

ORDINANCE NO. 14-20

TO AUTHORIZE THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT IN ORDER TO PROVIDE FOR THE ACQUISITION OF CERTAIN DISPATCH AND COMMUNICATIONS EQUIPMENT; TO AUTHORIZE THE EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS IN CONNECTION THEREWITH; AND OTHER MATTERS RELATING THERETO.

WHEREAS, Dorchester County, South Carolina, a public body corporate and politic and a political subdivision organized and existing under the laws of the State of South Carolina (the "County"), proposes to finance the acquisition of certain dispatch and communications equipment including, but not limited to, consoles, consolettes, recording systems and portable radios for the Sheriff's, Emergency Management and Codes Enforcement Departments, all as shown on Exhibit A hereto (collectively, the "Equipment") in the principal amount of not exceeding \$1,100,000; and

WHEREAS, Section 4-9-30 of the Code of Laws of South Carolina 1976, as amended, grants to counties the power to lease personal property; and

WHEREAS, the acquisition of the Equipment serves a valid corporate and public purpose of the County; and

WHEREAS, the County did, on November 19, 2014, receive proposals for the financing of the Equipment; and

WHEREAS, after canvassing the bids, the County Council of Dorchester County (the "Council"), the governing body of the County, has determined, and hereby determines, that it is in the County's best interest to accept the proposal of Branch Banking and Trust Company (the "Bank") as shown on Exhibit B hereto and, specifically, to accept the Bank's offer to finance the acquisition of the Equipment for a term of five and a half years with interest payable at the fixed rate of one and 53/100 per centum (1.53%) per annum; and

WHEREAS, the County intends to lease the Equipment from the Bank pursuant to the terms of a Lease Agreement (the "Lease"), between the Bank and the County; and

WHEREAS, under the terms of the Lease, the County shall convey a security interest in the Equipment acquired under the Lease to the Bank.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF DORCHESTER COUNTY, the governing body of Dorchester County, South Carolina, in meeting duly assembled:

1. It is hereby declared that the recitals set forth in the preambles to this Ordinance are in all respects true and correct.

2. The Council hereby authorizes, ratifies, confirms and approves all actions heretofore taken in canvassing the bids with respect to this transaction.

3. The proposal of the Bank dated November 19, 2014 and attached hereto as Exhibit B is hereby approved and accepted, and Council specifically accepts the Bank's offer to finance the acquisition of the Equipment for a term of five and a half years with interest payable at the rate of one and 53/100 per centum (1.53%) per annum.

4. The lease of the Equipment by the County from the Bank pursuant to the terms, including the principal amount and the interest rate, as follows is hereby approved. The Lease shall be in the principal amount of not exceeding \$1,100,000, and shall bear interest at the rate of 1.53% per annum from the date of the execution and delivery of the Lease. Principal payments shall be due on April 1 in the years 2016 through 2020, inclusive, and interest shall be payable semiannually on April 1 and October 1, commencing October 1, 2015, until the final maturity or prepayment of the Lease.

5. The Chairman of Council (the "Chairman") is hereby authorized and directed to execute and deliver the Lease on behalf of the County in such form as he approves, with the advice of counsel, his execution being conclusive evidence of his approval; and the Clerk to Council is hereby authorized and directed to affix the corporate seal of the County to the Lease and to attest the same.

6. The conveyance by the County to the Bank or its assigns of a security interest in the Equipment acquired pursuant to the Lease is hereby approved.

7. The consummation of all transactions contemplated by the Lease is hereby approved.

8. The Council makes the following findings with respect to the Lease:

(a) The Lease is not a private activity bond as defined in Section 141 of the Internal Revenue Code of 1986, as amended (the "Code").

(b) The County does not reasonably anticipate the amount of "qualified tax-exempt obligations" (other than private activity bonds which are not qualified 501(c)(3) bonds as defined in Section 145 of the Code) which will be issued by the County and all subordinate entities of the County during the calendar year ending December 31, 2014 to exceed \$10,000,000.

(c) No other obligations of the County have been designated as "Qualified Tax-Exempt Obligations" by the County during the calendar year ending December 31, 2014.

(d) For purposes of this paragraph 8, the County and all subordinate entities thereof are treated as a single issuer.

On the basis of the foregoing, the Council hereby designates the Lease as a "Qualified Tax-Exempt Obligation" within the meaning of Section 265(b)(3)(B)(i) of the Code.

9. The Chairman, the County Administrator, the Chief Financial Officer, the Clerk to Council and all other appropriate officials of the County are hereby authorized to execute, deliver, and receive any other agreements and documents as may be required by the County or the Bank in order to carry out, give effect to, and consummate the transactions contemplated by the Lease, including the conveyance by the County to the Bank or its assigns of a security interest in the Equipment.

10. This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina.

11. This Ordinance shall become effective immediately upon third reading by the Council.

12. The provisions of this Ordinance are hereby declared to be severable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, that declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

13. All orders, resolutions, and parts thereof in conflict herewith are, to the extent of the conflict, hereby repealed.

(SEAL)



Chairman, County Council of
Dorchester County

ATTEST:



Clerk, County Council of
Dorchester County

First Reading: November 3, 2014
Second Reading: November 17, 2014
Third Reading: December 1, 2014

EXHIBIT A

Equipment Description

Consoles, Consolettes to bring Dispatch Center up to P25 Standard

P25 Recording System for Dispatch Center

3 - 800 MHz Portable Radios – P25

28 - 800 MHz Mobile Radios – P25


Branch Banking & Trust Co.
Governmental Finance

 P.O. Box 714
 Columbia, SC 29202
 (803) 251-1328
 Fax (803) 251-1329

November 19, 2014

 Mr. Tyler Traudt
 First Tryon Advisors
 1355 Greenwood Cliff
 Charlotte, NC 28204

Dear Mr. Traudt:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing requested by Dorchester County ("County").

- (1) **Project:** Equipment Lease Purchase
- (2) **Amount To Be Financed:** \$ 1,100,000
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

<u>Term</u>	<u>Rate</u>
5.5 years	1.53%

Principal payments shall be annual in arrears, as requested, commencing April 1, 2016. Interest payments will be due semiannually, commencing October 1, 2015. Final maturity will be April 1, 2020.

If the proceeds are not expended in full at closing, they shall be deposited on behalf of the County in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the County for use on Project costs or interest payments.

The interest rates stated above are valid for a closing not later than 30 days after today. Closing of the financing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property being acceptable to BB&T. *This proposal is not subject to further credit review.*

All applicable taxes, permits, costs of lawyers for the County and any other costs shall be the County's responsibility and separately payable by the County. The financing documents shall allow prepayment of the principal balance in whole on any payment date with a one percent penalty. As an alternative, the County may select to have the transaction non callable through the 4/1/18 payment period and callable at par thereafter.

The stated interest rate is a "bank qualified rate", reflecting that the County expects to borrow no more than \$10,000,000 in calendar year 2014. We reserve the right to modify our rate if the transaction is not qualified, tax exempt financing.

(4) Financing Documents:

BB&T 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 BB&T be the successful proposer. This financing shall be secured by a first lien security interest in all personal property acquired with proceeds.

BB&T appreciates the opportunity to make this financing proposal and requests to be notified within five days of this proposal should BB&T be the successful proposer.

BB&T shall have the right to cancel this offer by notifying the County of its election to do so (whether or not this offer has previously been accepted by the County) if at any time prior to the closing there is a material adverse change in the County'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 County or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T.

Please call me at 803-251-1328 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY



Andrew G. Smith
Senior Vice President