

6. a. Committee Assignments
 - b. Installation of Councilwoman Dickerson as Chair of the National Foundation of Women Legislators (NFWL), State House Rotunda, March 7th at 11:00 a.m.

Presentations

7. a. Transitions -- Craig Currey, Chief Executive Officer
 - b. The North Columbia Business Assoc. - SC Cornbread Festival -- Andelyn D. Rodriguez
 - c. The Leadership Columbia Class of 2013 - Leading by Reading -- Jacob Cook

Open/Close Public Hearings

8. a. Resolution in support of the issuance by the South Carolina Jobs-Economic Development Authority of its hospital facilities revenue bonds (The Lutheran Homes of South Carolina, Inc.) Series 2013, pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended, in the aggregate principal amount of not exceeding \$42,000,000.
 - b. Authorizing the Execution and Delivery of a purchase agreement between the County and Deja Properties, LLC, to provide for the conveyance of certain property owned by and located in the County to Deja Properties, LLC and Thermal Technologies, Inc., and other matters related thereto

Approval Of Consent Items

9. An Ordinance Amending the Fiscal Year 2012-2013 General Fund Annual Budget to approve and appropriate the grant expenditure and transfer of \$138,121.33 of nonappropriated funds for programs in the Solicitor's and Sheriff's Office using said funds related to and from the Lending Tree settlement [**THIRD READING**] [**PAGES 26-31**]
10. Authorizing the execution and delivery of a Purchase Agreement between the County and Deja Properties, LLC, to provide for the conveyance of certain property owned by and located in the County to Deja Properties, LLC and Thermal Technologies, Inc., and other matters related thereto [**THIRD READING**] [**PAGES 32-43**]
11. 13-01MA
Columbia United FC
Stephen D. Searcy
CC4 to CC3 (24.14 Acres)
Sunbelt Blvd.
09409-01-03 [**THIRD READING**] [**PAGES 44-45**]
12. 13-02MA
Circle K Inc.
Evan Walton
NC/MH to GC (1.5 Acres)
Fore Ave. & Aubrey St.
22914-02/01/10/11 [**THIRD READING**] [**PAGES 46-48**]

13. An Ordinance Authorizing Quit Claim Deed to Dorothy Jean Allison Vinson for a certain parcel of land located in Richland County, approximately seven (7) miles northwest of the City of Columbia, being described as a triangular crosshatched area of 0.46 Acres more or less, and being a portion of Richland County TMS # 06600-02-14 [**SECOND READING**] [**PAGES 49-58**]
14. An Ordinance Amending the Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article XI, Energy Conservation Code; Section 6-192, Adopted; so as to adopt and codify the 2009 Edition of the International Energy Conservation Code [**SECOND READING**] [**PAGES 59-63**]
15. A General Bond Ordinance authorizing and providing for the issuance of Hospitality Tax Revenue Bonds of Richland County, South Carolina; prescribing the form of bonds; providing for the payment of the bonds from the sources provided herein; creating certain funds and providing for payments into such funds; and other matters relating thereto [**SECOND READING**] [**PAGES 64-106**]
16. A First Supplemental Ordinance providing for the issuance and sale of Richland County, South Carolina, Hospitality Tax Refunding Revenue Bonds, Series 2013, or such other appropriate series designation, in the principal amount of not exceeding \$22,750,000; delegating authority to the County Administrator to determine certain matters with respect to the bonds; prescribing the form and details of such bonds; and other matters relating thereto [**SECOND READING**] [**PAGES 107-123**]
17. An Ordinance Authorizing the issuance and sale of not to exceed \$6,000,000 General Obligation Bonds, Taxable Series 2013A, or such other appropriate series designation, of Richland County, South Carolina; fixing the form and details of the bonds; delegating to the County Administrator certain authority related to the bonds; providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto [**SECOND READING**] [**PAGES 124-161**]

Third Reading Items

18. An Ordinance Amending the Richland County Code of Ordinances, Chapter 26, Land Development; Article X, Subdivision Regulations; Section 26-224, Certain Subdivisions Exempt from Road Standards; so as to delete the requirement of county review fees [**PAGES 162-170**]

Second Reading Items

19. An Ordinance Amending the Richland County Code of Ordinances, Chapter 2, Administration; Article VII, Boards, Commissions and Committees; so as to abolish the Appearance Commission and to amend the Conservation Commission's responsibilities to include appearance [**PAGES 171-174**]

First Reading Items

20. An Ordinance Amending the Richland County Code of Ordinances; Chapter 21, Roads, Highways and Bridges; Section 21-21, Transportation Improvement Program; so as to include funds for resurfacing of existing paved roads [**PAGES 175-178**]

Report Of Economic Development Committee

21. a. An Ordinance Authorizing a Fee in Lieu of Tax Agreement between Richland County and Project Form [**FIRST READING BY TITLE ONLY**] [**PAGE 180**]
- b. Project Form Inducement Resolution [**PAGES 181-183**]
- c. Pineview Land Options [**PAGES 184-208**]

Report Of Rules And Appointments Committee

1. Discussion From Rules And Appointments Committee

22. Community Relations Council Appointments [**PAGES 210-216**]
23. If the number of applicants for a Richland County board or committee exceeds the number of available positions there will be no interviews of those applicants. The reason for this motion is that after the Rules & Appointments Committee takes the time to interview applicants and make recommendation to full council based on that interview, council members who supported someone else not chosen request an individual vote for political reasons rather than needs of the committee they applied for. It becomes a wast of the applicants time to be interviewed and the committee's time if this is the process preferred. [**MALINOWSKI**]

Other Items

24. A Resolution to appoint and commission Michael Zaprzalka as a Code Enforcement Officer for the proper security, general welfare, and convenience of Richland County [**PAGES 218-219**]
25. H. 3290/S. 203 “Flow Control” Opposition Resolution [**PAGES 220-221**]
26. Resolution in support of the issuance by the South Carolina Jobs-Economic Development Authority of its hospital facilities revenue bonds (The Lutheran Homes of South Carolina, Inc.) Series 2013, pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended, in the aggregate principal amount of not exceeding \$42,000,000 [**PAGES 222-224**]
27. Application for locating a Commnity Residential Group Home in an Unincorporated Area of Richland County: 4824 Smallwood Road, Columbia, SC 29223 [**PAGES 225-230**]
28. USDA Rural Development Resolution and Letter of Conditions [**PAGES 231-255**]

Citizen's Input

29. Must Pertain to Items Not on the Agenda

Executive Session

Motion Period

30.
 - a. I hereby move to direct staff to seek the closing of all sexually oriented businesses operating

in violation of the Richland County sexually oriented business ordinance by any and all legal means necessary for swift and permanent compliance. This will require the present and future assistance of Richland County law enforcement. [ROSE]

b. Council create an ad hoc committee to study the procurement evaluation process [MANNING]

c. I move that all businesses operating without license and proper license for their businesses be closed. The Business Center should have a list and coordinate with the Sheriff's Department to not just impose a fine but order them closed. Businesses are operating without license, liquor, beer and wine and without the proper license to avoid paying their fare share and be in compliance. [JACKSON]

d. Due to the fact that by law SOB's shall exist, I move to close all SOB's that are in violation and develop a new criteria that will allow them to exist without hardship causing frivolous lawsuits to the County. Suggestions on the new criteria will follow with input from the Legal Department [JACKSON]

Adjournment



Richland County Council Request of Action

Subject

Regular Session: February 5, 2013 [PAGES 6-18]

MINUTES OF



RICHLAND COUNTY COUNCIL REGULAR SESSION TUESDAY, FEBRUARY 5, 2013 6:00 p.m.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.

MEMBERS PRESENT:

Chair	Kelvin E. Washington, Sr.
Vice Chair	L. Gregory Pearce, Jr.
Member	Joyce Dickerson
Member	Julie Ann Dixon
Member	Norman Jackson
Member	Damon Jeter
Member	Bill Malinowski
Member	Jim Manning
Member	Paul Livingston
Member	Seth Rose
Member	Torrey Rush

OTHERS PRESENT – Tony McDonald, Sparty Hammett, Roxanne Ancheta, Brad Farrar, Justine Jones, Stephany Snowden, Amelia Linder, Nelson Lindsay, John Hixon, Daniel Driggers, Sara Salley, Pam Davis, Tracy Hegler, Quinton Epps, Donny Phipps, Yanisse Adrian-Silva, Dale Welch, Dwight Hanna, Monique Walters, Michelle Onley

CALL TO ORDER

The meeting was called to order at approximately 6:07 p.m.

INVOCATION

The Invocation was given by the Honorable Joyce Dickerson

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Honorable Joyce Dickerson

APPROVAL OF MINUTES

Regular Session: January 15, 2013 – Mr. Pearce moved, seconded by Ms. Dickerson, to approve the minutes as distributed. The vote in favor was unanimous.

Zoning Public Hearing: January 22, 2013 – Mr. Livingston moved, seconded by Ms. Dickerson, to approve the minutes as distributed. The vote in favor was unanimous.

ADOPTION OF THE AGENDA

Mr. Manning moved, seconded by Mr. Rose, to amend the agenda to take up Item #40 “Transportation Penny Advisory Committee” immediately following the adoption of the agenda. A discussion took place.

The vote was favor of amending the agenda.

Transportation Penny Advisory Committee:

First Vote:

Dixon – Ms. Elise Bidwell, Mr. Joseph H. Necker, Jr., Mr. Stephen Gilchrist, Mr. Terence G. Kemper, Mr. Melvin Hayes Mizell, Mr. James T. McLawhorn, and Ms. Dorothy A. Sumter.

Malinowski – Mr. Joseph H. Necker, Jr., Ms. Valerie Hutchinson, Mr. Stephen Gilchrist, Mr. James P. Ward, Jr., Mr. Terence G. Kemper, Mr. Richard C. Hohn, and Ms. Dorothy A. Sumter.

Jackson – Mr. James T. McLawhorn, Mr. Derrick E. Huggins, Mr. Terence G. Kemper, Ms. Dorothy A. Sumter, Mr. Melvin Hayes Mizell, Mr. Timothy B. Goldman, and Mr. Stephen Gilchrist.

Rose – Ms. Elise Bidwell, Mr. Melvin Hayes Mizell, Ms. Jennifer D. Bishop, Mr. James T. McLawhorn, Ms. Dorothy A. Sumter, Ms. Natalie C. Britt, and Mr. Randall Gaston.

Pearce – Ms. Elise Bidwell, Mr. John H. Barnes, Mr. Charles Ross McLaurin, Mr. Melvin Hayes Mizell, Mr. James T. McLawhorn, Ms. Dorothy A. Sumter, and Mr. E. Peter Kennedy.

Washington – Ms. Brittany Higgins, Mr. Derrick E. Huggins, Mr. Melvin Hayes Mizell, Mr. James T. McLawhorn, Ms. Dorothy A. Sumter, Mr. Jim Prater and Ms. Kalesha D. Campbell.

Livingston – Mr. Melvin Hayes Mizell, Mr. Derrick E. Huggins, Mr. James T. McLawhorn, Ms. Dorothy A. Sumter, Mr. John H. Barnes, Ms. Natalie Britt, and Mr. E. Peter Kennedy.

Dickerson – Ms. Brittany Higgins, Mr. Walter Durst, Mr. Derrick E. Huggins, Mr. James T. McLawhorn, Ms. Dorothy A. Sumter, Mr. Jim Prater, and Mr. John V. Furgess, Sr.

Rush – Ms. Elise Bidwell, Mr. Derrick E. Huggins, Mr. Robert Alan Lapin, Mr. Stephen Gilchrist, Mr. Terence G. Kemper, Mr. James T. McLawhorn, and Mr. James Nielsen.

Manning – Mr. Walter Durst, Ms. Elise Bidwell, Mr. Derrick E. Huggins, Mr. Joseph H. Necker, Jr., Mr. John V. Furgess, Sr., Mr. Timothy B. Goldman and Ms. Natalie C. Britt.

Jeter – Ms. Jennifer D. Bishop, Ms. Elise Bidwell, Mr. Derrick E. Huggins, Mr. Terence G. Kemper, Mr. Melvin Hayes Mizell, Mr. James T. McLawhorn, and Ms. Dorothy A. Sumter.

Ms. Elise Bidwell, Mr. Derrick E. Huggins, Mr. Melvin Hayes Mizell, Mr. James T. McLawhorn and Ms. Dorothy A. Sumter were seated in the first round of voting.

Second Vote:

Dixon – Mr. Stephen Gilchrist and Mr. Terence G. Kemper.

Malinowski – Mr. Stephen Gilchrist and Mr. Terence G. Kemper.

Jackson – Mr. Stephen Gilchrist and Mr. Terence G. Kemper.

Rose – Ms. Natalie C. Britt and Ms. Jennifer D. Bishop.

Pearce – Ms. Natalie C. Britt and Mr. Terence G. Kemper.

Washington – Mr. Stephen Gilchrist and Mr. Jim Prater

Livingston – Ms. Natalie C. Britt and Ms. Jennifer D. Bishop.

Dickerson – Ms. Brittany Higgins and Mr. Jim Prater.

Rush – Mr. Stephen Gilchrist and Mr. Terence G. Kemper.

Manning – Ms. Natalie C. Britt and Mr. Charles Ross McLaurin.

Jeter – Ms. Jennifer D. Bishop and Ms. Natalie C. Britt.

Third Vote:

Dixon – Mr. Stephen Gilchrist and Mr. Terence G. Kemper.

Malinowski – Mr. Stephen Gilchrist and Mr. Terence G. Kemper.

Jackson – Mr. Stephen Gilchrist and Mr. Terence G. Kemper.

Rose – Ms. Natalie C. Britt and Ms. Jennifer D. Bishop.

Pearce – Mr. Terence G. Kemper and Ms. Natalie C. Britt.

Washington – Mr. Jim Prater and Ms. Natalie C. Britt.

Livingston – Ms. Natalie C. Britt and Jennifer D. Bishop.

Dickerson – Ms. Brittany Higgins and Mr. Jim Prater.

Rush – Mr. Stephen Gilchrist and Mr. Terence G. Kemper.

Manning – Ms. Natalie C. Britt and Ms. Jennifer D. Bishop.

Jeter – Ms. Jennifer D. Bishop and Ms. Natalie C. Britt.

Ms. Natalie C. Britt was seated.

Fourth Vote:

Dixon – Mr. Stephen Gilchrist

Malinowski – Mr. Stephen Gilchrist

Jackson – Mr. Stephen Gilchrist

Rose – Ms. Jennifer D. Bishop

Pearce – Mr. Stephen Gilchrist

Washington – Ms. Jennifer D. Bishop

Livingston – Ms. Jennifer D. Bishop

Dickerson – Ms. Jennifer D. Bishop

Rush – Mr. Stephen Gilchrist

Manning – Ms. Jennifer D. Bishop

Jeter – Ms. Jennifer D. Bishop

Ms. Jennifer D. Bishop was seated.

REPORT OF THE COUNTY ATTORNEY FOR EXECUTIVE SESSION MATTERS

Mr. Farrar stated that the following were potential Executive Session Items:

- a. Election Protest Update
- b. Land Development Code Update
- c. Update: Richland County vs. Power Engineering
- d. Project Packaging
- e. Employee Grievance

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Council went into Executive Session at approximately 6:47 p.m. and came out at approximately 7:03 p.m.
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Project Packaging – Mr. Livingston moved, seconded by Mr. Rose, to instruct the Administrator to move forward as directed in Executive Session. The vote in favor was unanimous.

CITIZENS' INPUT

No one signed up to speak.

REPORT OF THE COUNTY ADMINISTRATOR

Employee Grievance – This item was taken up in Executive Session.

REPORT OF THE CLERK OF COUNCIL

No report was given.

REPORT OF THE CHAIRMAN

2013 City/County/Legislative Delegation Reception, 701 Whaley Street, 6-8 p.m. – Mr. Washington reminded Council members of the Legislative Delegation Reception on February 6th, 701 Whaley Street from 6:00-8:00 p.m.

OPEN/CLOSE PUBLIC HEARINGS

- **An Ordinance Amending the Fiscal Year 2012-2013 General Fund Annual Budget to approve and appropriate the Grant Expenditure and Transfer of \$138,121.33 of Non-appropriated funds for programs in the Solicitor's and Sheriff's Office using said funds related to and from the Lending Tree Settlement** – No one signed up to speak.

APPROVAL OF CONSENT ITEM

- Authorizing the execution and delivery of a Purchase Agreement between the County and Deja Properties, LLC, to provide for the conveyance of certain property owned by and located in the County to Deja Properties, LLC and Thermal Technologies, Inc., and other matters related thereto [SECOND READING]
- 13-01MA, Columbia United FC, Stephen D. Searcy, CC4 to CC3 (24.14 Acres), Sunbelt Blvd., 09409-01-03 [SECOND READING]
- 13-02MA, Circle K, Inc., Evan Walton, NC/MH to GC (1.5 Acres), Fore Ave. & Aubrey St., 22914-02/01/10/11 [SECOND READING]
- Curfew for Community Safety
- Existing Paved Road Resurfacing Funds Distribution
- Memorandum of Understanding and Agreement between Richland County and Forest Acres
- An Ordinance Authorizing Quit Claim Deed to Dorothy Jean Allison Vinson for a certain parcel of land located in Richland County, approximately seven (7) miles northwest of the City of Columbia, being described as a triangular crosshatched area of 0.46 Acres more or less, and being a portion of Richland County TMS # 06600-02-14 [FIRST READING]
- An Ordinance Amending the Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article XI, Energy Conservation Code; Section 6-192, Adopted; so as to adopt and codify the 2009 Edition of the International Energy Conservation Code [FIRST READING]
- Caughman Lake Property Study (Pinewood Lake Park)
- Tax Increment Financing (TIF) on Broad River Road
- Miss South Carolina Pageant Funding Request
- Consultant Services for Medicare Benefit Insurance RFQ
- Addressing Council's Expense Accounts for Districts 7 and 9 [DENIAL]
- A General Bond Ordinance authorizing and providing for the issuance of Hospitality Tax Revenue Bonds of Richland County, South Carolina; prescribing the form of bonds; providing for the payment of the bonds from the sources

provided herein; creating certain funds and providing for payments into such funds; and other matters relating thereto [FIRST READING BY TITLE ONLY]

- **A First Supplemental Ordinance providing for the issuance and sale of Richland County, South Carolina, Hospitality Tax Refunding Revenue Bonds, Series 2013, or such other appropriate series designation, in the principal amount of not exceeding \$22,750,000; delegating authority to the County Administrator to determine certain matters with respect to the bonds; prescribing the form and details of such bonds; and other matters relating thereto [FIRST READING BY TITLE ONLY]**
- **An Ordinance Authorizing the issuance and sale of not to exceed \$6,000,000 General Obligation Bonds, Taxable Series 2013A, or such other appropriate series designation, of Richland County, South Carolina; fixing the form and details of the bonds; delegating to the County Administrator certain authority related to the bonds; providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto [FIRST READING BY TITLE ONLY]**

Mr. Livingston moved, seconded by Mr. Pearce, to approve the consent item. The vote in favor was unanimous.

THIRD READING

An Ordinance Amending the Richland County Code of Ordinances, Chapter 26, Land Development; Article X, Subdivision Regulations; Section 26-224, Certain Subdivisions Exempt from Road Standards; so as to delete the requirement of county review fees – Mr.

Jackson moved, seconded by Mr. Malinowski, to defer this item until the February 19th Council meeting. The vote in favor was unanimous.

REPORT OF ADMINISTRATION AND FINANCE COMMITTEE

Employee Discounts Link on the Employee Intranet – Mr. Malinowski moved, seconded by Mr. Jackson, to deny this item. A discussion took place.

Ms. Dickerson moved to call for the question. The motion died for lack of second.

Mr. Livingston made a substitute motion, seconded by Mr. Dickerson, to approve this item. A discussion took place.

Mr. Malinowski withdrew his motion.

Mr. Malinowski made a substitute motion, seconded by Mr. Rush, to move forward with this item after a thorough legal review. A discussion took place.

Ms. Dickerson moved, seconded by Mr. Manning, to call for the question. The vote was in favor.

The vote was in favor to approve this item.

Richland County's Holiday Schedule – Mr. Livingston moved, seconded by Ms. Dickerson, to defer this item and take the matter up during the budget process. The vote in favor was unanimous.

Policy to Deny Use of Outside Legal Counsel that has any Current Pending Lawsuit Against the County – Mr. Livingston moved, seconded by Mr. Pearce, to defer this item until the February 19th Council meeting. The vote in favor was unanimous.

REPORT OF ECONOMIC DEVELOPMENT COMMITTEE

Easement Relocation Option Agreement between Richland County and Southland Log Homes – Mr. Livingston stated that the committee recommended approval of this item.

Mr. Malinowski asked that the following language be included: "...and all future maintenance."

The vote in favor was unanimous to approve the amended agreement.

Shop Road Extension Contract Change Order – Mr. Livingston stated that the committee recommended approval of this item. The vote in favor was unanimous.

Provide \$20,000 to assist in funding the Famously Hot New Year's Celebration – Mr. Livingston stated that the committee recommended allocating \$10,000 from Hospitality Tax to assist in funding the Famously Hot New Year's Celebration. A discussion took place.

The vote was in favor.

Mr. Livingston moved, seconded by Ms. Dickerson, to reconsider this item. The motion failed.

REPORT OF RULES AND APPOINTMENTS COMMITTEE

I. NOTIFICATION OF VACANCIES

- a. **Board of Zoning Appeals—2** – Mr. Malinowski stated that the committee recommended advertising for these vacancies. The vote in favor was unanimous.
- b. **Community Relations Council—2** – Mr. Malinowski stated that the committee recommended advertising for these vacancies. The vote in favor was unanimous.

- c. **Hospitality Tax Committee—3** – Mr. Malinowski stated that the committee recommended advertising for these vacancies. The vote in favor was unanimous.
- d. **Internal Audit Committee—1** – Mr. Malinowski stated that the committee recommended advertising for this vacancy. The vote in favor was unanimous.
- e. **Planning Commission—2** – Mr. Malinowski stated that the committee recommended advertising for these vacancies.

