*Schedule 1*

	payment	2.95% interest	principal	balance	pre-payment
5/4/2022				\$ 32,700.00	N/A
9/1/2022	\$ 313.51	313.51	0.00	32,700.00	N/A
9/1/2023	11,549.33	964.65	10,584.68	22,115.32	22,336.47
9/1/2024	11,549.33	652.40	10,896.93	11,218.39	11,330.58
9/1/2025	11,549.33	330.94	11,218.39	0.00	0.00
	\$ 34,961.50	\$ 2,261.50	\$ 32,700.00		



Lessor: BankFunding, LLC  
Lessee: City of Orangeburg, SC

*Schedule 2*

	payment	3.04% interest	principal	balance	pre-payment
5/4/2022				\$ 2,584,415.00	N/A
9/1/2022	\$ 25,534.02	25,534.02	0.00	2,584,415.00	N/A
9/1/2023	415,440.59	78,566.22	336,874.37	2,247,540.63	2,270,016.03
9/1/2024	415,440.59	68,325.24	347,115.35	1,900,425.27	1,919,429.52
9/1/2025	415,440.59	57,772.93	357,667.66	1,542,757.61	1,558,185.19
9/1/2026	415,440.59	46,899.83	368,540.76	1,174,216.85	1,185,959.02
9/1/2027	415,440.59	35,696.19	379,744.40	794,472.45	802,417.18
9/1/2028	415,440.59	24,151.96	391,288.63	403,183.83	407,215.66
9/1/2029	415,440.59	12,256.76	403,183.83	(0.00)	(0.00)
	\$ 2,933,618.15	\$ 349,203.15	\$ 2,584,415.00		

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BankFunding, LLC was organized in 2016 to provide tax-exempt lease financing of essential-use vehicles and equipment for Municipalities and K-12 school districts.

The Managing Director of BankFunding, LLC has been in the equipment-financing business for over 20 years and has originated hundreds of millions of dollars of equipment-based financing transactions.

References for BankFunding, LLC would include the following.

Marie Ash, Procurement  
Wicomico County BOE  
Salisbury, MD  
410-677-4503  
[mash@wcboe.org](mailto:mash@wcboe.org)

Richard Grove, Finance Director  
Lower Allen Township  
Camp Hill, PA  
717-975-7575 x1202  
[rgrove@latwp.org](mailto:rgrove@latwp.org)

Veronica Wolf, Business Administrator  
Manalapan-Englishtown Regional School District  
Englishtown, NJ  
732-786-2500  
[vwolf@mersnj.us](mailto:vwolf@mersnj.us)

Cathy Wuertz, Deputy Comptroller  
Town of Babylon  
Lindenhurst, NY  
631-957-3044  
[cwuertz@townofbabylon.com](mailto:cwuertz@townofbabylon.com)

Katherine Bigelow, Finance Director  
County of Vance  
Henderson, NC  
252-738-2006  
[kbigelow@vancecounty.org](mailto:kbigelow@vancecounty.org)

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## **BANK OF AMERICA**

No Bid

EXHIBIT B  
SELECTED PROPOSAL

**TRUIST**

**Truist Financial Corporation**

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Governmental Finance

2320 Cascade Point Blvd. Suite 600

Charlotte, North Carolina 28208

Phone (704) 954-1700

Fax (704) 954-1799

April 13, 2022

Mr. John Singh  
City of Orangeburg  
979 Middleton St.  
Orangeburg, SC 29115

Dear Mr. Singh:

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

**PROJECT:** 2022 Equipment Lease Purchase

**AMOUNT:** not to exceed \$2,617,113

**TERM:** 3 years (\$32,700)  
7 years (\$2,584,413)

**INTEREST RATE:** 2.29% (3 year term)  
2.91% (7 year term)

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

**PAYMENTS:** Interest: Annual  
Principal: Annual

**INTEREST RATE  
CALCULATION:** 30/360

**SECURITY:** Vehicles and Equipment

**PREPAYMENT  
TERMS:** Prepayable in whole at any time without penalty

**RATE  
EXPIRATION:** May 28, 2022

**DOCUMENTATION/  
LEGAL REVIEW  
FEE:** N/A

**FUNDING:** Proceeds will be deposited into an account held at Lender pending disbursement unless equipment is delivered prior to closing.