II. **DISCUSSION FROM RULES AND APPOINTMENTS COMMITTEE**

- a. **Central Midlands Council of Governments; additional appointments required** – Mr. Malinowski stated that the committee recommended that the Chair appoint the two additional elected officials and that the Clerk's Office advertise for the citizen appointment. The vote in favor is unanimous.
- b. **Dissolve the Richland County Appearance Commission and amend the Richland County Conservation Commission's responsibilities to include appearance. This motion is based on 1. overlapping areas of responsibilities under enabling ordinances for each Commission and the Richland County Strategic Plan. 2. availability of funding needed to support similar and/or duplicative project and 3. difficulties maintaining membership in the Appearance Commission [PEARCE and MANNING] [FIRST READING]** – Mr. Malinowski stated that the committee recommended dissolving the Richland County Appearance Commission and amend the Richland County Conservation Commission's responsibilities to include appearance. A discussion took place.

Mr. Malinowski made a substitute motion, seconded by Mr. Jackson, to not dissolve the Richland County Appearance Commission. A discussion took place.

The motion to no dissolve the Richland County Appearance Commission failed.

The vote was in favor of approving the committee's recommendation.

Ms. Dickerson moved, seconded by Mr. Manning, to reconsider this item. The motion for reconsideration failed.

OTHER ITEMS

FY13-14 Budget Calendar – Mr. Livingston moved, seconded by Ms. Dickerson, to approve this item. The vote was in favor.

2013 Council Retreat Directives – Mr. Malinowski moved, seconded Mr. Jackson, to defer action on the portion of the directives regarding the “Transportation Penny”. The vote in favor was unanimous.

Mr. Pearce moved, seconded Ms. Dickerson, to approve the remaining directives. The vote in favor was unanimous.

Mr. Pearce moved, seconded by Ms. Dickerson, to reconsider this item. The motion for reconsideration failed.

USDA Rural Development Resolution and Letter of Condition – Mr. Pearce moved, seconded by Mr. Malinowski, to defer this item until the February 19th Council meeting. The vote in favor was unanimous.

Application for locating a Community Residential Group Home in an Unincorporated Area of Richland County: 4824 Smallwood Road, Columbia, SC 29223 – Mr. Jackson moved, seconded by Ms. Dickerson, to defer this item until the February 19th Council meeting. The vote in favor was unanimous.

Application for locating a Community Residential Group Home in an Unincorporated Area of Richland County: 1915 Heyward Brockington Road, Columbia, SC 29203 – Mr. Rush moved, seconded by Mr. Manning, to approve this item. A discussion took place.

The vote in favor was unanimous.

REPORT OF THE REGIONAL RECREATION COMPLEX AD HOC COMMITTEE:

Mr. Rush stated that the committee recommended holding these items in committee until all Council members receive the additional information requested.

- a. **Work Authorization**
 - 1. **Multi-Uses of the Park**
 - 2. **Architecture Style**
 - 3. **Cost Estimate**
- b. **Oversight Committee**
- c. **Contract with Columbia United**

CITIZEN’S INPUT

No one signed up to speak.

EXECUTIVE SESSION

=====
Council went into Executive Session at approximately 8:57 p.m. and came out at
approximately 9:33 p.m.
=====

- a. **Election Protest Update** – No action was taken.
- b. **Land Development Code Update** – No action was taken.
- c. **Richland County vs. Power Engineering** – Ms. Dickerson moved, seconded by Ms. Dixon, to proceed as directed in Executive Session. The vote in favor was unanimous.
- d. **Employee Grievance** – Mr. Malinowski moved, seconded by Ms. Dixon, to proceed as directed in Executive Session. The vote in favor was unanimous.

MOTION PERIOD

Heart Healthy Month Resolution and a “Go Red” Day for Richland County [DICKERSON]
– Ms. Dickerson moved, seconded by Mr. Malinowski, to adopt a resolution recognizing February as Heart Healthy Month and asking that February 26th as “Go Red” Day. The vote in favor was unanimous.

The State paper was quoted as follows: “Central Midlands Regional Transit Authority board members will consider this year whether to stick with Veolia Transportation to run Columbia area buses.” Taxpayers have given approval for the CMRTA to receive over 300 million tax dollars to be spent over the next 22 years. Veolia has consistently refused to disclose to the taxpayers specifically how they spend those tax dollars. These are 300 million hard earned tax dollars of residents and they deserve to know how their taxes are being spent. With that information I am submitting the following motion: The Veolia Transportation company hired by CMRTA must provide total accountability and transparency in spending all Richland County tax dollars they receive. If they refuse, Richland County Council should request the CMRTA board to find another bus management company [MALINOWSKI] – This item was referred to the Joint Transportation Ad Hoc Committee.

To ask staff to look into residential parking permits for the County portions of Olympia and neighboring communities [ROSE and WASHINGTON] – This item was referred to the D&S Committee.

Revisit the disproportional distribution of current Hospitality Tax Ordinance agencies with a recommended funding formula adjustment being as follows: 40% for the County Promotions grant program; 25% for Historic Columbia Foundation; 20% for Columbia Museum of Art; and 15% for EdVenture. Additionally, the percentage should be revisited

on alternating years following a general election [MANNING] – This item was referred to the A&F Committee.

ADJOURNMENT

The meeting adjourned at approximately 9:35 p.m.

Kelvin E. Washington, Sr., Chair

L. Gregory Pearce, Jr., Vice-Chair

Joyce Dickerson

Julie-Ann Dixon

Norman Jackson

Damon Jeter

Paul Livingston

Bill Malinowski

Jim Manning

Seth Rose

Torrey Rush

The minutes were transcribed by Michelle M. Onley

Richland County Council Request of Action

Subject

- a. Land Development Code Update
- b. MOU Renewal

Richland County Council Request of Action

Subject

For Items on the Agenda Not Requiring a Public Hearing

Richland County Council Request of Action

Subject

- a. CAFR Presentation

Richland County Council Request of Action

Subject

- a. Consistency in Leadership Breakfast, Wednesday, March 13, 7:30-9:00 a.m., Seawell's
- b. Together We Can Read 2013

Richland County Council Request of Action

Subject

a. Committee Assignments

b. Installation of Councilwoman Dickerson as Chair of the National Foundation of Women Legislators (NFWL), State House Rotunda, March 7th at 11:00 a.m.

Richland County Council Request of Action

Subject

- a. Transitions -- Craig Currey, Chief Executive Officer
- b. The North Columbia Business Assoc. - SC Cornbread Festival -- Andelyn D. Rodriguez
- c. The Leadership Columbia Class of 2013 - Leading by Reading -- Jacob Cook

Richland County Council Request of Action

Subject

- a. Resolution in support of the issuance by the South Carolina Jobs-Economic Development Authority of its hospital facilities revenue bonds (The Lutheran Homes of South Carolina, Inc.) Series 2013, pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended, in the aggregate principal amount of not exceeding \$42,000,000.
- b. Authorizing the Execution and Delivery of a purchase agreement between the County and Deja Properties, LLC, to provide for the conveyance of certain property owned by and located in the County to Deja Properties, LLC and Thermal Technologies, Inc., and other matters related thereto

Richland County Council Request of Action

Subject

An Ordinance Amending the Fiscal Year 2012-2013 General Fund Annual Budget to approve and appropriate the grant expenditure and transfer of \$138,121.33 of nonappropriated funds for programs in the Solicitor's and Sheriff's Office using said funds related to and from the Lending Tree settlement **[THIRD READING] [PAGES 26-31]**

Notes

December 18, 2012 - The Committee recommended that the Council approve a one-time allocation of requested funds in the amount of \$138,121.33. The Solicitor's Office will expend \$18,121.33 for the Solicitor's Office Girls Empowerment Program and Veterans Treatment Court, and will transfer \$120,000.00 to the Richland County Sheriff's Department Juvenile Arbitration and Summer Camp Programs. Staff is to establish this item as a grant or other funding mechanism by which it is explicit, and in writing, that this is one-time funding, and not part of the Solicitor's or Sheriff Department's permanent base budget.

First Reading: December 18, 2012

Second Reading: January 8, 2013

Third Reading:

Public Hearing: February 5, 2013

Richland County Council Request of Action

Subject: Request to Expend and Transfer Funds: Lending Tree Class-Action Lawsuit

A. Purpose

County Council is requested to approve the expenditure and transfer of \$138,121.33 of non-appropriated funds. Specifically, the Solicitor's Office requests approval to expend \$18,121.33 for the Solicitor's Office Girls Empowerment Program and Veterans Treatment Court and to transfer \$120,000.00 to the Richland County Sheriff's Department Juvenile Arbitration and Summer Camp Programs from funds received from the Lending Tree class-action lawsuit.

B. Background / Discussion

In November, the Solicitor's Office received one-time, non-appropriated funds in the amount of \$138,121.33 pursuant to the civil settlement of the class-action lawsuit against Lending Tree. This is the second and final payment of the funds resulting from this action. The Solicitor's Office is requesting County Council's expenditure approval within the Solicitor's Office of \$18,121.33 for the Solicitor's Office Girls Empowerment Program and Veterans Treatment Court and to transfer \$20,000.00 to the Richland County Sheriff's Department Juvenile Arbitration Program and \$100,000.00 to the Richland County Sheriff's Department Summer Camp Program.

The expenditure/transfer of the funds will be utilized in the following manner:

1. Expend \$18,121.33 for the establishment of the Solicitor's Office Girls Empowerment Program and to support the Veterans Treatment Court. The Solicitor's Office Girls Empowerment Program will target underserved women ages 13 to 18 to empower them to reach their full potential, to understand value and assert their rights. The Program will emphasize making right and positive choices through the elevation of self-esteem. Young women will be inspired to make strong, smart and bold decisions. The Veterans Treatment Court assists non-violent veteran offenders where intervention and treatment may be an alternative to incarceration.
2. Transfer \$20,000.00 to support the existing Juvenile Arbitration Program. This program has grown and expanded to the extent that additional funds are needed to support it. Nearly 1,000 juveniles have been serviced in this program since 2010. The Juvenile Arbitration program is reimbursed up to \$60,000.00 per year from the South Carolina Department of Juvenile Justice. These funds will be used to support the program as determined by the Richland County Sheriff's Department.
3. Transfer \$100,000.00 for the Richland County Sheriff's Department Summer Camp Program. Richland County Sheriff's Department School Resource Officers will host a total of 15 camps, two weeks in duration, serving more than 650 Richland County students ranging in ages from 8 to 18. The camps include: Character Camp, Chess Camp, CSI Camp, Sports Camp, D.A.R.E. Camp, and Teens "Giving Back" Camp. Skills that all students will learn during their two-week experience include team building, good citizenship, volunteerism, leadership, self-

esteem, bullying prevention, critical thinking and problem solving, cause and effect from good and bad choices, social interaction, confidence building, public speaking, physical fitness, career exploration, and sportsmanship. These funds will be used to support the program as determined by the Richland County Sheriff's Department.

The first payment in the amount of \$95,000 from this action was received in March 2012. These funds were presented to Richland County Council and put into the General Fund.

C. Legislative/Chronological History

- March 20, 2012 – The first payment in the Lending Tree lawsuit settlement was presented to Richland County Council.
- November 2012 - Lending Tree lawsuit settlement second payment received.

D. Financial Impact

There is no financial impact associated with this request.

E. Alternatives

1. Approval would defray any cost associated with the above mentioned programs.
2. Do not approve; would result in having to charge youth a participation fee for the programs.

F. Recommendation

Recommended by: Dan Johnson Department: Solicitor's Office Date: 11/15/12

G. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 12/6/12

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Request is a funding request and is within Council's discretion. As stated, the funds were not included in the FY13 appropriated budget; therefore, approval as presented would require a budget amendment.

Other considerations:

- My understanding is that from the distribution in section "b" above, #1 is a new program, #2 is an expansion and is currently funded through grant funds from DOJ, and #3 is funded through the Sheriff's operating budget. However, all are intended to be on-going programs.
- The recommended funding is one-time funds; therefore, funding or expanding the programs would potentially create a funding gap next fiscal year for these programs.

LegalReviewed by: Elizabeth McLean

Date: 12/7/12

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation: Policy decision left to Council's discretion.

AdministrationReviewed by: Sparty Hammett

Date: 12/11/12

 Recommend Council approval Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend Council approval of the transfer of the funds for one-time funding of the programs for this fiscal year. In addition, recommend that if a determination is made by the Solicitor's Office and Sheriff's Department to continue program funding at this level, the additional funds for FY14 should be identified within their existing budgets.

STATE OF SOUTH CAROLINA
COUNTYCOUNCILFORRICHLANDCOUNTY
ORDINANCE NO.GF-11

AN ORDINANCE AMENDING THE FISCAL YEAR 2012-2013 GENERAL FUND ANNUAL BUDGET TO APPROVE AND APPROPRIATE THE GRANT EXPENDITURE AND TRANSFER OF \$138,121.33 OF NONAPPROPRIATED FUNDS FOR PROGRAMS IN THE SOLICITOR’S AND SHERIFF’S OFFICE USING SAID FUNDS RELATED TO AND FROM THE LENDING TREE SETTLEMENT.

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. That the amount of one hundred thirty eight thousand one hundred twenty one dollars and 33 cents (\$138,121.33) be appropriated specifically for the Solicitor’s Office to expend (\$18,121.33) for “Girls Empowerment Program and Veterans Treatment Court” and transfer (\$120,000) to the Richland County Sheriff Department’s “Juvenile Arbitration and Summer Camp Programs”. Therefore, the Fiscal Year 2012-2013 General Fund Annual Budget is hereby amended as follows:

REVENUE

Revenue appropriated July 1, 2012 as amended:	\$ 149,754,284
Appropriation of General Fund unassigned fund balance	<u>\$ 138,121</u>
Total General Fund Revenue as Amended:	\$ 149,892,405

EXPENDITURES

Expenditures appropriated July 1, 2012 as amended:	\$ 149,754,284
Increase to Grant Funds - Solicitor’s Office	\$ 18,121
Increase to Grant Funds - Sheriff’s Office	<u>\$ 120,000</u>
Total General Fund Expenditures as Amended:	\$ 149,892,405

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be enforced from and after _____, 2012.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin Washington, Chair

ATTEST THIS THE _____ DAY

OF _____, 2012

Clerk of Council

RICHLANDCOUNTYATTORNEY'S OFFICE

Approved As To LEGAL Form Only.
No Opinion Rendered As To Content.

First Reading:
Second Reading:
Public Hearing:
Third Reading:

Richland County Council Request of Action

Subject

Authorizing the execution and delivery of a Purchase Agreement between the County and Deja Properties, LLC, to provide for the conveyance of certain property owned by and located in the County to Deja Properties, LLC and Thermal Technologies, Inc., and other matters related thereto **[THIRD READING] [PAGES 32-43]**

Notes

First Reading: January 15, 2013
Second Reading: February 5, 2013
Third Reading:
Public Hearing:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ____

AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT BETWEEN THE COUNTY AND 2T PROPERTIES, LLC, TO PROVIDE FOR THE CONVEYANCE OF CERTAIN PROPERTY OWNED BY AND LOCATED IN THE COUNTY TO 2T PROPERTIES, LLC AND THERMAL TECHNOLOGIES, INC., AND OTHER MATTERS RELATED THERETO

WHEREAS, Richland County, South Carolina (“County”) owns real property, as more fully described on the attached Exhibit A (“Property”);

WHEREAS, the County is negotiating with Thermal Technologies, Inc., (“Company”) regarding an investment by the Company in the County (“Investment”); and

WHEREAS, as an incentive to locate the Investment in the County and to promote the creation of new, full-time jobs and economic development in the County through the Investment in the County, the Richland County Council (“County Council”) desires to transfer the Property to the Company, by transferring the Property to the Company’s real estate holding company, 2T Properties, LLC, subject to appropriate protections for the County and other conditions the County and the Company may establish.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL:

Section 1. Approval of Transfer. The County Council: (a) approves the execution of an agreement by which the County would transfer the Property to the Company and 2T Properties, LLC subject to appropriate protections for the County; (b) authorizes the County Council Chair, and in the Chair’s absence, the Vice-Chair, the County Administrator, the County Economic Development Director, and the Clerk to County Council, as appropriate, to execute and deliver those documents that may be reasonably necessary to consummate the Property’s transfer; (c) authorizes the County Administrator and the County Economic Development Director, with the advice of the County’s legal counsel, to prepare, or have prepared, the form of the transfer documents that are customarily used for similar transactions in this State; and (d) authorizes the County Administrator, the County Economic Development Director, and other members of the County staff to provide information to the Company as is reasonably necessary to consummate the Property’s transfer.

Section 2. General Repealer. Any ordinance, resolution, or other order of County Council, the terms of which are in conflict with this Ordinance, is, only to the extent of that conflict, repealed.

Section 3. Effectiveness. This Ordinance is effective after third reading and a public hearing.

RICHLAND COUNTY, SOUTH CAROLINA

Kelvin Washington, Chairman of County Council
Richland County, South Carolina

(SEAL)

ATTEST:

Michelle Onley, Clerk to County Council
Richland County, South Carolina

READINGS:

First Reading: January 15, 2013

Second Reading:

Public Hearing:

Third Reading:

EXHIBIT A
PROPERTY DESCRIPTION

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PURCHASE AGREEMENT

This Agreement, effective _____, 2013 (the “*Effective Date*”), is between the **RICHLAND COUNTY, SOUTH CAROLINA** (hereinafter referred to as “*Seller*”), and **2T PROPERTIES, LLC**, a South Carolina corporation (hereinafter referred to as “*Purchaser*”)

WHEREAS, the Purchaser desires to purchase, and the Seller desires to sell, certain property owned by Seller located in Richland County, State of South Carolina, being comprised of approximately 5.3 acres, as more particularly shown on the preliminary plan attached hereto as **Exhibit A** (“*Property*”).

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) and the mutual covenants contained herein, the parties do hereby agree as follows:

1. **Property**. Seller agrees to sell and the Purchaser agrees to purchase, upon the terms and conditions hereinafter set forth, the Property, together with all easements, rights-of-way, licenses, permits and other rights of Seller relating to the Property.

2. **Earnest Money**. Upon execution of this Agreement, Purchaser shall deliver to its counsel, Graybill & Lansche, LLC (“*Escrow Agent*”) as earnest money the sum of Ten Thousand and no/100ths Dollars (\$10,000.00) (“*Earnest Money*”). The Escrow Agent shall not be obligated to deposit the Earnest Money in an interest-bearing account. At Closing, the Earnest Money shall be credited against the Purchase Price and disbursed to Seller. In the event the transaction contemplated herein does not close, Escrow Agent shall disburse the Earnest Money as hereinafter provided.

3. **Purchase Price**. The purchase price for the Property (“*Purchase Price*”) shall be Forty Thousand Dollars (\$40,000.00) per acre. Subject to any adjustments provided for herein, the Purchaser shall pay at Closing the balance of the Purchase Price remaining after application of the Earnest Money by certified, cashier’s or wired funds.

The total acreage of the Property and the corresponding total Purchase Price shall be determined by the Survey to be obtained by the Purchaser pursuant to the terms of Section 7 hereinafter. The Purchase Price will be calculated by multiplying the price per acre by the acreage determined to the nearest hundredth of an acre.

4. **Failure to Commence Construction; Right of Repurchase**. The Property shall be conveyed to the Purchaser subject to a right of repurchase in favor of Seller, which shall provide that, in the event that the Purchaser has not commenced construction of an industrial building on the Property within the later of (i) eighteen (18) months of the Closing Date, or (ii) twelve (12) months from the date of completion of construction of the Road Extension (as defined in Section 15 below) (the “*Repurchase Period*”), all right, title and interest of the Purchaser in the Property shall automatically be subject to the right of repurchase by Seller upon payment to Purchaser of the Purchase Price. Purchaser shall execute all reasonable documents required by Seller at Closing to memorialize this right of repurchase.

5. **Feasibility Period**. The Purchaser shall have a period of sixty (60) days from the Effective Date (the “*Feasibility Period*”), to investigate the feasibility of the Property for the purpose of the Purchaser, including in Purchaser’s discretion financial analyses, feasibility studies, building inspections, soil tests, surveys, title examination, appraisals and such other tests, evaluations and examinations of the Property as Purchaser may desire. In the event the results of such tests, evaluations and analyses are not satisfactory to Purchaser in its sole discretion, or if Purchaser otherwise elects not to purchase the

Property, Purchaser may on or before the end of the Feasibility Period terminate this Agreement by written notice to Seller, whereupon the Earnest Money shall be refunded to Purchaser. In such event, this Agreement shall be deemed terminated, and Purchaser shall have no obligation to purchase the Property. In the event Purchaser does not terminate this Agreement within said time period, this Agreement shall remain in full force and effect.

The Purchaser, its agents, employees, independent contractors and representatives shall have the right at any time and from time to time during the Feasibility Period to enter the Property for the purpose of conducting tests and examinations, surveys, environmental audits and otherwise examining the physical and topographical nature of the Property and to determine whether the Property is suitable to the Purchaser. The Purchaser shall indemnify, defend and hold Seller harmless from all losses, costs (including reasonable attorneys' and consultants' fees), damages, obligations, claims or liabilities, arising, directly or indirectly, out of the acts or omissions of Purchaser, its employees, agents, contractors or representatives, on the Property, including those arising out of liens, injury or death to persons, or any physical damage to the Property or any other property.

6. **Title Examination.** During the Feasibility Period, the Purchaser may, at the Purchaser's expense, examine the title to the Property and give Seller written notice of any objections which render Purchaser's title less than fee simple marketable title (each a "***Title Objection***"). Seller shall have until thirty (30) days from the date of receipt of such notice in which to satisfy all Title Objections specified in Purchaser's notice of Title Objections. If Seller fails to satisfy any Title Objection, then, at the option of Purchaser, Purchaser may: (i) terminate this Agreement, in which event the Earnest Money shall be refunded to Purchaser promptly upon request and thereafter all obligations of the parties under this Agreement shall expire, and except as expressly set forth herein to the contrary, this Agreement shall be of no further force or effect; (ii) extend the period of time in which Seller has to cure the Title Objections until Seller has satisfied such Title Objection and Seller agrees to use its best efforts to satisfy any such Title Objection; or (iii) waive the Title Objection and proceed with Closing, with title to the Property conveyed subject to the Title Objection.

7. **Survey.** During the Feasibility Period, Purchaser shall obtain, at Purchaser's expense, a survey of the Property ("***Survey***") prepared by a surveyor registered and licensed in the State of South Carolina. Such survey shall be signed and certified by the surveyor. The legal description of the Property set forth in the limited warranty deed to be delivered by Seller at Closing shall be based upon and shall conform to the Survey. Such Survey shall be delivered to Seller prior to the end of the Feasibility Period. Purchaser may, prior to expiration of the Feasibility Period, give Seller written notice pursuant to this Agreement if Purchaser objects to a specific matter which affects the fee simple title to the Property shown on the said Survey (each a "***Survey Objection***"). Seller shall have until thirty (30) days from the date of receipt of such notice in which to satisfy all Survey Objections specified in Purchaser's notice of Survey Objections. If Seller fails to satisfy any Survey Objection, then, at the option of Purchaser, Purchaser may: (i) terminate this Agreement, in which event the Earnest Money shall be refunded to Purchaser promptly upon request and thereafter all obligations of the parties under this Agreement shall expire, and except as expressly set forth herein to the contrary, this Agreement shall be of no further force or effect; (ii) extend the period of time in which Seller has to cure the Survey Objections until Seller has satisfied such Survey Objection and Seller agrees to use its best efforts to satisfy any such Survey Objection; or (iii) waive the Survey Objection and proceed with Closing, with title to the Property conveyed subject to the Survey Objection.

8. **Closing.** The closing of this transaction (the "***Closing***") shall be held at a location to be mutually agreed to between the parties on a date (the "***Closing Date***") of which the Purchaser may notify Seller in writing at least five (5) days in advance, but in no event shall the Closing occur later than forty-five (45) days after expiration of the Feasibility Period.

9. **Closing Deliveries.** At Closing, Purchaser shall deliver the Purchase Price to Seller, subject to adjustment in accordance with the provisions of this Agreement. Seller shall deliver to Purchaser the following documents and instruments, duly executed by or on behalf of Seller: (i) limited warranty deed, in recordable form, conveying the Property; (ii) an Owner's Affidavit, in form and substance reasonably acceptable to Purchaser's title insurer, with respect to the Property; (iii) such other documents as may be reasonably required by Purchaser's title insurer as a condition to insuring Purchaser's title to the Property; and (iv) evidence in form and substance reasonably satisfactory to Purchaser that Seller has the power and authority to execute and enter into this Agreement and to consummate the purchase and sale of the Property.

10. **Closing Costs.** Seller shall pay all required deed transfer taxes as required by state law, as well as Seller's attorney's fees and any fees of the Broker (as defined below). Purchaser shall pay the cost of recording the warranty deed, Purchaser's attorney's fees, the cost of the Survey, the cost of any title examination and all title insurance premiums and costs, and any escrow fee charged by the Escrow Agent. Seller shall be responsible for any rollback taxes associated with the Property.

11. **Assignment.** This Agreement shall not be assignable by either party, provided, however, that the Purchaser may assign this Agreement to an affiliate controlled by Purchaser or under common control as the Purchaser. In case of an assignment, the Purchaser shall remain liable for its obligations under this Agreement, unless otherwise expressly agreed with Seller.

12. **Restrictive Covenants.** The transfer of the Property is made subject to certain restrictive covenants recorded in the Office of the Register of Deeds for Richland County, South Carolina in Book D1101, page 948.

13. **Brokers.** Each party represents and warrants to the other that it has not used the services of any real estate agent, broker or finder with respect to the transactions contemplated hereby except for Joe McEachern of _____ ("**Broker**"). Seller shall pay a 3.0% commission due to Broker in accordance with the terms of a separate agreement. Each Party agrees to indemnify and hold harmless the other against and from any inaccuracy in such Party's representation under this Section. This indemnification shall survive the delivery of the deed and shall not merge therein.

14. **Property Conveyed "As Is".** THE PURCHASER ACKNOWLEDGES AND AGREES THAT (A) THE PROPERTY SHALL BE SOLD, AND THE PURCHASER SHALL ACCEPT POSSESSION OF THE PROPERTY ON THE CLOSING DATE, "AS IS, WHERE IS, WITH ALL FAULTS", WITH NO RIGHT OF SETOFF OR REDUCTION IN THE PURCHASE PRICE; (B) EXCEPT FOR THE LIMITED WARRANTY OF TITLE IN THE DEED, SELLER HAS NOT AND SHALL NOT BE DEEMED TO HAVE MADE ANY VERBAL OR WRITTEN REPRESENTATIONS OR WARRANTIES (WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE) TO THE PURCHASER WITH RESPECT TO THE PROPERTY, ANY MATTER SET FORTH, CONTAINED OR ADDRESSED IN ANY DOCUMENTS OR MATERIALS REGARDING THE PROPERTY DELIVERED TO OR OBTAINED BY THE PURCHASER (INCLUDING THE ACCURACY AND COMPLETENESS THEREOF) OR THE RESULTS OF THE INSPECTIONS; AND (C) BY CLOSING ON THE PROPERTY, THE PURCHASER SHALL BE DEEMED TO HAVE CONFIRMED INDEPENDENTLY ALL INFORMATION THAT IT CONSIDERS MATERIAL TO ITS PURCHASE OF THE PROPERTY. THE PURCHASER SPECIFICALLY ACKNOWLEDGES THAT, EXCEPT FOR THE LIMITED WARRANTY OF TITLE IN THE DEED, PURCHASER IS NOT RELYING ON (AND SELLER DOES HEREBY DISCLAIM AND RENOUNCE) ANY REPRESENTATIONS OR WARRANTIES, WHETHER ORAL OR WRITTEN, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, FROM SELLER AS TO: (1) THE OPERATION OF THE PROPERTY OR THE

Phone: (803) 576-2050

With a copy to: Todd Haynie, Esq.
Parker Poe Adams & Bernstein, LLP
1201 Main Street, Suite 1450 (29201)
Post Office Box 1509 (29202)
Columbia, South Carolina
Fax: (803) 255-8017

If to Purchaser: Thermal Technologies, Inc.
130 Northpoint Court
Blythewood, SC 29016
Attn: Jim Lentz
Fax: (803) 691-8010

With a copy to: Ryan W. Newton, Esq.
Graybill & Lansche, LLC
2721 Devine Street
Columbia, South Carolina 29205
Fax: (803) 404-5701

or to such other business entities, individuals, addresses or telefax numbers as the parties entitled thereto shall specify from time to time by notice given in accordance with this section. If transmitted by telefax, a notice or other communication shall have been given when it is received and receipt is confirmed by the sending party. If given by mail, it shall be deemed to have been given on the third business day following the date on which it was posted.

19. **Interpretation.** The headings contained in the Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

20. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

21. **Integration and Modification.** This Agreement and any exhibits, schedules, appendices, or documents attached hereto or specifically referred to herein and therein, if any, constitute the entire agreement and supersede any prior agreements or understandings, written or oral, between the parties with respect to the subject matter hereof. No modifications of the Agreement or waiver of the terms and conditions thereof shall be binding unless in writing and signed by an authorized representative or the party to be bound thereby.

22. **Modification.** This Agreement supersedes all prior discussions and agreements between Seller and Purchaser with respect to the purchase and sale of the Property and other matters contained herein, and contains the sole and entire understanding between Seller and Purchaser with respect thereto. This Agreement shall not be modified or amended except by an instrument in writing executed by or on behalf of Seller and Purchaser.

23. **Applicable Law.** This Agreement shall be governed construed under and interpreted and enforced in accordance with the laws of the State of South Carolina and any litigation hereunder shall be conducted in state or federal court in South Carolina.

24. **Time.** Time is and shall be of the essence of this Agreement.

25. **Captions.** The captions and headings used in this Agreement are for convenience only and do not in any way restrict, modify or amplify the terms of this Agreement.

26. **Escrow Agent.** The parties shall indemnify and hold harmless Escrow Agent in connection with the exercise of its duties hereunder. In the event the Escrow Agent determines in its discretion that there is a bona fide dispute between the parties as to who is entitled to the Earnest Money, and that the rights of the parties as to the Earnest Money are unclear under this Agreement, the Escrow Agent may file an action for interpleader or otherwise seek a judicial determination as to the rights of the parties. In such event, the parties shall hold Escrow Agent harmless and shall share equally any expenses of Escrow Agent in connection with such action. Seller acknowledges that Escrow Agent may also act as Purchaser's attorney with respect to the transaction contemplated by this Agreement. Notices to be provided to Escrow Agent shall be in accordance with Section 18 hereof at the following address: Graybill & Lansche, LLC, 2721 Devine Street, Columbia, South Carolina 29205, Attention: John E. Lansche, Jr., Facsimile: 803.404.5701. The Escrow Agent may charge a reasonable fee for serving as Escrow Agent.

Signature page to follow.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed and attested by their duly authorized officers.

WITNESSES

PURCHASER:

2T PROPERTIES, LLC

By: _____
Its: _____

SELLER:

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Its: _____

Richland County Council Request of Action

Subject

13-01MA
Columbia United FC
Stephen D. Searcy
CC4 to CC3 (24.14 Acres)
Sunbelt Blvd.
09409-01-03 **[THIRD READING] [PAGES 44-45]**

Notes

First Reading: January 22, 2013
Second Reading: February 5, 2013
Third Reading:
Public Hearing: January 22, 2013

STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF RICHLAND COUNTY
ORDINANCE NO. ____-13HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTY DESCRIBED HEREIN AS TMS #09409-01-03 FROM CC-4 (CRANE CREEK NEIGHBORHOOD DISTRICT – INDUSTRIAL) TO CC-3 (CRANE CREEK NEIGHBORHOOD DISTRICT – ACTIVITY CENTER MIXED USE); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

Pursuant to the authority granted by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real property described as TMS # 09409-01-03) from CC-4 (Crane Creek Neighborhood District – Industrial) zoning to CC-3 (Crane Creek Neighborhood District – Activity Center Mixed Use) zoning.

Section II. Severability. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section IV. Effective Date. This ordinance shall be effective from and after _____, 2013.

RICHLAND COUNTY COUNCIL

By: _____
Kelvin E. Washington, Sr., Chair

Attest this _____ day of
_____, 2013.

Michelle M. Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

Public Hearing: January 22, 2013
First Reading: January 22, 2013
Second Reading: February 5, 2013 (tentative)
Third Reading:

Richland County Council Request of Action

Subject

13-02MA
Circle K Inc.
Evan Walton
NC/MH to GC (1.5 Acres)
Fore Ave. & Aubrey St.
22914-02/01/10/11 [**THIRD READING**] [**PAGES 46-48**]

Notes

First Reading: January 22, 2013
Second Reading: February 5, 2013
Third Reading:
Public Hearing: January 22, 2013

STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF RICHLAND COUNTY
ORDINANCE NO. ____-13HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTIES DESCRIBED AS TMS # 22914-02-01 AND AS TMS # 22914-02-11 FROM NC (NEIGHBORHOOD COMMERCIAL DISTRICT) TO GC (GENERAL COMMERCIAL DISTRICT); AND TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTY DESCRIBED AS TMS # 22914-02-10 FROM MH (MANUFACTURED HOME DISTRICT) TO GC (GENERAL COMMERCIAL DISTRICT); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

Pursuant to the authority granted by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real properties described as TMS # 22914-02-01 and as TMS # 22914-02-11 from NC (Neighborhood Commercial District) zoning to GC (General Commercial District) zoning.

Section II. The Zoning Map of unincorporated Richland County is hereby amended to change the real property described as TMS # 22914-02-10 from MH (Manufactured Home District) zoning to GC (General Commercial District) zoning.

Section III. Severability. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section IV. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section V. Effective Date. This ordinance shall be effective from and after _____, 2013.

RICHLAND COUNTY COUNCIL

By: _____
Kelvin E. Washington, Sr., Chair

Attest this _____ day of _____, 2013.

Michelle M. Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

Public Hearing: January 22, 2013
First Reading: January 22, 2013
Second Reading: February 5, 2013 (tentative)
Third Reading:

Richland County Council Request of Action

Subject

An Ordinance Authorizing Quit Claim Deed to Dorothy Jean Allison Vinson for a certain parcel of land located in Richland County, approximately seven (7) miles northwest of the City of Columbia, being described as a triangular crosshatched area of 0.46 Acres more or less, and being a portion of Richland County TMS # 06600-02-14 **[SECOND READING] [PAGES 49-58]**

Notes

January 22, 2013 - The Committee recommended that Council approve the request to adopt and give first reading approval to the Quit Claim Deed to Dorothy Vinson.

Richland County Council Request of Action

Subject: Quit Claim Deed - Vinson

A. Purpose

Council is requested to approve a Quit Claim Deed involving a triangular piece of land pointing east to west measuring 1,278 feet on the north and south sides and 31 feet on the east side located on the northeast corner of the Richland County Landfill Complex property on Caughman Road North.

B. Background / Discussion

Multiple surveys have been performed on the County landfill property (Parcel 06500-01-01) and on the property that was previously deeded to William Patrick Vinson (Parcel 6600-02-14). Surveys indicated that a 0.46 acre area overlapped both property lines, which also suggested that each party had a reasonable claim to the 0.46 acres. (See attached plat.)

County Council passed ordinance 007-06HR (3rd reading 2-7-06, see attachment 1) giving a Quit Claim Deed to William Patrick Vinson for the 0.46 acres; however, the Deed was never recorded. Dorothy Jean Allison Vinson, Mr. Vinson's wife, has become the sole property owner since Mr. Vinson's death on September 25, 2009. Mrs. Vinson is agreeable to recording a Quit Claim Deed for the property to resolve the disputed property line.

The approval of this request is needed to enable the County to complete the ongoing landfill property boundary survey. Based on the location of the 0.46 acres, deeding the land to Mrs. Vinson offered no adverse impact to the County in general or to future landfill operations specifically.

C. Legislative / Chronological History

This is a staff-initiated request. However, County Council passed ordinance 007-06HR (3rd reading 2-7-06) giving a Quit Claim Deed to William Patrick Vinson for the 0.46 acres. The Deed was never recorded and the property is now deeded to Mrs. Vinson since Mr. Vinson is deceased.

The Vinson's plat from February 23, 2005 is attached. The County's ongoing landfill property boundary survey data agrees with the Vinson survey.

D. Financial Impact

There is no anticipated financial impact associated with this request.

E. Alternative

1. Approve the request to approve the Quit Claim Deed and resolve the dispute.
2. Do not approve the request to approve Quit Claim Deed leaving the dispute unresolved.

F. Recommendation

It is recommended that Council approve the Quit Claim Deed.

Recommended by: Rudy Curtis

Department: Solid Waste

Date: 1/10/13

G. Reviews

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

Finance

Reviewed by: Daniel Driggers

Date: 1/15/13

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

Legal

Reviewed by: Elizabeth McLean

Date: 1/16/13

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Policy decision left to Council’s discretion. The request will require an ordinance, which has been provided.

Administration

Reviewed by: Sparty Hammett

Date: 1/16/13

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend Council approval of the Quit Claim Deed.

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. 007-06HR

2006 MAR 7
RICHLAND COUNTY
BARBARA A. PHILLIPS
COUNCIL CLERK

AN ORDINANCE AUTHORIZING QUIT CLAIM DEED TO WILLIAM PATRICK VINSON FOR A CERTAIN PARCEL OF LAND LOCATED IN RICHLAND COUNTY, APPROXIMATELY SEVEN (7) MILES NORTHWEST OF THE CITY OF COLUMBIA, BEING DESCRIBED AS A TRIANGULAR CROSSHATCHED AREA OF 0.46 ACRES MORE OR LESS, AND BEING A PORTION OF RICHLAND COUNTY TMS # 06600-02-14.

Pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

SECTION I. The County of Richland and its employees and agents are hereby authorized to grant a quit claim deed to William Patrick Vinson for a certain parcel of land, as specifically described in the "Quit Claim Deed", which is attached hereto and incorporated herein.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

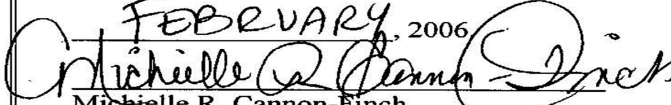
SECTION IV. Effective Date. This ordinance shall be enforced from and after February 7, 2006.

RICHLAND COUNTY COUNCIL

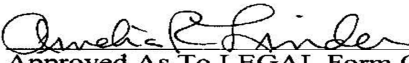
By: 
Anthony G. Mizzell, Chair

Attest this 21ST day of

FEBRUARY, 2006


Michelle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE


Approved As To LEGAL Form Only.
No Opinion Rendered As To Content

First Reading: December 20, 2005
Second Reading: January 3, 2006
Public Hearing: February 7, 2006
Third reading: February 7, 2006

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ____-13HR

AN ORDINANCE AUTHORIZING QUIT CLAIM DEED TO DOROTHY JEAN ALLISON VINSON FOR A CERTAIN PARCEL OF LAND LOCATED IN RICHLAND COUNTY, APPROXIMATELY SEVEN (7) MILES NORTHWEST OF THE CITY OF COLUMBIA, BEING DESCRIBED AS A TRIANGULAR CROSSHATCHED AREA OF 0.46 ACRES MORE OR LESS, AND BEING A PORTION OF RICHLAND COUNTY TMS # 06600-02-14.

WHEREAS, Richland County Council previously passed ordinance 007-06HR which authorized a quit claim deed (the "Original Deed") for the same property described herein to William Vinson; and

WHEREAS, the Original Deed has been lost and was never recorded in the Richland County ROD; and

WHEREAS, in order to clarify a boundary dispute, Richland County desires to again grant a quit claim deed for the property to Dorothy Jean Allison Vinson, wife and successor in interest to William Vinson, who is deceased.

NOW THEREFORE, pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

SECTION I. The County of Richland and its employees and agents are hereby authorized to grant a quit claim deed to Dorothy Jean Allison Vinson for a certain parcel of land, as specifically described in the "Quit Claim Deed", which is attached hereto and incorporated herein.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be enforced from and after _____, 2013.

RICHLAND COUNTY COUNCIL

By: _____
Kelvin Washington, Chair

Attest this _____ day of _____, 2013.

Michelle Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only.
No Opinion Rendered As To Content

First Reading:
Second Reading:
Public Hearing:
Third reading:

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

QUIT CLAIM DEED
(Non-Abstracted Title to Real Estate)

KNOW ALL MEN BY THESE PRESENTS, that Richland County, South Carolina, (the "Grantor") for and in consideration of the sum of Five and 00/100 (\$5.00) Dollars and other valuable consideration paid by Dorothy Jean Allison Vinson (the "Grantee"), the receipt whereof is hereby acknowledged, does hereby remise, release and quitclaim unto the said Grantee, Dorothy Jean Allison Vinson, her successors and assigns forever, subject to any and all existing reservations, easements, encroachments, restrictions, covenants, zoning, governmental regulations, land use regulations, rights-of-way and conditions of this deed that may appear on record or on the premises, the following described real property:

All that certain piece, parcel, or lot of land, situate, lying and being in the County of Richland, State of South Carolina, approximately seven (7) miles northwest of the City of Columbia, being described as a triangular crosshatched area of 0.46 acres more or less, shown as a part of the southwestern portion of Tract "C," bearing Tax Map Number 6600-02-14, commencing at Grid Tie Point No. 106 bearing North $69^{\circ}29'19''$ E for a distance of 1278.20' to Grid Tie Point No. 105, from thence bearing South $20^{\circ}58'13''$ E for a distance of 31.06' to Grid Tie Point No. 104, from thence bearing South $70^{\circ}52'49''$ W for a distance of 1278.83' to point of origin Grid Tie Point No. 106, all as shown in a Boundary Survey for William Patrick Vinson by Mark E. Mills, S.C.P.L.S. #10779, dated March 23, 2005, and recorded on _____ in the Office of the Register of Deeds for Richland County in Book _____ at Page ____ .

Said property being generally bounded as follows: on the North by the remainder of Tract "C" on said boundary survey; on the West by lands now or formerly of Divex, Inc.; on the East by lands now or formerly of William P. Vinson, Jr.; and on the South by lands now or formerly of Richland County, South Carolina.

This being a portion of the identical property conveyed to Richland County, its Successors and Assigns, by deed of William E. Caughman, Jr., and B. D. Caughman, of the County of Richland, and Marion R. Caughman, of the County of Orangeburg, dated July 15, 1974, and recorded July 15, 1974, in the Office of the R.O.D. for Richland County, South Carolina in Deed Book 322 at Page 272.

Tax Map Reference: 6600-02-14

MAILING ADDRESS OF GRANTEE:

Dorothy Jean Allison Vinson
7323 Monticello Road
Columbia, South Carolina 29203

Together with all and singular the rights, hereditaments, members and appurtenances to said premises belonging or in anywise incident or appertaining.

To have and to hold all and singular the premises before mentioned unto the grantee, and the

grantee's heirs, personal representatives and assigns forever.

And, the grantor does hereby bind the grantor and the grantor's heirs and personal representatives to warrant and forever defend all and singular the said premises unto the grantee and the grantee's heirs, and personal representatives against the grantor and the grantor's heirs lawfully claiming, or to claim, any part thereof.

The grantee, by acceptance of this deed, acknowledges that the purposes of the conveyance and acceptance by the grantee of the property herein above-described are to resolve any dispute that may exist as to the accuracy of those portions of earlier recorded titles to real estate referencing the property conveyed herein and to reserve in favor of grantor an easement, right-of-way and encroachment right through and along the identical property conveyed herein for the purpose of grantor's accessing, servicing and maintaining its methane monitoring wells located in and around the property as more particularly shown on a Richland County Landfill Overall Topographic Map prepared by Wilbur Smith Associates, Project No. 392502, dated September 7, 2004, a copy of which is available for inspection during regular Richland County business hours at the Richland County Department of Public Works, 400 Powell Road, Columbia, SC 29203; said easement, right-of-way and encroachment right to exist in favor of Richland County for as long as is needed to carry out the purposes thereof relative to Richland County's methane monitoring wells.

Grantee agrees and binds its heirs, successors and assigns to hold harmless Richland County, its successors and assigns, from liability, damages, losses, costs, expenses, demands, claims, suits, actions and causes of action on account of illness, personal injury or death to persons or damage to property or other loss or liability arising from or in connection with the construction, maintenance, repair, removal, use or the fulfillment of any purpose or condition directly or indirectly connected with Richland County's methane monitoring wells contemplated herein and agrees to indemnify Richland County for any and all liability incurred or injury or damage sustained by reason of past, present or future such encroachment.