**DOCUMENTATION:** Lender proposes to use its standard form financing contracts and related documents for this installment financing. We shall provide a sample of those documents to you should Lender be the successful proposer.

The financing documents shall include provisions that will outline appropriate changes to be implemented in the event that this transaction is determined to be taxable or non-bank qualified in accordance with the Internal Revenue Service Code. All documentation must be deemed appropriate by Lender before closing.

**REPORTING**

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

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to Lender. If your board adopts this resolution, then Lender shall not require any further board action prior to closing the transaction.

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

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

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

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

Sincerely,

*Truist Bank*



Andrew G. Smith  
Senior Vice President



**Resolution Approving Financing Terms**

**WHEREAS:** The City of Orangeburg ("Borrower") has previously determined to undertake a project for the financing of vehicles and equipment (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The Borrower hereby determines to finance the Project through Truist Bank ("Lender") in accordance with the proposal dated April 13, 2022. The amount financed shall not exceed \$2,617,113.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.29 %, with a financing term not to exceed three (3) years from closing. The annual interest rate (in the absence of default or change in tax status) shall not exceed 2.91 %, with a financing term not to exceed seven (7) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the Borrower are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Borrower officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The Borrower shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Borrower hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The Borrower intends that the adoption of this resolution will be a declaration of the Borrower's official intent to reimburse expenditures for the Project that are to be financed from the proceeds of the Lender financing described above. The Borrower intends that funds that have been advanced, or that may be advanced, from the Borrower's general fund or any other Borrower fund related to the Project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of Borrower officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

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

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

Title: \_\_\_\_\_

Title: \_\_\_\_\_

SEAL

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Orangeburg, SC - 2022 Equipment Lease Purchase (3yr. DRAFT)

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Nominal Annual Rate: 2.290%

**Cash Flow Data - Loans and Payments**

	Event	Date	Amount	Number	Period	End Date
1	Loan	05/06/2022	32,700.00	1		
2	Payment	09/01/2022	11,231.38	3	Annual	09/01/2024

**TValue Amortization Schedule - Normal, 360 Day Year**

	Date	Payment	Interest	Principal	Balance
Loan	05/06/2022				32,700.00
<b>2022 Totals</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
1	09/01/2022	11,231.38	245.45	10,985.93	21,714.07
<b>2023 Totals</b>		<b>11,231.38</b>	<b>245.45</b>	<b>10,985.93</b>	
2	09/01/2023	11,231.38	497.25	10,734.13	10,979.94
<b>2024 Totals</b>		<b>11,231.38</b>	<b>497.25</b>	<b>10,734.13</b>	
3	09/01/2024	11,231.38	251.44	10,979.94	0.00
<b>2025 Totals</b>		<b>11,231.38</b>	<b>251.44</b>	<b>10,979.94</b>	
<b>Grand Totals</b>		<b>33,694.14</b>	<b>994.14</b>	<b>32,700.00</b>	

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Orangeburg, SC - 2022 Equipment Lease Purchase (7yr. DRAFT)

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Nominal Annual Rate: 2.910%

**Cash Flow Data - Loans and Payments**

	Event	Date	Amount	Number	Period	End Date
1	Loan	05/06/2022	2,584,413.00	1		
2	Payment	09/01/2022	405,550.54	7	Annual	09/01/2028