Any reference in this instrument to the plural shall include the singular and vice versa. Any reference to one gender shall include the others, including the neuter. Such words of inheritance shall be applicable as are required by the gender of the grantee.

WITNESS the grantor's hand and seal this ___ day of _____, 2013.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

RICHLAND COUNTY,
SOUTH CAROLINA

Kelvin E. Washington Sr., Chair
Richland County Council

Richland County Council Request of Action

Subject

An Ordinance Amending the Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article XI, Energy Conservation Code; Section 6-192, Adopted; so as to adopt and codify the 2009 Edition of the International Energy Conservation Code [**SECOND READING**] [**PAGES 59-63**]

Notes

January 22, 2013 - The Committee recommended that Council approve the request to adopt and give First Reading approval to the 2009 edition of the code.

Richland County Council Request of Action

Subject: To adopt and codify the 2009 edition of the International Energy Conservation Code.

A. Purpose

County Council is requested to adopt and then codify the 2009 edition of the International Energy Conservation Code into the Richland County Code of Ordinances.

B. Background / Discussion

On June 7, 2011 County Council enacted Ordinance No. 028-11HR, which adopted the 2006 edition of the International Energy Conservation Code. However, on March 29, 2012 the South Carolina General Assembly ratified Act No. 143, which amended Section 6-10-30 of the South Carolina Code of Laws by adopting the 2009 edition of the International Energy Conservation Code, to wit:

"Section 6-10-30. The 2009 edition of the International Energy Conservation Code is adopted as the Energy Standard. All new and renovated buildings and additions constructed within the State must comply with this standard."

Further, this law went into effect on January 1, 2013 and all building code officials must now enforce it. Although the Richland County Building Codes and Inspections Department is currently enforcing this updated code, the Richland County Code of Ordinances currently shows the International Energy Conservation Code as being the 2006 edition. Adoption and codification of the latest energy code is in the public interest, as it provides accurate information to interested citizens.

C. Legislative / Chronological History

The South Carolina General Assembly ratified Act No. 143 on March 29, 2012 and it was signed into law by the Governor on April 2, 2012. This law amended Section 6-10-30 of the South Carolina Code of Laws by adopting the 2009 edition of the International Energy Conservation Code, which is now State law in all jurisdictions. The 2009 edition has more stringent requirements than the 2006 edition did for many building elements and equipment. Also, additional tests are now required for mechanical systems testing, and there are increased standards for the building envelope and the associated inspections.

This is a staff-initiated request. Adopting and codifying the 2009 edition of the International Energy Conservation Code will allow the public to have more readily available access to the correct building codes in effect at any particular time.

D. Financial Impact

There is no financial impact associated with this request.

E. Alternatives

1. Approve the request to amend Section 6-192 of the Richland Council Code of Ordinances to adopt the 2009 edition of the International Energy Conservation Code by approving the attached ordinance. If this alternative is chosen, the County Code of Ordinances will be

consistent with State law, and it will be easier for Code enforcement officers to enforce, as they can then cite Section 6-192 of the County's Code.

2. Do not approve the request to amend Section 6-192 of the Richland Council Code of Ordinances by approving the attached ordinance, which adopts the 2009 edition of the International Energy Conservation Code. If this alternative is chosen, the County and its citizens will still have to comply with the 2009 edition of the International Energy Conservation Code, but it will conflict with the information provided on the County's website regarding which building codes are currently in effect. In essence, the website would be providing incorrect information to the public.

F. Recommendation

It is recommended that Council approve the request to adopt and codify the 2009 edition of the International Energy Conservation by approving the attached ordinance so that this information can be placed in the Richland County Code of Ordinances and be posted on the internet, thereby being more available to interested citizens.

Recommended by: Donny Phipps Department: Building Codes Date: 1/11/13

G. Reviews

(Please replace the appropriate box with a ✓ and then support your recommendation in the Comments section before routing on. Thank you!)

Please be specific in your recommendation. While "Council Discretion" may be appropriate at times, it is recommended that Staff provide Council with a professional recommendation of approval or denial, and justification for that recommendation, as often as possible.

Finance

Reviewed by: Daniel Driggers

Date: 1/16/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Elizabeth McLean

Date: 1/16/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Administration

Reviewed by: Sparty Hammett

Date: 1/16/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend Council approval to adopt and codify the 2009 edition of the International Energy Conservation Code.

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-13HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 6, BUILDINGS AND BUILDING REGULATIONS; ARTICLE XI, ENERGY CONSERVATION CODE; SECTION 6-192, ADOPTED; SO AS TO ADOPT AND CODIFY THE 2009 EDITION OF THE INTERNATIONAL ENERGY CONSERVATION CODE.

WHEREAS, Act No. 143 was ratified by the South Carolina General Assembly on March 29, 2012 and signed into law by the Governor on April 2, 2012; and

WHEREAS, Act No. 143 amended Section 6-10-30 of the South Carolina Code of Laws by adopting the 2009 edition of the International Energy Conservation Code, which mandates that this Code be used for all commercial and/or residential construction in the state of South Carolina, effective January 1, 2013; and

WHEREAS, the Building Codes and Inspections Department is now enforcing the 2009 edition of the International Energy Conservation Code; however, the Richland County Code of Ordinances currently shows the International Energy Conservation Code as being the 2006 edition; and

WHEREAS, adoption and codification of the latest building codes is in the public interest as it provides accurate information to interested citizens.

NOW, THEREFORE, pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. The Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article XI, Energy Conservation; Section 6-192, Adopted; is hereby amended to read as follows:

Sec. 6-192. Adopted.

There is hereby adopted by the county council the ~~2006~~ 2009 International Energy Conservation Code, including Chapter 1 (Administration and Enforcement), and all amendments thereto, as published by the International Code Council, Inc. The construction, alteration, repair, or maintenance of every building or structure shall conform to the requirements of this Code.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective from and after _____, 2013.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin E. Washington, Sr., Chair

ATTEST THIS THE ____ DAY

OF _____, 2013

Michelle M. Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading:
Second Reading:
Public Hearing:
Third Reading:

Richland County Council Request of Action

Subject

A General Bond Ordinance authorizing and providing for the issuance of Hospitality Tax Revenue Bonds of Richland County, South Carolina; prescribing the form of bonds; providing for the payment of the bonds from the sources provided herein; creating certain funds and providing for payments into such funds; and other matters relating thereto **[SECOND READING] [PAGES 64-106]**

Notes

January 22, 2013 - The Committee recommended that Council give First Reading approval to enact a general bond ordinance authorizing the issuance of revenue bonds secured by Hospitality Tax revenues and a First Supplemental Ordinance authorizing the refunding of the 2007 Loan Agreement.

First Reading: February 5, 2013

Second Reading:

Third Reading:

Public Hearing:

Richland County Council Request of Action

Subject: Issuing Revenue Bonds Secured by Hospitality Tax Revenues; Refunding/Refinancing Outstanding Debt Secured by Hospitality Tax Revenues

A. Purpose

County Council is being requested to enact a general bond ordinance authorizing the issuance of revenue bonds secured by Hospitality Tax revenues and a first supplemental ordinance authorizing the refunding of the 2007 Loan Agreement.

B. Discussion

On April 17, 2007 County Council authorized the County to enter into a \$23,765,000 Loan Agreement dated April 30, 2007 by and between the County and Bank of America Public Corp (the "Loan Agreement"). The proceeds of the Loan Agreement were used to fund improvements to the Township Auditorium and to provide long-term financing for properties acquired by the County for use as (1) the Farmers' Market and (2) as the Regional Sports Complex.

The County has been informed by its bond counsel that state law has changed and the County can now issue revenue bonds secured by Hospitality Tax revenues by enacting a general bond ordinance and a supplemental ordinance for a specific transaction. The County has also been advised by its financial advisor that a debt service savings could be realized by refunding the Loan Agreement. Therefore, it would be in the County's best interests to authorize the issuance of revenue bonds by adopting a general bond ordinance and authorizing the refunding of the Loan Agreement by enacting a first supplemental ordinance. The County would issue revenue bonds in an amount necessary to provide sufficient funds for the refunding.

The advantage of issuing the taxable debt is that it will provide the County with increased flexibility regarding the implementation of several phases of development of the Regional Sports Complex. Specifically, the use of taxable debt would give the County flexibility to provide property for non-tax-exempt purposes as needed for future projects.

C. Financial Impact

The direct financial impact of an approval of this request would result in a debt service savings over the life of the revenue bonds.

The issuance of the taxable debt will not increase millage or require additional Hospitality Tax dollars. The required payments on the debt can be made within the current allocated debt service amount.

D. Alternatives

1. Approve the request to enact the ordinances.
2. Do not approve the request to enact the ordinances.

E. Recommendation

It is recommended that Council approve the request to enact the ordinances, the first alternative.

Recommended by: Daniel Driggers

Department: Finance

Date: 1/17/13

Reviews

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

Finance

Reviewed by: Daniel Driggers

Date: 1/17/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Elizabeth McLean

Date: 1/17/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Council discretion.

Administration

Reviewed by: Tony McDonald

Date: 1/17/13

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval due to the fact that the refunding of the 2007 bond will save the County debt service over the remaining life of the bond and will provide for more flexibility in terms of how the bond proceeds can be used.

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____

A GENERAL BOND ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF HOSPITALITY TAX REVENUE BONDS OF RICHLAND COUNTY, SOUTH CAROLINA; PRESCRIBING THE FORM OF BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS FROM THE SOURCES PROVIDED HEREIN; CREATING CERTAIN FUNDS AND PROVIDING FOR PAYMENTS INTO SUCH FUNDS; AND OTHER MATTERS RELATING THERETO.

Table of Contents

	Page
ARTICLE I DEFINITIONS	1
Section 1.1 Definitions	1
 ARTICLE II FINDINGS AND DETERMINATIONS.....	 7
Section 2.1 Findings and Determinations.....	7
 ARTICLE III AUTHORIZATION AND ISSUANCE OF BONDS.....	 8
Section 3.1 Authorization of Bonds.....	8
Section 3.2 General Provisions For Issuance of Bonds.....	8
Section 3.3 Conditions for the Issuance of Additional Bonds under this Ordinance.....	10
Section 3.4 Refunding Bonds	11
Section 3.5 Junior Bonds	11
 ARTICLE IV THE BONDS.....	 11
Section 4.1 Execution	11
Section 4.2 Authentication.....	12
Section 4.3 Registration and Transfer of Bonds; Persons Treated as Holders.....	12
Section 4.4 Form of Bonds; Denominations; Medium of Payment.....	12
Section 4.5 Numbers, Date, and Payment Provisions	12
Section 4.6 Exchange of Bonds.....	13
Section 4.7 Regulations with Respect to Exchanges and Transfer	13
Section 4.8 Mutilated, Lost, Stolen or Destroyed Bonds	13
Section 4.9 Bonds in Book-Entry Form	14
Section 4.10 Bonds Issued as Taxable Obligations.....	14
 ARTICLE V REDEMPTION OF BONDS.....	 14
Section 5.1 Redemption of Bonds	14
Section 5.2 Selection of Bonds for Redemption	14
Section 5.3 Notice of Redemption.....	14
Section 5.4 Partial Redemption of Bond	15
Section 5.5 Effect of Redemption.....	15
Section 5.6 Cancellation	15
Section 5.7 Purchase of Bonds	15
 ARTICLE VI ESTABLISHMENT OF FUNDS; SECURITY FOR AND PAYMENT OF THE BONDS; INVESTMENT OF MONEYS	 16
Section 6.1 Listing of Funds and Accounts.....	16
Section 6.2 Disposition of Hospitality Taxes	16
Section 6.3 Security for and Payment of the Bonds.....	16
Section 6.4 Accounting Methods.....	17

Section 6.5	Hospitality Tax Special Revenue Fund	17
Section 6.6	Debt Service Funds.....	17
Section 6.7	Debt Service Reserve Fund	19
Section 6.8	Establishment of Construction Fund	20
Section 6.9	Distribution of Remaining Hospitality Taxes.....	21
Section 6.10	Investment of Funds	21
ARTICLE VII COVENANTS.....		22
Section 7.1	Pledge of Hospitality Taxes for Payment of Bonds	22
Section 7.2	To Pay Principal, Premium, and Interest on the Bonds.....	22
Section 7.3	Records, Accounts and Audits	22
Section 7.4	Additional Requirements Applicable to Swap Agreements.....	23
ARTICLE VIII TRUSTEE; CUSTODIANS		23
Section 8.1	Trustee	23
Section 8.2	Resignation of Trustee	26
Section 8.3	Removal of Trustee.....	26
Section 8.4	Custodians	27
Section 8.5	Duties and Obligations of Trustee and Custodians	27
Section 8.6	Trustee and Custodians	27
ARTICLE IX AMENDMENTS OR SUPPLEMENTS TO THIS ORDINANCE		27
Section 9.1	Amendments or Supplements to Ordinance.....	27
ARTICLE X EVENTS OF DEFAULT.....		28
Section 10.1	Events of Default.....	28
ARTICLE XI REMEDIES UPON EVENT OF DEFAULT		29
Section 11.1	General.....	29
Section 11.2	Suits at Law or in Equity and Mandamus.....	29
Section 11.3	Remedies Not Exclusive; Effect of Waiver of Default; Effect of Abandonment of Proceedings or Adverse Determination.....	29
Section 11.4	Restrictions on Bondholder's Action.....	30
Section 11.5	Application of Hospitality Taxes and Other Moneys After Default.....	30
ARTICLE XII DEFEASANCE.....		31
Section 12.1	Defeasance.....	32
ARTICLE XIII MISCELLANEOUS		33
Section 13.1	Benefits of Ordinance Limited to the County, the Trustee and Holders of the Bonds 33	33
Section 13.2	Ordinance Binding Upon Successors or Assigns of the County.....	33
Section 13.3	No Personal Liability.....	33

Section 13.4	Effect of Saturdays, Sundays and Legal Holidays	33
Section 13.5	Partial Invalidity	34
Section 13.6	Law and Place of Enforcement of Ordinance	34
Section 13.7	Effect of Article and Section Headings and Table of Contents	34
Section 13.8	Repeal of Inconsistent Ordinances	34
Section 13.9	Notices	34
Section 13.10	Severability	34
Section 13.11	Miscellaneous	35

Pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Unless the context shall clearly indicate some other meaning, the terms defined in this Section shall, for all purposes of this Ordinance and of any ordinance, resolution, certificate, opinion, instrument or other document herein or therein mentioned, have the meanings herein specified. The definitions shall be equally applicable to both the singular and plural forms of any of the terms herein defined and vice versa. The term:

“2007 Loan Agreement” shall mean the Loan Agreement dated as of April 30, 2007, between Richland County, South Carolina and Banc of America Public Capital Corp.

“Accountant” shall mean an independent certified public account or a firm of independent certified public accountants selected by the County.

“Accreted Value” means the amounts set forth in and the amounts computed pursuant to a formula set forth in a Supplemental Ordinance authorizing the issuance of Bonds in the form of Capital Appreciation Bonds, the Accreted Value of which is being determined.

“Additional Bonds” shall mean any obligations issued after the Series 2013 Bonds and Outstanding under this Ordinance, which shall be payable from Hospitality Taxes and secured on a parity with or subordinate to Bonds issued under this Ordinance.

“Bond” or “Bonds” shall mean any Bond, some of the Bonds or all of the Bonds including Additional Bonds and Refunding Bonds issued under and pursuant to Article III hereof, excluding bonds or other indebtedness issued under Section 3.5 hereof.

“Bond Anticipation Note” or “Bond Anticipation Notes” shall mean debt issued to fund Costs of Acquisition and Construction on a temporary basis, the payment of which shall be pledged initially from the issuance of Bonds and secondarily from revenues of the System.

“Bond Act” shall mean Title 6, Chapter 21, Code of Laws of South Carolina, 1976, and all other statutory authorizations, now or hereinafter enacted, authorizing and enabling the County to provide for the issuance of the Bonds.

“Bond Counsel” shall mean any attorney or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States.

“Bondholders” or the term “Holder” or any similar term shall mean the registered owner or owners of any Outstanding Bond or Bonds. For any and all purposes under the provisions of this Ordinance, a Credit Facility Issuer shall be treated as the Holder of any Bond for which such Credit Facility Issuer shall have provided a Credit Facility.

“Bond Redemption Account” shall mean the account by that name created within each respective Debt Service Fund.

“Books of Registry” shall mean the registration books maintained by the Registrar, as bond registrar, in accordance with Section 4.3 hereof.

“Business Day” shall mean, except as otherwise provided with respect to a Series of Bonds in a Supplemental Ordinance, any day other than a Saturday, a Sunday or a day which shall be in the State or the state in which the corporate trust office of the Trustee is located a legal holiday or a day on which banking institutions are authorized by law or executive order to close or a day on which the payment system of the Federal Reserve is not operational.

“Capital Appreciation Bonds” shall mean Bonds that bear interest payable at maturity, upon redemption prior to maturity or prior to maturity at the date set forth and in the amounts determined by reference to the Accreted Value of such Capital Appreciation Bonds in accordance with the provisions of the Supplemental Ordinance authorizing the issuance of such Capital Appreciation Bonds.

“Code” shall mean the Internal Revenue Code of 1986 and any applicable Treasury Regulations.

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

“Construction Fund” shall mean any fund established with and maintained by the Custodian selected by the County, and derived from certain of the proceeds of the sale of the Bonds and intended to defray the costs of all or a portion of any Project and to pay all Costs of Acquisition and Construction in connection therewith, as established in a Supplemental Ordinance authorizing the issuance of any Series of Bonds.

“Costs of Acquisition and Construction” shall mean, to the extent permitted by the Hospitality Tax Act, Project costs, including the Costs of Issuance and capitalized interest on Bonds. Costs of Acquisition and Construction shall include the reimbursement of funds previously advanced by the County with respect to the Projects, funding of a Debt Service Reserve Fund, and the payment of amounts due on bond anticipation notes, the proceeds of which were used for Costs of Acquisition and Construction.

“Costs of Issuance” shall mean all items of expense, directly or indirectly payable or reimbursable by or to the County or the Council and related to the authorization, sale and issuance of Bonds including, but not limited to, printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any Trustee, Custodian, Registrar or Paying Agent, legal fees and charges, auditing and accounting fees and charges, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of Bonds, costs associated with any Credit Facility (as defined below), costs and expenses of any refunding, premiums for insurance relating to the issuance of Bonds, financing charges, accrued interest with respect to the initial investment of proceeds of Bonds and any other costs, charges or fees in connection with the original issuance of Bonds.

“Council” shall mean the Richland County Council.

“County” shall mean Richland County, South Carolina.

“County Administrator” shall mean the chief administrative officer of the County government authorized to execute the policies, directives and legislative actions of the council; to direct and coordinate operational agencies and administrative activities of the county government; to prepare annual operating and capital improvement budgets for submission to the Council; to require such reports, estimates and

statistics on an annual or periodic basis as he deems necessary from all County departments and agencies; to supervise the expenditure of appropriated funds; to prepare annual, monthly and other reports for Council on finances and administrative activities of the county; to be responsible for the administration of County personnel policies including salary and classification plans approved by council; to be responsible for employment and discharge of personnel and to perform such other duties as may be required by the Council.

“County Representative” shall mean the person or custodian/persons at the time designated to act on behalf of the County for the purpose of performing any act under this Ordinance or any Supplemental Ordinance by a written certificate furnished to the Trustee or Custodian containing the specimen signature of such person or persons and signed on behalf of the County by the Council Chair or the County Administrator.

“Credit Facility” shall mean any Municipal Bond Insurance Policy, irrevocable letter of credit, surety bond, or other insurance or financial product which guarantees timely payment of all or any portion of the principal of, premium, if any, and interest on all or any portion of Bonds issued under this Ordinance.

“Credit Facility Issuer” shall mean each insurance company, bank, or other organization which has provided a Credit Facility in connection with the issuance of any Series of Bonds or any particular Bonds within a Series.

“Custodian” shall mean any bank, depository or trust company duly qualified and doing business within the State selected by the County as a depository of moneys or securities held in the Construction Fund.

“Date of Issue” shall mean that date established in any Supplemental Ordinance from which interest shall accrue on the Bonds of the applicable Series.

“Debt Service” shall mean, with respect to each Series of Bonds and with respect to any particular Fiscal Year, the aggregate of the amounts to be paid or set aside (or estimated to be required to be paid or set aside) in the applicable Debt Service Fund in such Fiscal Year for the payment of the principal of, redemption premium, if any, and interest (to the extent not payable from the proceeds of Bonds or investment earnings thereon) on such Series of Bonds; provided that the interest on Variable Rate Indebtedness then Outstanding shall be calculated at the actual average rate of interest on the Variable Rate Indebtedness during the twelve (12) months immediately preceding the date of calculation (or such lesser period during which the Variable Rate Indebtedness has been Outstanding); provided further, that for purposes of any prospective calculation, interest on Variable Rate Indebtedness shall be calculated at the lesser of (a) the 25-Bond Revenue Index published by *The Bond Buyer* (or if no longer published, any reasonably equivalent nationally recognized index published for the periods in question selected by the County) no more than one month prior to the date of calculation or (b) the maximum interest rate allowable on such Variable Rate Indebtedness.

“Debt Service Fund” shall mean each of the respective funds of that name established pursuant to Section 6.6 of this Ordinance and so designated pursuant to a Supplemental Ordinance to provide for the payment of the principal of and interest on the respective Series of Bonds issued pursuant to this Ordinance and such Supplemental Ordinance as the same respectively become due and payable.

“Debt Service Reserve Fund” shall mean the respective funds, if any, of that name established pursuant to Section 6.7 of this Ordinance and so designated pursuant to a Supplemental Ordinance.

“Default” or “Event of Default” shall mean any of those Events of Default specified in and defined by Article X hereof.

“First Supplemental Ordinance” shall mean the Supplemental Ordinance enacted by the Council on the date hereof, authorizing the issuance of the Series 2013 Bonds.

“Fiscal Year” shall mean the fiscal year for the County as determined by the Council, initially being the period from July 1 in any year to and including June 30 in the following year.

“Government Obligations” shall mean, except as otherwise provided in a Supplemental Ordinance, and to the extent such obligations constitute Permitted Investments, (1) Obligations of the United States and its agencies, the principal and interest of which is fully guaranteed by the United States; (2) obligations issued by the Federal Financing Bank, Federal Farm Credit Bank, the Bank of Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, and the Farmers Home Administration, if, at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations; (3)(i) General obligations of the State of South Carolina or any of its political units; or (ii) revenue obligations of the State of South Carolina or its political units, if at the time of investment, the obligor has a long-term, unenhanced, unsecured debt rating in one of the top two ratings categories, without regard to a refinement or gradation of rating category by numerical modifier or otherwise, issued by at least two nationally recognized credit rating organizations; (4) Savings and Loan Associations to the extent that the same are insured by an agency of the federal government; Certificates of deposit where the certificates are collaterally secured by securities of the type described in (1) and (2) above held by a third party as escrow agent or custodian, of a market value not less than the amount of the certificates of deposit so secured, including interest; provided, however, such collateral shall not be required to the extent the same are insured by an agency of the federal government; and (6) Repurchase agreements when collateralized by securities as set forth in this section.

“Fixed Rate Bonds” shall mean, for any period of time, any Bonds which during such period bear interest at a fixed rate.

“Hospitality Tax Act” means Title 6, Chapter 1, Article 7, of the S.C. Code.

“Hospitality Tax Special Revenue Fund” shall mean the Richland County Hospitality Tax Special Revenue Fund created and established by the Hospitality Tax Ordinance.

“Hospitality Tax Ordinance” means Ordinance No. 025-03HR duly enacted by Council on March 6, 2003, establishing a local Hospitality Tax in the County, as such may be amended from time to time.

“Hospitality Taxes” means the Hospitality Taxes imposed by the County pursuant to the Hospitality Tax Act and the Hospitality Tax Ordinance.

“Interest Account” shall mean the account by that name created within each respective Debt Service Fund.

“Interest Payment Date” shall mean the respective interest payment dates for a Series of Bonds as determined by a Supplemental Ordinance.

“Junior Bonds” shall mean either (a) bonds or bond anticipation notes secured by a pledge of Hospitality Taxes junior and subordinate in all respects to the pledge securing the Bonds or (b) any other form of indebtedness secured by a pledge of Hospitality Taxes after provision has been made for all payments

required to be made with respect to the Bonds, which bonds or indebtedness may be authorized by an ordinance of Council which is not supplemental to this Ordinance.

“Maximum Annual Debt Service” shall mean the highest aggregate principal and interest requirements (to the extent not paid from the proceeds of Bonds or investment earnings thereon) on the Bonds then Outstanding during any then current or future Fiscal Year. In the case of determining the Maximum Debt Service for purposes of Section 3.3 of this Ordinance, interest on Variable Rate Indebtedness shall be calculated at the lesser of (a) the 25-Bond Revenue Index published by *The Bond Buyer* (or if no longer published, any reasonably equivalent nationally recognized index published for the periods in question selected by the County) no more than one month prior to the date of calculation or (b) the maximum interest rate allowable on such Variable Rate Indebtedness.

“Ordinance” shall mean this ordinance as from time to time amended or supplemented by one or more Supplemental Ordinances.

“Outstanding” when used with respect to any Bond shall have the construction given to such word in Article XII hereof; *i.e.*, a Bond shall not be Outstanding if such Bond is not, or would not be, at the time, deemed to be Outstanding by reason of the operation and effect of said Article XII.

“Paying Agent” shall mean for each Series of Bonds the respective paying agent or paying agents appointed pursuant to the proceedings authorizing such Bonds.

“Permitted Investments” shall mean, except as limited with respect to the funds and accounts relating to a Series of Bonds by a Supplemental Ordinance, (a) any one or more of the investments now or hereafter permitted by Section 6-5-10, Code of Laws of South Carolina 1976, as amended and in effect from time to time, or any authorization relating to the investment of County funds hereunder; and (b) the South Carolina Pooled Investment Fund or similar State administered pool investment fund.

“Principal Account” shall mean the account by that name created within each respective Debt Service Fund.

“Principal Payment Date” shall mean the respective principal payment dates for a Series of Bonds as determined by a Supplemental Ordinance.

“Project” shall mean any project authorized or permitted to be acquired, constructed or financed with Hospitality Taxes, as described in the Hospitality Tax Ordinance and the Hospitality Tax Act, including but not limited to the following:

- (1) tourism related buildings including, but not limited to, civic centers, coliseums, and aquariums;
- (2) tourism-related cultural, recreational, or historic facilities;
- (3) beach access and renourishment;
- (4) highways, roads, streets, and bridges providing access to tourist destinations;
- (5) advertisements and promotions related to tourism development; or
- (6) water and sewer infrastructure to serve tourism-related demand.

“Rating Agency or Agencies” shall mean Fitch, Inc., Moody’s Investors Service or Standard & Poor’s, a Division of The McGraw-Hill Company, Inc., to the extent such firms shall maintain a rating of the Bonds or any other such agency as shall maintain a rating of the Bonds.

“Record Date” shall mean with respect to any Series of Bonds the fifteenth (15th) day (whether or not a Business Day) of the calendar month immediately preceding an Interest Payment Date or such other day as may be provided in the Supplemental Ordinance authorizing the issuance of such Series of Bonds.

“Refunding Bond Act” shall mean Title 6, Chapter 17, and Title 11, Chapters 15 and 21, Code of Laws of South Carolina, 1976, and all other statutory authorizations, now or hereinafter enacted, authorizing and enabling the County to provide for the issuance of refunding Bonds.

“Registrar” shall mean for each Series of Bonds the registrar appointed pursuant to the proceedings authorizing such Bonds.

“Reserve Fund Requirement” shall mean, as of the date of calculation, the debt service reserve fund requirement, if any, established pursuant to a Supplemental Ordinance authorizing the issuance of a Series of Bonds.

“S.C. Code” shall mean the Code of Laws of South Carolina 1976, as amended.

“Securities Depository” shall mean The Depository Trust Company, New York, New York, or any other recognized securities depository selected by the County, which securities depository maintains a book-entry system in respect of any Series of Bonds, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

“Serial Bonds” shall mean Bonds which are not Term Bonds.

“Series” or “Series of Bonds” or “Bonds of Series” shall mean all Bonds designated as being of the same series issued and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter delivered in lieu thereof or in substitution therefor pursuant to this Ordinance.

“Series 2013 Bonds” shall mean the not exceeding \$22,750,000 Richland County, South Carolina, Hospitality Tax Refunding Revenue Bonds, authorized to be issued pursuant to this Ordinance and the First Supplemental Ordinance.

“State” shall mean the State of South Carolina.

“Supplemental Ordinance” shall mean any ordinance by the County providing for the issuance of Bonds and any ordinance enacted by Council pursuant to and in compliance with the provisions of Article IX hereof amending or supplementing the provisions of this Ordinance.

“Term Bonds” shall mean any Bond designated by the Supplemental Ordinance providing for its issuance as being subject to retirement or redemption from moneys credited to the applicable Bond Redemption Account as sinking fund installments.

“Trustee” shall mean _____, and any successor Trustee appointed in accordance with Section 8.2 hereof.

“Valuation Date,” with respect to any Capital Appreciation Bonds, shall have the meaning ascribed to such term in the Supplemental Ordinance authorizing the issuance of such Capital Appreciation Bonds.

“Variable Rate Indebtedness” shall mean indebtedness in the form of Bonds, the interest rate on which is not established at a fixed or constant rate at the time such indebtedness is incurred.

ARTICLE II

FINDINGS AND DETERMINATIONS

Section 2.1 Findings and Determinations. The Council hereby finds and determines:

(a) Pursuant to Section 4-9-10, Code of Laws of South Carolina 1976, as amended, the County operates under the Council-Administrator form of government and the County Council constitutes the governing body of the County.

(b) Section 4-9-30 of the S.C. Code provides, in part, that counties may enact ordinances, not inconsistent with the Constitution and general law of the State, respecting any subject which appears necessary and proper for the security, general welfare, and convenience of the county and for the preservation of the general health, peace, order and good government in the county, and further, under the case of Williams v. Town of Hilton Head, 429 S.E.2d 802 (1993) a county may enact regulations (ordinances) without the requirement for further specific statutory authorization so long as such regulations are not inconsistent with the Constitution and general law of the State.

(c) Pursuant to the authorization granted by the General Assembly to municipalities in the Hospitality Tax Act, the Council imposed the Hospitality Taxes. While the General Assembly utilized the words “local hospitality tax” in the Hospitality Tax Act as a means by which to designate the charge authorized to be imposed on the sales of prepared meals and beverages, it was the intent of the Council to impose such charges as fees pursuant to the provisions of the Hospitality Tax Ordinance.

(d) It is a well established principle of South Carolina law that the use of a particular word is not determinative of its characterization. Jackson v. Breeland, 88 S.E. 128, 103 S.C. 184 (1915). As set forth in Brown v. County of Horry, 417 S.E.2d 565, 308 S.C. 180 (1992), the factors that are of paramount importance to the analysis of whether a charge constitutes a “tax” or a “fee” are the following: (i) the purpose behind its imposition; (ii) the intended portion of the community that will be charged; and (iii) the dedication of the sums so collected to the purpose for which it is charged. The Council finds that its actions in imposing the Hospitality Taxes and segregating the collections received from such fees in order that such sums be utilized according to the Hospitality Tax Act meet the test enunciated in Brown such that the charges imposed pursuant to the provisions of the Hospitality Tax Ordinance constitute fees.

(e) A dynamic tourism industry fosters and enhances the economic growth and well being of a community and its residents. Tourism has been and continues to be a growing industry for the County. The County is initiating efforts to promote tourism to the County and to the County’s facilities and attractions. Moreover, as the County’s tourism industry grows and expands, the County must make provision to increase municipal services and facilities in order to accommodate the needs of tourists and to attract additional tourism. Tourists enjoy and utilize the special benefits which the County provides. The Council has been advised and recognizes that Hospitality Taxes must be used exclusively for Projects or otherwise for purposes permitted by the Hospitality Tax Ordinance and the Hospitality Tax Act.

(f) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as

amended, provides that municipalities may incur indebtedness payable solely from a revenue-producing project which source does not involve revenues from any tax or license.

(g) Section 6-1-760(B) of the S.C. Code provides that a county is authorized to issue bonds, pursuant to Section 14(10), Article X of the Constitution of the State, utilizing the procedures of the Bond Act, for the purposes enumerated in Section 6-1-530 (which are identical to those set forth in Section 6-1-730) of the S.C. Code, to pledge as security for such bonds and to retire such bonds with the proceeds of local hospitality fees imposed under the Hospitality Tax Act, and the pledge of such other nontax revenues as may be available for those purposes for capital projects used to attract and support tourists.

(h) The County has heretofore pledged the Hospitality Taxes to the payment of the Loan Payments under and as defined in the 2007 Loan Agreement.

(i) Pursuant to the authority of the Bond Act and the Hospitality Tax Act, the County intends to finance certain Projects and/or refinance the 2007 Loan Agreement with a portion of the proceeds from the Bonds.

(j) Pursuant to Ordinance No. 067-12HR enacted on November 13, 2012, Council adopted Written Procedures related to Tax-Exempt Debt.

ARTICLE III

AUTHORIZATION AND ISSUANCE OF BONDS

Section 3.1 Authorization of Bonds. There is hereby authorized to be issued Bonds of the County as may be provided in the Supplemental Ordinance authorizing such Bonds, which Bonds may be issued pursuant to this Ordinance and in accordance with the terms, conditions and limitations set forth herein; in Series; and in such amounts and from time to time as the own may deem to be necessary or advisable for any corporate purpose of the County and Project for which Bonds may be issued under this Ordinance, a Supplemental Ordinance, the Bond Act and the Hospitality Tax Act. Such Bonds may be authorized to be issued in the form of Serial Bonds or Term Bonds, with or without mandatory sinking fund payments, or Capital Appreciation Bonds, or a combination of any of them, and may bear interest in whatever manner and payable at whatever frequency as shall be prescribed by the applicable Supplemental Ordinance.

Section 3.2 General Provisions For Issuance of Bonds. (a) The Bonds shall be issued in Series by means of Supplemental Ordinances enacted by the Council in accordance with the provisions of this Article and Article IX hereof. Each Supplemental Ordinance shall designate the Bonds provided thereby with an appropriate Series designation and with such further particular designations, if any, as the County deems appropriate. Each Supplemental Ordinance shall, unless or except as is otherwise set forth herein, also specify:

(1) The Date of Issue of such Series of Bonds, or the manner of determining such date and the officials authorized to make such determination;

(2) The maximum authorized principal amount of such Series of Bonds and the manner of determining the precise principal amount and the officials authorized to make such determination;

(3) The date of the final payment of principal of such Series of Bonds, or the manner of determining such date and the officials authorized to make such determination;

(4) The purposes for which such Series of Bonds is being issued, which shall be to provide funds for the purposes authorized by the Bond Act and this Ordinance;

- (5) The title and designation of the Bonds of such Series;
 - (6) The manner in which Bonds of such Series are to be sold and provisions for the sale thereof;
 - (7) The form or forms for the Bonds of such Series;
 - (8) Whether the Bonds of such Series shall be issued in book-entry form pursuant to Section 4.9 hereof;
 - (9) The manner of numbering and lettering, and the denomination or denominations of the Bonds of such Series, including whether the Bonds of such Series may be issued using denominations other than U.S. dollars;
 - (10) The date or dates of maturity and the amounts thereof of such Series of Bonds, or the manner of determining such date or dates and the officials authorized to make such determination;
 - (11) The interest rate or rates, or the manner of determining such rate or rates and the officials authorized to make such determinations, of the Bonds of such Series, including whether and on what terms there shall be entered by the County an agreement for any form of interest rate swap or similar transaction with respect to such Series;
 - (12) The time for the payment of interest on the Bonds of such Series and the Record Dates, or the manner of determining such dates and the officials authorized to make such determinations;
 - (13) The redemption price or redemption prices and the redemption date or redemption dates and other terms of redemption (if any) applicable to any of the Bonds of such Series for such payments, or the manner of determining such dates and prices and the officials authorized to make such determinations;
 - (14) The portion of such Series of Bonds that are Serial Bonds, Term Bonds and Capital Appreciation Bonds, if any, including the amount and date of each mandatory redemption or sinking fund installment, if any, required by such Supplemental Ordinance to be paid for the retirement of any such Bonds, or the manner of making such designations and the officials authorized to make such designations;
 - (15) Any other applicable redemption requirement for the Bonds of such Series and the method of satisfying the same;
 - (16) Whether the Bonds of such Series will be subject to a Reserve Requirement and, if so, the manner of satisfaction of the Reserve Requirement;
 - (17) The disposition of the proceeds of the sale of the Bonds of such Series and the manner of their application;
 - (18) That a Debt Service Fund shall be established for the Series of Bonds, that a Construction Fund be established if the proceeds of the Bonds of any Series are intended to be used for a Project, and that a capitalized interest account be established within any such Debt Service Fund if interest for any period is to be paid from proceeds of such Series of Bonds; and
 - (19) Any other provisions deemed advisable by the County not in conflict with or in substitution for the provisions of this Ordinance.
- (b) Bonds of a Series may be executed and delivered to the Registrar by the County and authenticated and delivered by the Registrar to the County or, upon its order, upon compliance with Section 3.3 or 3.4 hereof.
 - (c) The County may, from time to time, issue Bond Anticipation Notes upon compliance

with the terms, limitations and conditions herein pertaining to the issuance of Bonds.

(d) The County shall obtain an opinion of Bond Counsel to the effect that (i) this Second Bond Ordinance and the Supplemental Ordinance have been duly and lawfully adopted and are in full force and effect; (ii) the Bonds have been duly and lawfully authorized and executed by the County and are valid and binding upon, and enforceable against, the County (except to the extent that the enforceability thereof may be limited by the operation of bankruptcy, insolvency and similar laws affecting rights and remedies of creditors); (iii) with respect to such Bonds, this Ordinance creates the valid pledge which it purports to create of the Hospitality Taxes and of moneys and securities on deposit in any of the funds established hereunder subject to the application thereof to the purposes and on the conditions permitted by this Ordinance; and (d) upon the execution and delivery thereof, such Bonds will have been duly and validly authorized and issued in accordance with this Ordinance.

(e) Bonds issued upon compliance with this Section and Section 3.3 or Section 3.4 hereof shall be issued on a parity with the pledge of and lien upon the Hospitality Taxes inter sese, but not with respect to the particular Debt Service Fund or Debt Service Reserve Fund (if any) created for the benefit of the Holders of the Bonds of a Series, in all respects inter sese, notwithstanding, that they may be in different form, and bear different dates, interest rates, number, date of issuance or date of execution or are payable at different times. In all such instances, the pledge of Hospitality Taxes made hereunder, and the covenants and remedies hereby granted, shall be applicable and available to the Holders of such Bonds.

Section 3.3 Conditions for the Issuance of Additional Bonds under this Ordinance. Other than Refunding Bonds or Junior Bonds. Any time and from time to time, one or more Series of Additional Bonds (exclusive of refunding Bonds) may be issued for such purposes as may be permitted by the Bond Act and Hospitality Tax Act upon compliance with the provisions of Section 3.2 hereof and this Section in such principal amounts as may be determined by Council for the purpose of paying all or part of the Costs of Acquisition and Construction of one or more Projects authorized to be financed under the Bond Act and the Hospitality Tax Act with Bonds and upon compliance with the following conditions:

(a) There shall be executed a certificate of the County Administrator stating (i) either (a) that no Default exists in the payment of the principal of, premium, if any, or interest on any Bonds or Junior Bonds and all mandatory sinking fund redemptions, if any, required to have been made shall have been made, or (b) that the application of the proceeds of sale of the Series of Bonds to be issued as required by the Supplemental Ordinance authorizing their issuance will cure any such Default or permit such redemptions; and (ii) either (a) that to the best of his or her knowledge, the County is not in Default in the performance of any other of its covenants and agreements contained in this Ordinance, or (b) setting forth the circumstances of each such Default known to him or her.

(b) If a certificate filed pursuant to part (a) of this Section should disclose a Default or Defaults hereunder, there shall be filed with the County and the Trustee an opinion of Bond Counsel that, in the case of any Default disclosed in a certificate filed pursuant to part (a) of this Section, each such Default does not deprive the Bondholders of the security afforded by this Ordinance in any material aspect.

(c) For the issuance of Additional Bonds to finance the Costs of Acquisition and Construction, or a portion thereof, of any Project (other than the Series 2013 Bonds issued pursuant to this Ordinance and the First Supplemental Ordinance), there shall be delivered a report, which need not be based upon the latest available audit of the County, from the County Administrator, to the effect that the amount of the Hospitality Taxes collected by the County during the Fiscal Year prior to the Fiscal Year in which the Bonds are proposed to be issued is not less than 120% of Maximum Annual Debt Service on Bonds then Outstanding and the Additional Bonds then proposed to be issued.

(d) Such Additional Bonds shall be issued to secure funds to defray the Costs of Acquisition and Construction of a Project, or to refund Junior Bonds, or any other notes, bonds, or other obligations issued to

finance or to aid in financing the acquisition, construction, improvement, enlargement or repair of Projects.

(e) The Supplemental Ordinance may provide for a deposit into the Debt Service Reserve Fund established with respect to such Series of Bonds, if any, of cash or securities or a Credit Facility, as provided in Section 6.7 hereof (inclusive of any proceeds of such Series of Bonds to be deposited in the applicable Debt Service Reserve Fund) having an aggregate value not less than the Reserve Fund Requirement, if any, with respect to such Series of Bonds.

Section 3.4 Refunding Bonds. Without complying with the provisions of Section 3.3 hereof except as otherwise provided herein, for the issuance of refunding Bonds (other than the Series 2013 Bonds issued under this Ordinance and the First Supplemental Ordinance), the County by means of a Supplemental Ordinance enacted in compliance with the procedures of the Bond Act, the Hospitality Tax Act, and any other statutory provisions authorizing the issuance of refunding bonds, including advance refunding bonds, may issue hereunder refunding Bonds as follows:

(a) Bonds may be issued for the purpose of refunding (including by purchase) at any time within one year prior to maturity or prior to any sinking fund installment due date, the Bonds maturing on such date (or an amount of such bonds subject to redemption from such sinking fund installments not in excess of the amount of such Bonds required to be redeemed on such due date) for the payment of which sufficient Hospitality Taxes are not available. Any Bonds issued for such purpose shall mature (or sinking fund installments therefor shall commence) not earlier than the latest stated maturity of the Bonds not then refunded to be Outstanding after such refunding; or

(b) Bonds may be issued at any time for the purpose of refunding (including by purchase) other Bonds, including amounts to pay principal, redemption premium and interest to the date of redemption (or purchase) of the refunded Bonds and the Costs of Issuance; provided that (i) the aggregate Debt Service on all Bonds to be Outstanding after the issuance of the proposed Series of refunding Bonds shall not be greater than would have been the aggregate Debt Service of all Bonds not then refunded and the Bonds to be refunded.

Section 3.5 Junior Bonds. The County may at any time issue Junior Bonds in such amount as it may from time to time determine, payable from Hospitality Taxes, provided that such Junior Bonds are issued to secure funds to defray the costs of acquisition and construction of Projects or some part thereof, or to refund Bonds, Junior Bonds, or any notes, bonds, or other obligations issued to finance or to aid in financing the costs of acquisition and construction of Projects, and provided further that the pledge of and lien on Hospitality Taxes securing Junior Bonds shall at all times be subordinate and inferior to the pledge of and lien on Hospitality Taxes securing the Bonds.

ARTICLE IV

THE BONDS

Section 4.1 Execution. Unless or except as is otherwise set forth in the Supplemental Ordinance providing for the issuance of a Series of Bonds, the Bonds shall be executed on behalf of the County by the Council Chair of the County by his manual or facsimile signature and the corporate seal of the County, or a facsimile thereof shall be impressed or reproduced thereon and attested by the Interim Clerk to Council by her manual or facsimile signature.

In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of such Bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, as if he had remained in office until delivery.