**TValue Amortization Schedule - Normal, 360 Day Year**

	Date	Payment	Interest	Principal	Balance
Loan	05/06/2022				2,584,413.00
<b>2022 Totals</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
1	09/01/2022	405,550.54	24,650.99	380,899.55	2,203,513.45
<b>2023 Totals</b>		<b>405,550.54</b>	<b>24,650.99</b>	<b>380,899.55</b>	
2	09/01/2023	405,550.54	64,122.24	341,428.30	1,862,085.15
<b>2024 Totals</b>		<b>405,550.54</b>	<b>64,122.24</b>	<b>341,428.30</b>	
3	09/01/2024	405,550.54	54,186.68	351,363.86	1,510,721.29
<b>2025 Totals</b>		<b>405,550.54</b>	<b>54,186.68</b>	<b>351,363.86</b>	
4	09/01/2025	405,550.54	43,961.99	361,588.55	1,149,132.74
<b>2026 Totals</b>		<b>405,550.54</b>	<b>43,961.99</b>	<b>361,588.55</b>	
5	09/01/2026	405,550.54	33,439.76	372,110.78	777,021.96
<b>2027 Totals</b>		<b>405,550.54</b>	<b>33,439.76</b>	<b>372,110.78</b>	
6	09/01/2027	405,550.54	22,611.34	382,939.20	394,082.76
<b>2028 Totals</b>		<b>405,550.54</b>	<b>22,611.34</b>	<b>382,939.20</b>	
7	09/01/2028	405,550.54	11,467.78	394,082.76	0.00
<b>2029 Totals</b>		<b>405,550.54</b>	<b>11,467.78</b>	<b>394,082.76</b>	
<b>Grand Totals</b>		<b>2,838,853.78</b>	<b>254,440.78</b>	<b>2,584,413.00</b>	

Orangeburg, South Carolina

quote.....7 years

average life.....3.287 years

average rate.....3.12600000%

date	starting balance	takedowns	debt service	interest	principal	ending balance
5/6/2022	-	2,584,413.00	-	-	-	2,584,413.00
8/1/2022	2,584,413.00	-	407,135.92	19,075.12	388,060.80	2,196,352.20
8/1/2023	2,196,352.20	-	407,135.92	68,657.97	338,477.95	1,857,874.25
8/1/2024	1,857,874.25	-	407,135.92	58,077.15	349,058.77	1,508,815.47
8/1/2025	1,508,815.47	-	407,135.92	47,165.57	359,970.35	1,148,845.12
8/1/2026	1,148,845.12	-	407,135.92	35,912.90	371,223.02	777,622.10
8/1/2027	777,622.10	-	407,135.92	24,308.47	382,827.46	394,794.64
8/1/2028	394,794.64	-	407,135.92	12,341.28	394,794.64	0.00
total		2,584,413.00	2,849,951.46	265,538.46	2,584,413.00	

- SIGNATURE CONFIDENTIAL -

Content is not to be distributed or shared outside of participating parties.



Orangeburg, South Carolina

quote.....3 years

average life.....1.233 years

average rate.....3.12600000%

date	starting balance	takedowns	debt service	interest	principal	ending balance
5/6/2022	-	32,700.00	-	-	-	32,700.00
8/1/2022	32,700.00	-	11,320.12	241.35	11,078.77	21,621.23
8/1/2023	21,621.23	-	11,320.12	675.88	10,644.24	10,976.98
8/1/2024	10,976.98	-	11,320.12	343.14	10,976.98	-
total		32,700.00	33,960.37	1,260.37	32,700.00	

- SIGNATURE CONFIDENTIAL -

Content is not to be distributed or shared outside of participating parties.

EXHIBIT C  
EQUIPMENT LIST

2022 LEASE PURCHASE



<u>Lease</u>	<u>Dept/Division</u>	<u>Purchase</u>
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Three Year Equipment

Kubota Mower and Trailer	90/10	\$20,000
Shop Compressor	40/30	5,700
Fork Attach/Front End Load	90/10	7,000
TOTAL		<u>\$32,700</u>

Seven Year Equipment

Commercial Garbage Truck	40/65	\$285,000
2021 Pierce Impel Pumper	60/25	599,653
2021 Pierce Velocity Aerial	60/25	1,699,760
TOTAL		<u>\$2,584,413</u>