Section 4.2 Authentication. Unless or except as is otherwise set forth in the Supplemental Ordinance providing for the issuance of a Series of Bonds, upon compliance with the provisions of Section 3.3 or 3.4 hereof and upon the order of the County, the Trustee shall authenticate Bonds authorized to be issued hereunder. Only such Bonds as shall have endorsed thereon a certificate of authentication duly executed manually by the Trustee shall be entitled to any right or benefit under this Ordinance. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee, but it shall not be necessary that the same person sign the certificate of authentication on all of the Bonds issued hereunder or on all of the Bonds of a particular Series.

Section 4.3 Registration and Transfer of Bonds; Persons Treated as Holders. Unless and except as is otherwise set forth in the Supplemental Ordinance providing for the issuance of a Series of Bonds, each Bond shall be fully registered and transferable only upon the Books of Registry of the County, which shall be kept for that purpose at the office of the Registrar by the Holder thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder or his or her duly authorized attorney with such signature guaranteed by a participant in the Securities Transfer Agents in Medallion Program ("STAMP") or similar program. Upon the transfer of any Bond, the County shall issue, subject to the provisions of Section 4.6 hereof, in the name of the transferee, a new Bond or Bonds of the same series and of the same aggregate principal amount, interest rate and maturity as the unpaid principal amount of the surrendered Bond.

Any Bondholder requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the Holder and absolute owner thereof for all purposes, and payment of or on account of the principal, redemption premium, if any, and interest on any Bond shall be made only to or upon the order of the Bondholder thereof, or his duly authorized attorney, and neither the County nor the Registrar shall be affected by any notice to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Section 4.4 Form of Bonds; Denominations; Medium of Payment. Unless or except as is otherwise provided in the Supplemental Ordinance authorizing their issuance, the Bonds of each Series: (a) shall be in fully registered form without coupons, provided such Bonds may be issued in book-entry form; (b) shall be issued in denominations of \$5,000, or any integral multiple thereof, provided that, upon partial redemption of a Bond requiring surrender thereof and the issuance of a new Bond, such new Bond may be in the denomination of the unredeemed balance; and (c) shall be payable with respect to principal, interest, and premium, if any, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Section 4.5 Numbers, Date, and Payment Provisions. The Bonds shall be numbered and designated in such manner as the County, with the concurrence of the Trustee, shall determine. Each Bond of a Series shall bear interest from the Interest Payment Date immediately preceding the date of its authentication, unless authentication shall be upon an Interest Payment Date, in which case it shall bear interest from its authentication, or unless authentication shall precede the first Interest Payment Date for such Bond, in which case it shall bear interest as otherwise provided in the Supplemental Ordinance authorizing its issuance, provided, however, that if the date of authentication of any Bond of any Series is after a Record Date and before the corresponding Interest Payment Date therefor, such Bond shall bear interest from such succeeding Interest Payment Date; notwithstanding the foregoing, if at the time of authentication of any Bond

any interest on such Bond is in default, such Bond shall bear interest from the date to which interest on such Bond has been paid or if no interest has been paid, such Bond shall bear interest from the date of delivery thereof or from its dated date, or as otherwise provided in the Supplemental Ordinance authorizing the issuance of such Bonds.

Section 4.6 Exchange of Bonds. Unless or except as is otherwise provided in the Supplemental Ordinance authorizing their issuance Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Bondholder or his duly authorized attorney with such signature guaranteed by a participant in STAMP or similar program, may, at the option of the Bondholder thereof, and upon payment by such Bondholder of any charges which the Registrar may make as provided in Section 4.7, be exchanged for a principal amount of Bonds of the same Series and maturity of any other authorized denomination equal to the unpaid principal amount of surrendered Bonds.

Section 4.7 Regulations with Respect to Exchanges and Transfer. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the County shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance or such Supplemental Ordinance authorizing the issuance thereof. All Bonds surrendered in any such exchanges or transfers shall forthwith be canceled by the Trustee. There shall be no charge to the Bondholder for such exchange or transfer of Bonds except that the Trustee may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer. Neither the County nor the Registrar shall be required (a) to exchange or transfer Bonds (i) from the Record Date to the succeeding Interest Payment Date or (ii) for a period of fifteen (15) days following any selection of Bonds to be redeemed or thereafter until after the first publication or mailing of any notice of redemption, or (b) to transfer any Bonds called for redemption.

Section 4.8 Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the Holder, the County shall execute and the Trustee shall authenticate and deliver at the principal office of the Trustee, or send by registered mail to the Holder thereof at his request, risk and expense a new Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event, the applicant for the issuance of a substitute Bond shall furnish the County and the Registrar (a) evidence or proof satisfactory to the County and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and (b) of the ownership thereof, and (c) such security and indemnity as may be required by the laws of the State or such greater amount as may be required by the County and the Registrar. Any duplicate Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance or any Supplemental Ordinance as was the original Bond in lieu of which such duplicate Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder. Neither the County nor the Registrar nor any Paying Agent shall be required to treat both the original Bond and any duplicate Bond as being Outstanding for the purpose of determining the principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and duplicate Bond shall be treated as one and the same. In the event any such mutilated, lost, stolen or destroyed Bond shall have matured, instead of issuing a duplicate Bond the County may pay the same.

All expenses necessary for the providing of any duplicate Bond shall be borne by the applicant therefor.

Section 4.9 Bonds in Book-Entry Form. Notwithstanding any other provision of this Ordinance with respect to the form of Bonds to the contrary, the County is hereby authorized to provide by Supplemental Ordinance for the issuance of one or more Series of Bonds solely in fully registered form registrable to a Securities Depository, a nominee or the beneficial owner of the Bonds. The County is further authorized to provide by Supplemental Ordinance that such Series of Bonds shall be evidenced by one or more certificates or by a system of book entries in form satisfactory to the County Administrator and to provide for payment, redemption, notices and like provisions in a manner consistent with such system of registration.

Section 4.10 Bonds Issued as Taxable Obligations. Notwithstanding anything in this Ordinance to the contrary, the County may from time to time, pursuant to one or more Supplemental Ordinances, provide for the issuance of Bonds the interest on which may be includable in gross income of the Holders of such Bonds for federal income taxation purposes. In such event such Bonds may be issued as coupon bonds, payable to bearer, as provided in the Supplemental Ordinance. Such Supplemental Ordinance shall provide such rules and regulations with respect to the ownership, transfer and substitution of such Bonds as are not inconsistent with the other provisions of this Ordinance.

ARTICLE V

REDEMPTION OF BONDS

Section 5.1 Redemption of Bonds. The Bonds of a Series may be subject to redemption prior to their stated maturities upon such terms and conditions and at such dates and redemption price or prices or premium or premiums as shall be set forth in the Supplemental Ordinance providing for the issuance of such Bonds, and upon the further terms and conditions as are hereinafter set forth.

Section 5.2 Selection of Bonds for Redemption. In the event of the redemption at any time of only part of the Bonds of a Series, the Bonds to be redeemed shall be redeemed in such order as is set forth in the Supplemental Ordinance providing for the issuance of such Bonds. Unless otherwise provided by Supplemental Ordinance, if less than all of the Bonds of like maturity of any Series shall be called for prior redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Trustee or Registrar; provided, however, that the portion of any Bond of a denomination (or, in the case of Capital Appreciation Bonds, Accreted Value at maturity), of more than \$5,000 to be redeemed shall be in the principal amount of \$5,000 or an integral multiple thereof, and that, in selecting portions of such Bonds for redemption, the Trustee or Registrar shall treat each such Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000 or Accreted Value at maturity which is obtained by dividing the principal amount or Accreted Value at maturity of such Bond by \$5,000.

Section 5.3 Notice of Redemption. Unless or except as otherwise provided in the Supplemental Ordinance authorizing their issuance, the provisions of this Section 5.3 apply to each Series of Bonds.

In the event any of the Bonds or portions thereof are called for redemption, the Trustee shall give notice, in the name of the County, of redemption of Bonds by first-class mail, postage prepaid, to the Holder thereof as shown on the Books of Registry not less than 30 days and not more than 60 days prior to the date fixed for the redemption thereof. Such notice of redemption shall state: (a) the title of such Bonds to be redeemed, CUSIP numbers, if any, date of issue, the series designation (if any) thereof, the redemption date,

the place or places of redemption and the redemption price or redemption premium, if any, payable upon such redemption; (b) if less than all such Bonds of a particular Series are to be redeemed, the distinctive number of such Bonds to be redeemed; (c) that the interest on such Bonds designated for redemption in such notice shall cease to accrue from and after such redemption date; and (d) that on such date there will become due and payable on each such Bond the principal amount thereof to be redeemed at the then applicable redemption price or redemption premium, if any, and the interest accrued on such principal amount to the redemption date. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, when mailed, whether or not the Holder thereof receives the notice. The notice shall further state that if money for the redemption of all the Bonds being redeemed at that time is held by the Trustee on the redemption date, interest shall cease to accrue on such Bonds on and after the redemption date. The notice may further state that the redemption of the Bonds being called for redemption is conditioned upon the Trustee receiving on or before the redemption date of sufficient money for the redemption thereof.

Section 5.4 Partial Redemption of Bond. In the event that only part of the principal sum of a Bond shall be called for redemption or prepaid, payment of the amount to be redeemed or prepaid shall be made only upon surrender of such Bond to the Registrar. Upon surrender of such Bond, the County shall execute and the Trustee shall authenticate and deliver to the Holder thereof, at the principal office of the Trustee, or send to such Holder by registered mail at his request, risk and expense, a new fully executed Bond or Bonds, of authorized principal sums equal in aggregate principal amount to, and of the same Series, maturity and interest rate as, the unredeemed portion of the Bond surrendered.

Section 5.5 Effect of Redemption. If a Bond is subject by its terms to redemption prior to its stated maturity and has been duly called for redemption and notice of the redemption thereof has been duly given as hereinbefore provided and if moneys for the payment of such Bond at the then applicable redemption price or together with the then applicable redemption premium, if any, and the interest to accrue to the redemption date on such Bond are held for the purpose of such payment by the Trustee for the series of Bonds of which such Bond is one, then such Bond so called for redemption shall, on the redemption date designated in such notice, become due and payable. Interest on the Bond so called for redemption shall cease to accrue.

Section 5.6 Cancellation. All Bonds which have been redeemed shall be canceled and either maintained or destroyed by the Registrar and shall not be reissued. A counterpart of the certificate of destruction evidencing such destruction shall be furnished by the Registrar to the County upon the written request of the County.

Section 5.7 Purchase of Bonds. The Trustee shall, if and to the extent practicable, attempt to purchase Bonds at the written direction of the County at such time, in such manner and at such price, not to exceed the then applicable redemption price for such Bonds (or if no redemption is then permitted, the price at which such Bonds may first be redeemed) as may be specified by the County. Any accrued interest due to the holder of any Bond so purchased may be paid from funds held by the Trustee for the payment of interest due on the Bonds on the next ensuing Interest Payment Date. Unless directed otherwise by the County, the Trustee shall cancel any such Bonds so purchased. The Trustee may purchase Bonds with any money then held by the Trustee which is available for the redemption or purchase of Bonds and in excess of that set aside for the payment of Bonds for which a notice of redemption has been given. Prior to effecting any purchase hereunder, the Trustee may request an opinion of Bond Counsel to the effect that such redemption or purchase complies with any limitations or restrictions on such redemption or purchase contained in this Ordinance or Supplemental Ordinance and will not otherwise result in a breach by the County of any of its covenants contained herein or therein.

ARTICLE VI

ESTABLISHMENT OF FUNDS; SECURITY FOR AND PAYMENT OF THE BONDS; INVESTMENT OF MONEYS

Section 6.1 Listing of Funds and Accounts. In addition to the Hospitality Tax Special Revenue Fund (created and established pursuant to the Hospitality Tax Ordinance), the following are the funds created and established by this Ordinance:

- (i) Debt Service Fund for each Series of Bonds to be held by the Trustee, including an Interest Account, Principal Account and Bond Redemption Account.
- (ii) Debt Service Reserve Fund for each Series of Bonds, if any, to be held by the Trustee.
- (iii) Construction Fund, if applicable, for each Series of Bonds to be held by the County or a bank or financial institution (a "Custodian") designated by the County.
- (iv) One or more accounts may, by written direction of the County or by the terms of a Supplemental Ordinance, be established within any of the above funds.

It is intended by this Ordinance that the funds and accounts referred to in this Article (other than the Construction Fund) shall remain in existence for so long a time as any sum remains due and payable by way of principal of and interest on the Bonds, and that deposits and withdrawals therefrom be made in the manner herein prescribed and in the order of priority hereinafter set forth in Section 6.2 hereof.

Section 6.2 Disposition of Hospitality Taxes. Notwithstanding any provision of the Hospitality Tax Ordinances, the Hospitality Taxes shall be applied in the amounts, if any, and for the purposes as provided or permitted by this Ordinance, and in the following order of priority:

First, there shall be transferred to the Trustee to be deposited into the respective Debt Service Funds, the amounts required by this Ordinance or any Supplemental Ordinance;

Second, there shall be transferred into the respective Debt Service Reserve Funds, the amounts (including any payments required under the terms of any credit facility) required by this Ordinance or any Supplemental Ordinance;

Third, provision shall be made for payment of interest on amounts advanced by the provider of any credit facility as contemplated in Section 6.7 hereof;

Fourth, provisions shall be made for the payment of any Junior Bonds; and

Fifth, the remaining Hospitality Taxes shall be disposed of as provided in Section 6.9 hereof.

Section 6.3 Security for and Payment of the Bonds. Each Series of Bonds, together with the interest thereon, shall be payable solely from and secured equally and ratably by a pledge of the Hospitality Taxes which shall be and hereby are irrevocably pledged to the payment of the principal of, redemption premium, if any, and interest on any Series of Bonds authorized by the Supplemental Ordinances; provided, however, that (1) funds held by the Trustee in the respective Debt Service Funds and Debt Service Reserve Funds are hereby pledged for the benefit of the respective Bondholders as security for the Bonds of the Series to which such funds relate; and (2) this provision shall not preclude the issuance of Junior Bonds if such Junior Bonds be issued in conformity with the provisions of Section 3.5 hereof, but the

pledge herein made shall preclude the issuance of bonds payable from or secured by a pledge of or lien on Hospitality Taxes superior to that herein made to secure the Bonds.

The Bonds do not constitute an indebtedness of the County within any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power. The full faith, credit and taxing powers of the County are not pledged to the payment of the principal of and interest on the Bonds.

The covenants and agreements herein set forth to be performed by the County shall be for the equal and proportionate benefit, security and protection of all Holders of the Bonds without preference, priority or distinction as to payment or security or otherwise (except as to maturity) of any of the Bonds for any reason or cause whatsoever, except as expressly provided herein or in the Bonds. Except as aforesaid, all Bonds shall rank *pari passu* and shall be secured equally and ratably hereunder without discrimination or preference whatsoever.

Section 6.4 Accounting Methods. The designation of the Hospitality Tax Fund referenced in and by this Ordinance shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of the Hospitality Taxes for certain purposes and to establish certain priorities for application of such Hospitality Taxes as herein provided.

The cash required to be accounted for in the Hospitality Tax Fund referenced herein may be deposited in a single bank account, into which Hospitality Taxes shall be deposited, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the cash in and deposited therein for the various purposes of such funds as provided herein.

Section 6.5 Hospitality Tax Special Revenue Fund. Pursuant to the Hospitality Tax Ordinance, there has been established and is hereby referenced a Hospitality Tax Special Revenue Fund to be maintained by a bank or other financial institution designated, from time to time, by the County and into which shall be deposited all Hospitality Taxes. Moneys in the Hospitality Tax Special Revenue Fund shall be used only in the manner specified in this Article VI and the Hospitality Tax Ordinance and in the order of priority set forth in Section 6.2 hereof. Moneys held in the Hospitality Tax Special Revenue Fund may be invested, from time to time, in Permitted Investments; provided, however, that such Hospitality Taxes in the Hospitality Tax Special Revenue Fund shall be transferred to the Trustee and the Trustee, when and as required and in the amounts, if any, required to be made by this Article VI, each Supplemental Ordinance and the Hospitality Tax Ordinance.

Section 6.6 Debt Service Funds. There shall be established and maintained special funds of the County to be designated the Debt Service Fund for each Series of Bonds then Outstanding which shall be kept on deposit with the Trustee, and withdrawals therefrom shall be made for the purposes provided in this Ordinance. Each Debt Service Fund shall bear a separate series designation as may be necessary to distinguish such Debt Service Fund.

The respective Debt Service Funds are intended to provide for the payment of the principal of, redemption premium, if any, and interest on each Series of Bonds as the same respectively fall due. Payments into such Funds shall be made in the manner prescribed by this Ordinance and all moneys in the respective Debt Service Funds shall be used solely to pay the principal of, redemption premium, if any, and interest on the respective Series of Bonds, and for no other purpose, and withdrawals therefrom shall be made only to effect payment of the principal of, redemption premium, if any, and interest on the respective Series

of Bonds. Earnings on investments in the Debt Service Fund, including the accounts therein, shall be added to and become a part of such respective Funds and the accounts therein.

The County shall transfer or cause to be transferred to the Trustee from the Hospitality Tax Fund for deposit into the respective Debt Service Funds and ratably with respect to separate Series of Bonds for credit to the Interest Account, the Principal Account or the Bond Redemption Account, as the case may be, sufficient moneys so as to comply with the following provisions for the payment of the Bonds then Outstanding.

(a) *Interest Account.* There shall be established and maintained for the purpose of paying the interest on each Series of Bonds as the same becomes due and payable an Interest Account in the respective Debt Service Funds. Not later than five (5) Business Days prior to each Interest Payment Date, the Trustee shall transfer or allocate for credit to the Interest Account an amount received from the County derived from Hospitality Taxes equal to the installment of interest then falling due on the respective Series of Bonds then Outstanding. To the extent moneys derived from other sources have been transferred or allocated for credit to the Interest Account on or before five (5) Business Days prior to each Interest Payment Date, the amount of Hospitality Taxes to be transferred or allocated for credit to such Interest Account shall be reduced or eliminated by the amount of such moneys transferred or allocated for credit to the Interest Account.

(b) *Principal Account.* There shall be established and maintained for the purpose of paying the principal of each Series of Bonds as they mature a Principal Account in the respective Debt Service Funds. Not later than five (5) Business Days prior to each Principal Payment Date, the Trustee shall transfer or allocate to the credit of the Principal Account an amount received from the County derived from Hospitality Taxes equal to the installment of principal on the respective Series of Bonds then falling due. To the extent moneys derived from other sources have been transferred or allocated for credit to the Principal Account on or before five (5) Business Days prior to each Principal Payment Date, the amount of Hospitality Taxes to be transferred or allocated for credit to such Principal Account shall be reduced or eliminated by the amount of such moneys transferred or allocated for credit to the Principal Account.

(c) *Bond Redemption Account.* There shall be established and maintained, in order to meet the specified sinking fund installment requirements of Term Bonds and to otherwise retire Term Bonds prior to maturity, a Bond Redemption Account in the respective Debt Service Fund. Not later than five (5) Business Days prior to the date a sinking fund installment of Term Bonds of each Series falls due, the Trustee shall allocate to the credit of the Bond Redemption Account amounts received from the County derived from Hospitality Taxes equal to the sinking fund installment of principal then falling due on the respective Series of Term Bonds then Outstanding. To the extent moneys derived from other sources have been transferred or allocated for credit to the Bond Redemption Account on or before five (5) Business Days prior to the date a sinking fund installment of Term Bonds of a Series falls due, the amount of Hospitality Taxes to be transferred or allocated for credit to such Bond Redemption Account shall be reduced or eliminated by the amount of such moneys transferred or allocated for credit to the Bond Redemption Account. The Trustee shall apply the moneys credited to the Bond Redemption Account as sinking fund installments to the retirement of the Term Bonds of each respective Series by redemption in accordance with the Supplemental Ordinance providing for the issuance of such Series of Bonds, without further authorization or direction, on each date upon which a sinking fund installment is due with respect to the Term Bonds of such Series. The Trustee shall keep and retain accurate records of application of each deposit of funds under this paragraph (c). The Trustee shall give notice of all such redemptions in the name and on the behalf of the County in accordance with the provisions of Article V hereof. In making any of the deposits to the Bond Redemption Account required by this paragraph (c), consideration shall be given to and allowance made for any other credits otherwise made to such Bond Redemption Account.

(d) If, on the dates when the payments required by paragraphs (a), (b) and (c) of this Section are to be made, the payments actually made pursuant to said paragraphs (a), (b) and (c), are less than the sum required to effect the payment of the succeeding installment of principal or interest, or both, as the case may be, moneys in the applicable Debt Service Reserve Fund, if any, equal to such deficiency shall be added to the payment to be made pursuant to said paragraphs (a), (b) and (c). In the event of such transfer, the Trustee shall promptly give telephonic notice of such transfer to the County and, within ten days after making the transfer, provide written notice to the County of the amount and date of such transfer.

Moneys in the respective Debt Service Funds shall be used and applied solely to the payment of the interest on and the retirement of the principal of and redemption premium, if any, on the respective Series of Bonds and shall be used and applied in accordance with the provisions of this Section 6.6 and this Ordinance and the Supplemental Ordinance providing for the issuance of such Series of Bonds. The moneys paid into the respective Debt Service Fund shall be held by the Trustee in trust solely for the purpose of paying the interest on and the retirement of the principal of and redemption premium, if any, on the respective Series of Bonds. Withdrawals from such Funds shall be made by the Trustee in order to transfer such moneys to the Paying Agent for the respective Series of Bonds. Such withdrawals shall be made so that the necessary moneys shall be available to the Paying Agent not later than one (1) Business Day prior to the day on which principal or interest or both, and redemption premium, if any, as the case may be, are payable on the Bonds.

Section 6.7 Debt Service Reserve Fund. (a) A Supplemental Ordinance may provide for the establishment of a Debt Service Reserve Fund for any Series of Bonds. Each Debt Service Reserve Fund shall bear a separate Series designation as may be necessary to distinguish such Debt Service Reserve Fund and shall, subject to certain provisions of this Ordinance, be maintained in an amount equal to the applicable Reserve Fund Requirement, as determined pursuant to a Supplemental Ordinance, and in the manner determined pursuant to such Supplemental Ordinance, so long as the applicable Series of Bonds shall be Outstanding. Each such Fund is intended to insure the timely payment of the principal of and interest on the applicable Series of Bonds and to provide for the redemption of such Series of Bonds prior to their stated maturities. The respective Debt Service Reserve Funds shall be kept on deposit with the Trustee, and withdrawals therefrom shall be made for the purposes provided in this Ordinance.