**A RESOLUTION AUTHORIZING AN ECONOMIC DEVELOPMENT  
CONTRIBUTION TO THE COUNTY OF ORANGEBURG IN AN AMOUNT  
NOT TO EXCEED THIRTY THOUSAND AND 00/100 (\$30,000.00) DOLLARS**

**WHEREAS**, the County of Orangeburg in partnership with the City of Orangeburg is in the process of developing property located in the service area of the City's Department of Public Utilities and being identified as the Orangeburg Power Site; and

**WHEREAS**, the County of Orangeburg has requested the City of Orangeburg to assist it in said development by a monetary contribution for the purpose of recruitment of industrial development; and

**WHEREAS**, the Department of Public Utilities has funds in its Economic Development Revolving Fund set aside for said purpose; and

**WHEREAS**, industrial development is a "public purpose" and the City of Orangeburg has the authority to expend public funds for said purpose; and

**WHEREAS**, the City Council of the City of Orangeburg finds that the development of said industrial park within the service area of its Department of Public Utilities serves a public purpose.

**NOW THEREFORE, BE IT RESOLVED** by the City Council duly assembled that Warren T. Harley, Manager of the Department of Public Utilities is hereby authorized to make a contribution not to exceed Thirty Thousand and 00/100 (\$30,000.00) Dollars from the Economic Development Revolving Fund of the Department of Public Utilities to the County of Orangeburg for the purpose of industrial development; specifically, for temporary roadway construction serving the property being developed by the County of Orangeburg as well as additional expenditures related to the recruitment of an industrial prospect identified as Project EA.

ADOPTED BY the City Council on April 19, 2022.



Michael C. Butch  
Mayor

James Haine  
Sandra P. Brown  
James H. H. H.  
James H. H. H.  
L. Zimmerman  
Richard Y. Thomas  
Members of Council

Attest:

Linda McDaniel

City Clerk





**A Resolution Recognizing April 19<sup>th</sup> As Lineworkers Appreciation Day**

WHEREAS, America is powered by thousands of independently owned and operated electric generating facilities known as power plants that generate electric energy; and

WHEREAS, those power plants are connected to a complex energy system called the electric grid that is comprised of over 5 million line miles of transmission and distribution lines that deliver energy to homes, businesses, churches, hospitals and schools across the country; and

WHEREAS, the electric grid must be maintained in operation 24 hours a day, 7 days a week, and 365 days a year in rain, cold, hurricanes and tornadoes and must be capable of withstanding any hazards that occur; and

WHEREAS, this system of electric lines is kept in a high state of readiness by 114,000 dedicated and skilled men and women known as electric lineworkers that work for all the independently owned and operated utilities across America; and

WHEREAS, electric lineworkers are a cohesive group that must work as highly effective teams in very hazardous situations under very rigorous conditions that respond to disaster areas to restore power to victims' homes and has been ranked as one of the 10 most dangerous jobs in which 30 – 60 people lose their lives annually; and

WHEREAS, the lineworkers from the Department of Public Utilities are particularly dedicated and hard working men and women who risk their lives daily working in extremely dangerous situations to ensure that reliable electric energy is delivered to the Department of Public Utilities' homes and businesses.

WHEREAS, it is most fitting and proper that the City of Orangeburg set aside a special day to recognize and honor those dedicated professionals.

NOW, THEREFORE, the City Council of the City of Orangeburg, and on behalf of Orangeburg's grateful citizens, do hereby proclaim April 19<sup>th</sup> as Lineworkers Appreciation Day in the City of Orangeburg and call upon the people of Orangeburg to be particularly mindful of the dangerous work done under exacting conditions day in and day out by these dedicated workers and show their appreciation at every opportunity by recognizing lineworkers throughout Orangeburg.

ADOPTED BY the City Council on April 19, 2022.



Michael C. Butler  
Mayor

James Haire  
Daniel P. Kuylenstierna  
James R. Kuylenstierna  
Kaliper  
Le Zimmerman Keitt  
Richard T. Hum  
Members of Council

Attest: Linda McDaniel  
City Clerk