(b) Moneys in each Debt Service Reserve Fund shall be used for the following purposes, and for no other:

(1) To prevent a Default in the payment of the principal of or interest on the applicable Series of Bonds, by reason of the fact that moneys in the applicable Debt Service Fund are insufficient for such purposes;

(2) To pay the principal of, interest on, and redemption premium, if any, of the applicable Series of Bonds in the event that all Outstanding Bonds of such Series be redeemed as a whole;

(3) To effect partial redemption of the applicable Series of Bonds, provided that such redemption be undertaken in accordance with the provisions of this Ordinance permitting a partial redemption of the applicable Series of Bonds and the balance remaining in the applicable Debt Service Reserve Fund following such partial redemption shall not be less than the Reserve Fund Requirement; or

(4) To effect the retirement of a Series of Bonds through purchase under the conditions herein prescribed.

(c) Unless otherwise provided in a Supplemental Ordinance, whenever the market value (determined as of the valuation dates and in accordance with the method specified in Section 6.10 hereof) of the cash and securities in the applicable Debt Service Reserve Fund shall exceed the Reserve Fund Requirement, such excess may at the written direction of the County (i) be used to repurchase and retire the applicable Series of Bonds at prices not exceeding the call price first to become available or then prevailing;

(ii) be deposited as the County deems advisable; or (iii) be transferred to the Hospitality Tax Fund or, at the option of the County, to the Construction Fund during the period of construction or acquisition of a Project. Purchases of Bonds shall be effected by the County through the Trustee, and whenever Bonds shall have been purchased pursuant to this authorization, it shall be the duty of the Registrar to cancel and destroy such Bonds and to deliver certificates evidencing such act to the County.

(d) Unless otherwise provided in a Supplemental Ordinance, if the Trustee sends written notice to the County stating that a deficiency exists in the applicable Debt Service Reserve Fund (whether due to a transfer therefrom pursuant to Section 6.6(d) or a valuation thereof determined as of the valuation dates and in accordance with the method specified in Section 6.10 hereof), then (1) there shall be deposited from available Hospitality Taxes into the applicable Debt Service Reserve Fund over the next succeeding six (6) months, successive equal monthly installments of the amount necessary to re-establish in the applicable Debt Service Reserve Fund its respective Reserve Requirement (upon receipt of each of which installments, the Trustee shall promptly send an updated written notice to the County as to the remaining deficiency therein) and (2) the County agrees to pay, prior to the next Interest Payment Date, an amount equal to such shortfall; provided, however, that the County's obligation to make such payment shall be subject to Council, by ordinance duly enacted, appropriating moneys from sources or funds lawfully available for such purpose moneys sufficient to pay the shortfall. The County understands and agrees that the payment obligation described in this paragraph shall constitute a current expense of the County and shall not in any way be construed to be a debt of the County in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness of the County, nor shall anything contained herein constitute a pledge of the general tax revenues, funds, moneys or credit of the County. Any such budgetary appropriation, notwithstanding any provision of this Ordinance to the contrary, shall not constitute a default or Event of Default under this Ordinance.

(e) In lieu of the deposit of moneys into the Debt Service Reserve Fund established with respect to any Series of Bonds to meet the Reserve Fund Requirement with respect to that Series, the County may cause to be credited a Credit Facility payable to, or in favor of, the Trustee for the benefit of the Holders of the Bonds meeting the standard set forth in the Supplemental Ordinance authorizing that Series of Bonds, as the case may be. The amount of moneys required to be deposited to the Debt Service Reserve Fund shall be reduced by the amount of the Credit Facility shall be payable (upon the giving of notice as required thereunder) on any Interest Payment Date on which moneys will be required to be withdrawn from the Debt Service Reserve Fund and applied to the payment of the principal of or interest on any Bonds of that Series but only to the extent that withdrawals cannot be made by amounts then credited to the Debt Service Reserve Fund.

If the County obtains a Credit Facility in substitution for moneys deposited to the applicable Debt Service Reserve Fund as may be permitted under the applicable Supplemental Ordinance, excess moneys in the respective Debt Service Reserve Funds shall be transferred, at the written direction of the County, to the applicable Construction Fund, or if one does not exist, be deposited as the County deems advisable.

Section 6.8 Establishment of Construction Fund. There shall be established with the Custodian a Construction Fund with respect to each Series of Bonds (other than for Bonds issued pursuant to Section 3.4 hereof, if applicable) in the Supplemental Ordinance providing for their issuance, the moneys in which shall be used to defray the costs of any Project and to pay any Costs of Acquisition and Construction with respect to the facilities so financed. On the occasion of the delivery of any Series of Bonds, the proceeds therefrom shall be paid into the Construction Fund established for such Series as set forth in a Supplemental Ordinance authorizing their issue. Withdrawals from the Construction Fund shall not be made except as provided in the Supplemental Ordinance establishing such Construction Fund.

There may be established in a Construction Fund from time to time a costs of issuance account to provide for the payment of Costs of Issuance on the related Series of Bonds. Any such account shall be

created by a Supplemental Ordinance relating to the issuance of the Bonds of such Series. After payment of all of the Costs of Issuance, the costs of issuance account shall be terminated and any amounts remaining in the costs of issuance account shall be transferred to the Construction Fund. There may be established in a Construction Fund from time to time a capitalized interest account to provide for the payment of interest on the related Series of Bonds as may be permitted hereunder. Any such account shall be created by a Supplemental Ordinance relating to the issuance of the Bonds of such Series. Any earnings from the investment of funds in the costs of issuance account not required to pay Costs of Issuance on the Bonds of such Series shall be deposited in the Construction Fund created by the Supplemental Ordinance relating to such Bonds or, if such Construction Fund has been terminated, such earnings shall be transferred to the appropriate Debt Service Fund. Any earnings from the investment of funds in the capitalized interest account not required to pay interest on the Bonds of any Series during the period for which interest on the Bonds of such Series is capitalized shall be deposited in the Construction Fund created by the Supplemental Ordinance relating to such Bonds or, if such Construction Fund has been terminated, such earnings shall be transferred to the appropriate Debt Service Fund.

Section 6.9 Distribution of Remaining Hospitality Taxes. Each year after applying Hospitality Taxes as required in Section 6.2 hereof, any remaining Hospitality Taxes may be disposed of by the County as it may determine from time to time to be for any lawful purpose under the Hospitality Tax Act and the Hospitality Tax Ordinance.

Section 6.10 Investment of Funds. Moneys held for the credit of the respective Debt Service Funds, Debt Service Reserve Funds and any other funds and accounts established by this Ordinance shall be invested, to the fullest extent practicable and reasonable, in Permitted Investments. Any investment of money held to the credit of the above-mentioned funds and accounts shall mature, be available or be redeemable at the option of the owner or holder thereof at such times and in such amounts as shall be required to provide moneys to make the payments required to be made from such funds. Written investment instructions shall be given to the Trustee and the Custodian by a County Representative.

The Trustee shall evaluate on a semi-annual basis (initially, ten days prior to the first Interest Payment Date applicable to a Series of Bonds) Permitted Investments in the Debt Service Reserve Fund, if any, established by this Ordinance and promptly send written notice of such valuation to the County within ten days of such valuation. Until changed pursuant to written instructions from the County, such valuation shall be made not less than two times each calendar year. The Trustee shall provide written notice to the County of any deficiency in the amount, if any, on deposit in the Debt Service Reserve Funds. Where the amount that exists in the Debt Service Reserve Funds is less than the applicable Reserve Fund Requirement on the date of valuation by the Trustee, any moneys received by the Trustee and designated by the County Representative as a payment made pursuant to Section 6.7(d) hereof shall be deposited in the applicable Debt Service Reserve Fund. Deficiencies in the amount on deposit in the Debt Service Reserve Funds resulting from a decline in market value shall be restored no later than the next succeeding valuation date.

The value of Permitted Investments shall be determined by the Trustee or the Custodian or other depository at the market value or the amortized cost thereof, whichever is lower, exclusive of accrued interest, provided, however, Permitted Investments in any Debt Service Reserve Fund shall be valued at the original cost thereof.

The Trustee may conclusively rely upon the County's written instructions as to both the suitability and legality of the directed investments. In the absence of written investment instructions from the County, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder fully invested in Permitted Investments. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades. Broker confirmations of investments are not required to be issued by the

Trustee to the County for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. The Trustee shall not be accountable or liable for any depreciation in the value of any investments in any Funds or for any losses incurred upon the disposition thereof.

Notwithstanding anything contained herein to the contrary, the Trustee shall have no obligation to enter into any investment contract, forward delivery investment agreement, repurchase agreement contract or any similar agreements with respect to the investment of any monies held under the Ordinance unless (i) such agreement is in form and content reasonably acceptable to the Trustee in the course of ordinary business practice, (ii) any liability of the Trustee under such agreement is limited to loss occasioned by the gross negligence or willful misconduct of the Trustee, (iii) the Trustee is not liable under any circumstances for any termination or similar amount under such agreement; and (iv) the County pays to the Trustee such fees and expenses as established by the Trustee from time to time.

Except as otherwise provided herein, all interest earnings on amounts in the Hospitality Tax Fund when realized shall be considered Hospitality Taxes.

ARTICLE VII

COVENANTS

Section 7.1 Pledge of Hospitality Taxes for Payment of Bonds. The County will not issue any obligations, the payment of which shall have any pledge of the Hospitality Taxes prior or superior to the pledge thereof for the payment of the Bonds. In order to insure that the County shall at all times required hereby have sufficient moneys available to deposit amounts, when and as required, into the respective Debt Service Funds and Debt Service Reserve Funds established for a Series of Bonds, to provide for payment of interest on amounts advanced pursuant to Section 6.7 and to provide for payment of Junior Bonds (all as described in Section 6.2 hereof), the County covenants and agrees that it shall not at any time while any Bonds are outstanding reduce the amounts assessed for Hospitality Taxes to a level not sufficient to permit the County to discharge its obligations hereunder or otherwise require or permit Hospitality Taxes (whether through a subsequent amendment of the Hospitality Tax Ordinance or otherwise) to be used or set aside except pursuant to or as permitted by Section 6.2 hereof.

Section 7.2 To Pay Principal, Premium, and Interest on the Bonds. The County covenants and agrees to punctually pay, or cause to be paid, out of the Hospitality Taxes pledged to such payment in Article VI hereof, the principal of, redemption premium, if any, and the interest on each and every Bond issued under the provisions of this Ordinance, at the place, on the dates and in the manner provided herein.

Section 7.3 Records, Accounts and Audits. The County covenants and agrees to keep proper books of records and accounts (separate from all other records and accounts), in which complete and correct entries shall be made of all transactions relating to the Hospitality Taxes. Such records shall be kept in accordance with the standards from time to time prescribed by the Governmental Accounting Standards Board or its successor. The County will cause to be furnished to any Holder of any of the Bonds, who makes written request therefor, copies of financial statements certified by an Accountant. The Trustee shall not be responsible for obtaining audits of the County. Additionally, the Trustee shall have no duty to review or analyze any financial statements delivered to it hereunder and shall hold such financial statements solely as a repository for the benefit of the Bondholders; the Trustee shall not be deemed to have notice of any information contained therein or Event of Default which may be disclosed therein in any manner.

Section 7.4 Additional Requirements Applicable to Swap Agreements.

In the event that a Series of Bonds is issued hereunder in whole or in part as Variable or Fixed Rate Bonds and the County enters into an agreement for any form of interest rate swap or similar transaction with respect to such Variable or Fixed Rate Bonds (a “Swap Agreement”) pursuant to Section 3.2 of this Ordinance, for purposes of calculating the Reserve Requirement, if any, and establishing compliance with the financial covenants contained in this Ordinance applicable to such Series of Bonds, the following shall apply:

(A) The counterparty to the Swap Agreement (the “Swap Provider”) must be rated at least A-/A3 or better by a Rating Agency or Rating Agencies (such requirement, the “Initial Rating Requirement”).

(B) Assuming satisfaction of the Initial Rating Requirement, and thereafter as long as the long-term indebtedness or claims-paying ability of the Swap Provider does not fall below Baa2 or BBB, as rated by a Rating Agency or Rating Agencies (the “Minimum Rating Requirement”), all interest rate assumptions for purposes of establishing or demonstrating compliance with a financial covenant may be based on the synthetic fixed or variable interest rate under the Swap Agreement.

(C) If the rating of the Swap Provider falls below the Minimum Rating Requirement, the County will have ten (10) business days after notice of such noncompliance to replace such Swap Provider with a Swap Provider that does satisfy the Initial Rating Requirement. The failure of the County to replace the Swap Provider after ten (10) days will have the following effects: the applicable Reserve Requirement shall be recalculated based on an interest rate determined in accordance with the definition of “Debt Service” and “Maximum Annual Debt Service” in this Ordinance, and any deficiency in the applicable Debt Service Reserve Fund resulting from such recalculation will be restored as described in Article VI of this Ordinance.

ARTICLE VIII

TRUSTEE; CUSTODIANS

Section 8.1 Trustee. The Council hereby designates _____ as Trustee under this Ordinance. On or prior to the delivery of the initial Series of Bonds, the Trustee shall signify its acceptance of the powers, duties and obligations conferred and imposed upon it by the Ordinance by executing and delivering to the County a written instrument of acceptance.

The Trustee shall (a) prior to the occurrence of an Event of Default of which the Trustee has actual knowledge, and after the curing of all Events of Default which may have occurred, perform such duties and obligations as are specifically set forth in the Ordinance, and no implied covenants or obligations shall be read into the Ordinance against the Trustee, and (b) during the existence of any Event of Default of which the Trustee has actual knowledge (which has not been cured or waived) exercise the rights and powers vested in it by the Ordinance and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No provisions of the Ordinance shall be construed to relieve the Trustee from liability for its own negligence, intentionally wrongful action or failure to act.

At all times, (1) the Trustee shall not be liable for any error of judgment made in good faith by an officer or employee of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts; (2) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority (or such lesser percentage as is specifically required or permitted by this Ordinance) in the aggregate principal

amount of the Bonds at the time Outstanding relating to the time, method and place of conducting a proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under the Ordinance; (3) in the administration of the trusts of this Ordinance, the Trustee may execute any of the trusts or powers hereof directly or through its agents or attorneys. The Trustee may consult with counsel and the opinion or advice of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance with the opinion of such counsel.

The Trustee may conclusively rely upon the authenticity of, and the truth of the statements and the correctness of the opinions expressed in, and shall be fully protected in acting upon any notice, Ordinance, request, consent order, certificate, report, opinion, note, or other paper or document furnished to it pursuant to any provision of this Ordinance, believed by it to be genuine and to have been signed and presented by the proper party.

The Trustee shall not be required to take notice or be deemed to have notice or actual knowledge of any Event of Default specified in Article X hereof other than a payment default under Sections 10.1.A or 10.1.B unless the Trustee shall receive from the County or the registered owner of any Bond written notice stating that an Event of Default hereunder has occurred and specifying the same, and, in the absence of such notice, the Trustee may conclusively assume that there is no such Event of Default.

The Trustee shall be entitled to payment of and reimbursement by the County for reasonable fees for its services rendered hereunder and all advances and counsel fees, costs and expenses, reasonably and necessarily made or incurred by the Trustee in connection with such services. Additionally, the County shall pay the Trustee for any extraordinary services or extraordinary expenses performed or incurred by the Trustee in connection with its duties under this Ordinance or any Supplemental Ordinance if notified in writing prior to the performance of those services or the incurring of those expenses so as to allow the County to appropriate sufficient funds for their payment.

The Trustee shall not, in any event, be required to take, defend, or appear in any legal action or proceeding hereunder or to exercise any of the trusts or powers hereof unless it shall first be adequately indemnified to its satisfaction against the costs, expenses, and liabilities which may be incurred thereby. Every provision of the Ordinance relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions hereof.

The Trustee shall not be accountable for the use or application by the County of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Ordinance or any Supplemental Ordinance. The permissive right of the Trustee to do things enumerated in this Ordinance or any Supplemental Ordinance shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful default. The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to any Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with any Bonds.

None of the provisions of this Ordinance or any Supplemental Ordinance shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligation under this Ordinance or any Supplemental Ordinance arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God;

earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

The Trustee is not required to make any inquiry or investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit and, if the Trustee determines to make such further inquiry or investigation, it is entitled to examine the books, records and premises of the Issuer and the Borrower, in person or by agent or attorney.

In the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more groups of holders of Bonds, each representing less than a majority in aggregate principal amount of the Bonds Outstanding, pursuant to the provisions of this Ordinance, the Trustee, in its sole discretion, may determine what action, if any, shall be taken.

The Trustee shall not be (i) required to hold any policies of insurance, (ii) responsible for the filing of any documents, security agreements or financing statements regarding the creation or perfection of any interest in the Hospitality Taxes or other security for the Bonds; and (iii) responsible for any information contained in any financing statements.

The Trustee's immunities and protections from liability in connection with the performance of its duties under this Ordinance shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the defeasance or discharge of this Ordinance and final payment of the Bonds.

The Trustee makes no representations as to the value, condition or sufficiency of any assets pledged or assigned as security for the Bonds, the right, title or interest of the County therein, the security provided thereby or by the Ordinance or the tax-exempt status of the Bonds.

The Trustee may rely and is protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

Any request, direction, order or demand of the County under this the Ordinance shall be sufficiently evidenced by a certificate of the County Representative (unless other evidence thereof is specifically prescribed).

Whenever in the administration of the Ordinance the Trustee deems it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence thereof is specifically prescribed) may, in the absence of bad faith on its part, rely upon a certificate of the County Representative.

The Trustee may in all cases pay such reasonable compensation as it deems proper to all agents, attorneys and receivers reasonably employed or retained by it, and the Trustee shall not be responsible for any misconduct or negligence of any agent, attorney or receiver appointed with due care by it.

The Trustee, in its commercial banking or in any other capacity, may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholder may be entitled to take with like effect as if it were not Trustee. The Trustee, in its commercial banking or in any other

capacity, may also engage in or be interested in any financial or other transaction with the County and may act as depository, trustee or agent for any committee of Bondholders secured hereby or other obligations of the Issuer as freely as if it were not Trustee. The provisions of this Section shall extend to affiliates of the Trustee.

Whether or not expressly so provided, every provision of the Ordinance relating to the conduct or affecting the liability of or affording protection to the Trustee is subject to the provisions of this Article.

Section 8.2 Resignation of Trustee. The Trustee may resign at any time by giving 30 days' written notice to the County and by giving notice to the registered owners of the Bonds by publication of such resignation. No resignation will become effective until a successor Trustee has been appointed and accepts such appointment as provided below. Upon receiving notice of resignation, the County shall promptly appoint such successor Trustee by an instrument in writing. In the event a successor Trustee has not been appointed within 60 days of the date notice of resignation is given, the Trustee, at the County's expense, may apply to any court of competent jurisdiction for the appointment of a successor Trustee to act until such time as a successor is appointed as provided in this Section.

Unless otherwise ordered by a court or regulatory body having competent jurisdiction, or unless required by law, any successor Trustee shall, if there is such an institution willing, qualified and able to accept the trust upon reasonable or customary terms, be a bank, bank holding company or trust company or wholly-owned subsidiary of a bank holding company or trust company in good standing, qualified to act hereunder, and having a capital and earned surplus of not less than \$75,000,000.

Any successor Trustee appointed as provided in this section, shall execute, acknowledge and deliver to the County and its predecessor Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor of the trust hereunder. Upon the request of any such successor Trustee, the County shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and duties. Upon acceptance of appointment by a successor Trustee, the County shall notify the registered owner of each Bond then Outstanding by first-class mail, postage prepaid.

The predecessor Trustee shall execute any and all documents reasonably necessary or appropriate to convey all interest it may have to the successor Trustee. The predecessor Trustee shall promptly transfer all funds to the successor Trustee and deliver all records relating to the trust or copies thereof and communicate all material information it may have obtained concerning the trust to the successor Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger, or any corporation or association succeeding to the business or substantially all of the business of the Trustee, shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto.

Each, every and all funds and accounts held by the Trustee shall be impressed with a trust for the benefit of the registered owners of the Bonds, under the provisions of this Ordinance and of the Bond Act.

Section 8.3 Removal of Trustee. Upon 30 days' written notice, the County, at its sole discretion, provided that an Event of Default shall not have occurred and be continuing, may remove the Trustee. The removal of the Trustee under this Section 8.3 shall not be effective until a successor Trustee has been appointed and has accepted the duties of Trustee. The Holders of a majority in aggregate principal

amount of the Bonds at the time outstanding may, upon 30 days' written notice to the Trustee and the County, remove the Trustee and appoint a successor Trustee by instrument or instruments in writing signed by such Holders of the Bonds

Section 8.4 Custodians. The Construction Fund shall at the option of the County be held by a bank, a trust company, a national banking association or a national association as Custodian under this Ordinance or a Supplemental Ordinance.

Section 8.5 Duties and Obligations of Trustee and Custodians. The recitals of fact made in the Ordinance and in the Bonds shall be taken as statements of the County, and neither the Trustee nor Custodian shall be deemed to have made any representation as to the correctness of the same. Nor shall the Trustee or any Custodian be deemed to have made any representation whatsoever as to the validity or sufficiency of the Ordinance or of the Bonds issued hereunder. Nor shall the Trustee or any Custodian be under any responsibility or duty with respect to the issuance of the Bonds or the application of the proceeds thereof, except to the extent provided for herein, or in a Supplemental Ordinance. Nor shall the Trustee or any Custodian be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in response to the Ordinance, or to the Bonds issued hereunder, or to advance any of its own moneys, unless properly indemnified to its satisfaction. Nor shall the Trustee or any Custodian be liable in connection with the performance of its duties hereunder, except for its own negligence or default.

Section 8.6 Trustee and Custodians. Protected in Relying upon Ordinances, etc. The Trustee and all Custodians shall at all times be protected in acting upon any notice, Ordinance, request, consent, order, certificate, statement, opinion, bond, or other paper or document believed to be genuine and to have been signed by the proper party or parties

ARTICLE IX

AMENDMENTS OR SUPPLEMENTS TO THIS ORDINANCE

Section 9.1 Amendments or Supplements to Ordinance. The County shall not amend this Ordinance except in accordance with the provisions of this Article.A. The County may, from time to time and without the consent of any Holder of the Bonds enact an ordinance amendatory hereof or supplemental hereto for the purpose of (a) providing for the issuance of Bonds pursuant to the provisions of Article III hereof, or (b) (i) making any amendments or modifications hereto which may be required to permit this Ordinance to be qualified under the Trust Indenture Act of 1939, as amended; (ii) making any modification or amendment to this Ordinance not inconsistent herewith required for the correction of language or to cure any ambiguity or defective provisions, omission, mistake or manifest error herein contained; (iii) making any amendments or supplements hereto to grant to or confer upon the Holders additional rights, remedies, power and authority, or to grant to or confer upon any Holders, committee or trustee for the Holders any additional rights, power or authority; or (iv) to add to the security of the Holders of the Bonds.

B. From time to time the Holders of 51% in aggregate principal amount of the Bonds then Outstanding, by an instrument or instruments in writing signed by such Holders and filed with the County and the Trustee, shall have power to assent to and authorize any modification or amendment to the provisions of this Ordinance that may be proposed by the County or of the rights and obligations of the County and of the Holders of Bonds issued hereunder. Any action herein authorized to be taken with the assent and authority given as aforesaid of the Holders of at least 51% in aggregate principal amount of the Bonds at the time Outstanding shall be effective and binding upon all of the Holders of Bonds Outstanding and upon the

County as fully as though such action were specifically and expressly authorized by the terms of this Ordinance; provided always, that without the consent of the Holder of each Bond affected thereby, no such modification shall be made which will (a) extend the time of payment of principal of or the interest on any Bond, or reduce the principal amount thereof or the rate of interest thereon or the premium payable upon the redemption thereof, or (b) give to any Bond or Bonds any preference over any other Bond or Bonds, or (c) authorize the creation of any pledge prior to or, except as provided herein for the issuance of Series of Bonds, on a parity with the pledge afforded by this Ordinance, or (d) reduce the percentage in principal amount of the Bonds required to assent to or authorize any such modification to this Ordinance. For the purpose of computations required by this paragraph, Bonds directly or indirectly owned or controlled by the County shall be disregarded. A Credit Facility Issuer shall be treated as the Holder of any Bond for which such Credit Facility Issuer shall have provided a Credit Facility and any consent given by a Credit Facility Issuer shall be treated as the consent of the Holder of any Bond for which such Credit Facility Issuer shall have provided a Credit Facility, provided that said Credit Facility Issuer is not in default with any of its obligations.

Any modification or amendment or supplement to the provisions of this Ordinance or of any Supplemental Ordinance supplemental hereto shall be set forth in an ordinance to be enacted by the County.

The Trustee is hereby authorized to accept the delivery of a certified copy of any amendatory or supplemental ordinance referred to and permitted or authorized by this Section 9.1 and to make all further agreements and stipulations which may be therein contained, and the Trustee, in accepting such ordinance and taking such action, shall receive and be fully protected in relying on an opinion of counsel (which may be an opinion of counsel to the County) that such amendatory or supplemental ordinance is authorized or permitted by the provisions of this Ordinance. No such amendatory or supplemental ordinance shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

ARTICLE X

EVENTS OF DEFAULT

Section 10.1 Events of Default. With respect to the Bonds, the following shall constitute "Events of Default":

A. If payment of the principal of any Bond, whether at maturity or by proceedings for redemption, or upon mandatory sinking fund redemption, or by declaration as provided in Section 11.1 hereof, or otherwise, is not made by the County after the same has become due and payable; or

B. If payment of any installment of interest on any Bond is not made by the County as the same becomes due and payable; or

C. If the County shall fail in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds or in this Ordinance or in any Supplemental Ordinance on the part of the County to be performed, and such failure continues for 90 days after written notice specifying such failure and requiring the same to be remedied has been given to the County by the Trustee, or the Holders of not less than 20% in principal amount of the Bonds then Outstanding or any trustee or committee therefor; or

D. If any proceedings are instituted, with the consent or acquiescence of the County, for the purpose of effecting a composition between the County and its creditors and if the claim of such creditors is in any circumstance payable from any of the Hospitality Taxes or any other moneys pledged and charged in this Ordinance or any Supplemental Ordinance for the payment of the Bonds, or any such proceedings are instituted for the purpose of adjusting the claims of such creditors, pursuant to any federal or State statute now or hereafter enacted; or

E. If the County is for any reason rendered incapable of fulfilling its obligations hereunder in any material respect.

Subject to the provisions, limitations and conditions of Sections 11.1 and 11.2 hereof, insofar as the remedies provided in said provisions are concerned, nothing in Section 11.3 hereof or in this Article, and particularly nothing in subparagraph C of this Section 10.1, shall prohibit or limit, or be construed as prohibiting or limiting any Holder of a Bond from enforcing the duties of the County, or any of the officers thereof, under any provisions of this Ordinance (including, without limiting the generality of the foregoing, the duties imposed by or referred to in Section 11.3 hereof) by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction, even though the failure of the County or any of the officers thereof to perform any such duty may not then constitute an "Event of Default" as defined in this Article.

ARTICLE XI

REMEDIES UPON EVENT OF DEFAULT

Section 11.1 General. Upon the occurrence and continuance of an Event of Default, the Trustee may pursue any available remedy to enforce the payment of any amounts due with respect to the Bonds or the observance and performance of any other covenant, agreement or obligation under this Ordinance or a Supplemental Ordinance or any other instrument providing security, directly or indirectly, for the Bonds. If, upon the occurrence and continuance of an Event of Default, the Trustee is requested so to do by the Holders of at least 25% of the aggregate of the principal amount of the Outstanding Bonds, the Trustee (subject to the provisions of Section 8.1 hereof), shall exercise one or more rights and powers conferred by this Section as the Trustee, upon advice of counsel, deems most expedient in the interests of the Holders of such Bonds.

Section 11.2 Suits at Law or in Equity and Mandamus. In case any one or more of the Events of Default shall happen and be continuing, then and in every such case, but subject to the provisions, limitations and conditions of Section 11.1 hereof so far as the remedies provided in said provisions are concerned, the Holder of any Bond at the time Outstanding, or Trustee therefor, may, for the equal benefit and protection of all Holders of the Bonds similarly situated,

(a) by mandamus or other suit, action or proceedings at law or in the equity, enforce such Bondholder's right against the County and require and compel the County to perform and carry out its duties and obligations under the Bond Act and this Ordinance, and to perform and carry out its covenants and agreements with the Bondholders;

(b) by action or suit in equity require the County to account as if such County were the trustee of an express trust;

(c) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders; or

(d) bring suit upon the Bonds.

Section 11.3 Remedies Not Exclusive; Effect of Waiver of Default; Effect of Abandonment of Proceedings or Adverse Determination. The Holders from time to time of the Bonds shall be entitled to all the remedies and benefits of this Ordinance as are and as shall be provided by law, and, subject to the provisions of Sections 11.1 and 11.2 hereof, nothing herein shall be construed to limit the rights or remedies of any such Holders under any applicable statute that may now exist or be enacted thereafter. No remedy conferred by the Bond Act and this Article upon any Holder of any Bond is intended to be exclusive of any

other remedy. Each and every such remedy shall be cumulative and shall be in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by the Bond Act and this Article or by any other law now or hereafter existing. Every substantive right and remedy conferred upon the Holders of the Bonds may be enforced and exercised from time to time and as often as may be deemed expedient.

No waiver of any default or breach of duty or contract by any Holder of any Bond shall extend to or affect any subsequent default or breach of duty or contract, or shall impair any rights or remedies thereon. No delay or omission of any Holder of a Bond to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein.

In case any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and then discontinued or abandoned, or shall be determined adversely to Holders of the Bonds then and in every such case, the County and such Holders shall be restored to their former positions and rights and remedies as if no suit, action or proceeding had been brought or taken.

When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of an Event of Default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 11.4 Restrictions on Bondholder's Action.

A. No Holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Ordinance or the execution of any trust under this Ordinance or for any remedy under this Ordinance unless such Holder shall have previously given to the Trustee written notice of the happening of an Event of Default and the Holders of at least twenty-five percent (25%) in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee and shall have offered the Trustee reasonable opportunity, either to exercise the powers granted in this Ordinance or by the laws of the State or to institute such action, suit or proceeding in its own name, and unless such Holders shall have offered to the Trustee adequate security and indemnity against the costs, fees (including reasonable attorneys' fees), expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of 60 days after receipt by it of such notice, request an offer of indemnity. No one or more Holders of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the pledge created by this Ordinance, or to enforce any right under this Ordinance, except in the manner therein provided. All proceedings at law or in equity to enforce any provision of this Ordinance shall be instituted, had and maintained in the manner provided in this Ordinance and for the equal benefit of all Holders of the Outstanding Bonds.

B. Nothing contained in this Ordinance or in the Bonds contained shall affect or impair the obligation of the County, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of (and redemption premium, if any) and interest on the Bonds to the respective Holders thereof, or affect or impair the right of action, which is also absolute and unconditional, of any Holder to enforce such payment of his Bond.

Section 11.5 Application of Hospitality Taxes and Other Moneys After Default. During the continuance of an Event of Default, all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of moneys and of the fees, expenses and advances of, incurred or made by the Trustee with respect thereto, be deposited in the respective Debt Service Funds, and all amounts held by the

Trustee hereunder shall be applied as follows (provided if more than one Debt Service Fund has been established, such amounts shall be paid ratably):

A. Unless the principal of all Outstanding Bonds shall have become or have been declared due and payable:

First: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds in the order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the person entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal amounts or redemption premium, if any, of any Bonds which shall have become due (other than Bonds previously called for redemption in accordance with the provisions hereof), whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the principal amounts or redemption premium, if any, due on such date, to the persons entitled thereto, without any discrimination or preference.

B. If the principal amounts of all Outstanding Bonds shall have become or have been declared due and payable, to the payment of the principal amounts and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal amounts and interest, to the persons entitled thereto without any discrimination or preference.

C. If the principal amounts of all Outstanding Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article XI, then, subject to the provisions of this Section in the event that the principal amounts of all Outstanding Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of paragraph (A) of this Section.

D. Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be a Bond payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the principal amounts to be paid on such dates shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, and shall not be required to make payment to the Holder of any Bond until such Bond shall be presented to the Trustee for appropriate endorsement of any partial payment or for cancellation if fully paid.

Whenever all Bonds and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Trustee have been paid, any balance remaining shall be paid to the person entitled to receive the same; if no other person shall be entitled thereto, then the balance shall be paid to the County or as a court of competent jurisdiction may direct.

ARTICLE XII

DEFEASANCE

Section 12.1 Defeasance. The obligations of the County under this Ordinance and the liens, pledges, charges, trusts, covenants and agreements of the County herein made or provided for, shall be fully discharged and satisfied as to any Bond; and, unless or except as otherwise provided in the Supplemental Ordinance providing for the issuance of any Series of Bonds, such Bond or Series of Bonds shall no longer be deemed to be Outstanding hereunder when:

A. Such Bond or Series of Bonds shall have been purchased by the County and surrendered to the County for cancellation or otherwise surrendered to the County or the Paying Agent, and is canceled or subject to cancellation by the County or Paying Agent, or

B. Payment of the principal of, redemption premium, if any, and interest on such Bond or Series of Bonds, either (a) shall have been made or caused to be made in accordance with the terms thereof, or (b) shall have been provided for by irrevocably depositing with the Trustee in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment, or (ii) Government Obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee, Paying Agent and the Registrar together with either (i) a verification report, satisfactory to the Trustee, to the effect that such securities and/or cash, together with earnings thereon, will be sufficient to pay interest and principal (and applicable premium, if any) on the Bonds to redemption or maturity or (ii) an opinion of Counsel, satisfactory to the Trustee, to the effect that all conditions precedent to the defeasance of the Bonds have been satisfied; provided however, that no such verification report or opinion shall be required in the event of a gross defeasance (where the cash deposited alone is sufficient to pay the debt service on the Bonds) or a current refunding (where the Bonds are to be redeemed within ninety (90) days of the funding of the escrow). At such time as a Bond or Series of Bonds shall no longer be deemed to be Outstanding hereunder, as aforesaid, such Bond or Series of Bonds shall cease to draw interest from the maturity date or redemption date thereof, and, except for the purposes of any such payment from such moneys or Government Obligations, shall no longer be secured by or entitled to the benefits of this Ordinance.

Any moneys so deposited with the Trustee as provided in this Article may at the written direction of the County also be invested and reinvested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of such Trustee which is not required for the payment of the Bonds or Series of Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be treated as Hospitality Taxes.

Notwithstanding any provision hereof which may be contrary to the provisions of this Article, all moneys or Government Obligations set aside and held in trust pursuant to the provisions of this Article for the payment of Bonds or Series of Bonds shall be applied to and used solely for the payment of the particular Bonds or Series of Bonds with respect to which such moneys and Government Obligations have been so set aside in trust.

Any provision hereof to the contrary notwithstanding, if moneys or Government Obligations have been deposited or set aside with the Trustee pursuant to this Article for the payment of the Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article shall be made without the consent of the Bondholder of each Bond or Series of Bonds affected thereby.

If moneys or Government Obligations have been deposited with the Trustee pursuant to Section 12.1(B) for payment of less than all Bonds of a Series and maturity, the Bonds of such Series and maturity to be so paid from such deposit shall be selected by the Trustee by lot by such method as shall provide for the selection of portions (in authorized denominations) of the principal of Bonds of such Series and maturity of a denomination larger than the smallest authorized denomination. Such selection shall be made within seven days after the moneys or Government Obligations have been deposited with

the Trustee. This selection process shall be in lieu of the selection process otherwise provided with respect to redemption of Bonds in Article V. After such selection is made, Bonds that are to be paid from such deposit (including Bonds issued in exchange for such Bonds pursuant to the transfer or exchange provisions of this Ordinance) shall be identified by a separate CUSIP number or other designation satisfactory to the Trustee. The County shall provide such CUSIP number or other designation to the Trustee. The Trustee shall notify Bondholders whose Bonds (or portions thereof) have been selected for payment from the moneys or Government Obligations on deposit and shall direct such Bondholders to surrender their Bonds to the Trustee in exchange for Bonds with the appropriate designation. The selection of Bonds for payment from such deposit pursuant to this Section 12.1 shall be conclusive and binding on the County.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Benefits of Ordinance Limited to the County, the Trustee and Holders of the Bonds. With the exception of rights or benefits herein expressly conferred, nothing expressed or mentioned in or to be implied from this Ordinance or the Bonds is intended or should be construed to confer upon or give to any person other than the County, the Trustee and the Holders of the Bonds, any legal or equitable right, remedy or claim under or by reason of or in respect to this Ordinance or any covenant, condition, stipulation, promise, agreement or provision herein contained. This Ordinance and all of the covenants, conditions, stipulations, promises, agreements and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the County, the Trustee and the Holders from time to time of the Bonds as herein and therein provided.

Section 13.2 Ordinance Binding Upon Successors or Assigns of the County. All the terms, provisions, conditions, covenants, warranties and agreements contained in this Ordinance shall be binding upon the successors and assigns of the County and shall inure to the benefit of the Trustee, its successors or substitutes in trust and assigns, and the Holders of the Bonds.

Section 13.3 No Personal Liability. No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the County contained in this Ordinance or the Bonds, against any member of the County, any officer or employee, as such, in his or her individual capacity, past, present or future, of the County, either directly or through the County, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise. It is expressly agreed and understood that this Ordinance and the Bonds are solely corporate obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any member, officer or employee as such past, present or future, of the County, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the County and the Trustee or the Bondholder or to be implied therefrom as being supplemental hereto or thereto. All personal liability of that character against every such member, officer and employee is, by the adoption of this Ordinance and the execution of the Bonds, and as a condition of, and as a part of the consideration for, the adoption of this Ordinance and the execution of the Bonds, expressly waived and released. The immunity of members, officers and employees of the County under the provisions contained in this Section 13.3 shall survive the termination of this Ordinance.

Section 13.4 Effect of Saturdays, Sundays and Legal Holidays. Whenever this Ordinance requires any action to be taken on a Saturday, Sunday, legal holiday or bank holiday in the State of South Carolina, such action shall be taken on the first Business Day occurring thereafter. Whenever in this Ordinance the time within which any action is required to be taken or within which any right will lapse or

expire shall terminate on a Saturday, Sunday, legal holiday or bank holiday, in the State, such time shall continue to run until midnight on the succeeding Business Day.

Section 13.5 Partial Invalidity. If any one or more of the covenants or agreements or portions thereof provided in this Ordinance on the part of the County or the Trustee or any Paying Agent to be performed should be determined by a court of competent jurisdiction to be contrary to law, then such covenant or covenants, or such agreement or agreements, or such portions thereof, shall be deemed severable from the remaining covenants and agreements and portions thereof provided in this Ordinance and the invalidity thereof shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds, but the Holders of the Bonds shall retain all the rights and benefits accorded to them hereunder and under any applicable provisions of law.

If any provisions of this Ordinance shall be held or deemed to be or shall, in fact, be inoperative or unenforceable or invalid as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because of conflicts with any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable or invalid in any other case or circumstance, or of rendering any other provision or provisions herein contained inoperative or unenforceable or invalid to any extent whatever.

Section 13.6 Law and Place of Enforcement of Ordinance. This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina without regard to conflict of law principles and all suits and actions arising out of this Ordinance shall be instituted in a court of competent jurisdiction in said State.

Section 13.7 Effect of Article and Section Headings and Table of Contents. The headings or titles of the several Articles and Sections hereof, and any table of contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this Ordinance.

Section 13.8 Repeal of Inconsistent Ordinances. All ordinances and resolutions of the County, and any part of any ordinance or resolution, inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section 13.9 Notices. All notices, certificates, or other communications hereunder or under this Ordinance shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, or given when dispatched by telegram addressed as follows:

If to the County:
Richland County, South Carolina
Attention: County Administrator
Post Office Box 192
Columbia, South Carolina 29202
If to the Trustee:

The County and the Trustee, may, by notice given to the other parties, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 13.10 Severability. If any sections, phrase, sentence or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such

portion shall be deemed a separate, distinct and independent provision, and such holding shall not attest the validity of the remaining portions thereof.

Section 13.11 Miscellaneous. The County Council hereby authorizes any one or more of the following officials to execute such documents and instruments as necessary to effect the issuance of the Bonds: Chair of the County Council, County Administrator, Clerk to the County Council and County Attorney. The County Council hereby retains McNair Law Firm, P.A. and The Law Office of Ernest W. Cromartie III, LLC, as co-bond counsel, Parker Poe Adams and Bernstein LLP and Jabber & Isaac, P.A., co-disclosure counsel, if required, and Southwest Securities Inc., as financial advisor in connection with the issuance of the Bonds. The County Administrator is authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate these engagements.

All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its adoption.

[Signature Page to Follow]

Enacted this ____ day of _____, 2013.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Kelvin Washington, Chair
Richland County Council

(SEAL)

ATTEST THIS ____ DAY OF
_____, 2013:

Interim Clerk to Council
RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content
Date of First Reading: February 5, 2013 (Title Only)
Date of Second Reading: February 19, 2013 (Tentative)
Date of Third Reading:

Richland County Council Request of Action

Subject

A First Supplemental Ordinance providing for the issuance and sale of Richland County, South Carolina, Hospitality Tax Refunding Revenue Bonds, Series 2013, or such other appropriate series designation, in the principal amount of not exceeding \$22,750,000; delegating authority to the County Administrator to determine certain matters with respect to the bonds; prescribing the form and details of such bonds; and other matters relating thereto [**SECOND READING**] [**PAGES 107-123**]

Notes

January 22, 2013 - The Committee recommended that Council give First Reading approval to enact a general bond ordinance authorizing the issuance of revenue bonds secured by Hospitality Tax revenues and a First Supplemental Ordinance authorizing the refunding of the 2007 Loan Agreement.

First Reading: February 5, 2013

Second Reading:

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____

A FIRST SUPPLEMENTAL ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF RICHLAND COUNTY, SOUTH CAROLINA, HOSPITALITY TAX REFUNDING REVENUE BONDS, SERIES 2013, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$22,750,000; DELEGATING AUTHORITY TO THE COUNTY ADMINISTRATOR TO DETERMINE CERTAIN MATTERS WITH RESPECT TO THE BONDS; PRESCRIBING THE FORM AND DETAILS OF SUCH BONDS; AND OTHER MATTERS RELATING THERETO.

Pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

Section 1. Definitions. The terms in this Section 1 and all words and terms defined in the General Bond Ordinance (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this First Supplemental Ordinance have the respective meanings given to them in the General Bond Ordinance and in Section 1 hereof.

“2007 Loan Agreement” shall mean the Loan Agreement dated as of April 30, 2007, between Richland County, South Carolina and Banc of America Public Capital Corp.

“Beneficial Owner” shall mean any purchaser who acquires beneficial ownership interest in any Initial Bond held by the Depository. In determining any Beneficial Owner the County, the Trustee, the Registrar and the Paying Agent may rely exclusively upon written representations made and information given to the County, the Trustee, the Registrar and the Paying Agent, as the case may be, by the Depository or its Participants with respect to any Initial Bond held by the Depository or its Participants in which a beneficial ownership interest is claimed.

“Bond Purchase Agreement” if any, shall mean a Bond Purchase Agreement relating to the sale of the Series 2013 Bonds, to be dated the date of execution and delivery thereof between the Underwriter and the County, as amended or supplemented thereto.

“Book-Entry Form” or “Book-Entry System” shall mean with respect to the Series 2013 Bonds, a form or system, as applicable, under which (a) the ownership of beneficial interests in the Series 2013 Bonds may be transferred only through a book-entry and (b) physical bond certificates in fully registered form are registered only in the name of a Depository or its nominee as Holder, with the physical bond certificates “immobilized” in the custody of the Depository. The book-entry maintained by the Depository is the record that identifies the owners of participatory interests in the Series 2013 Bonds, when subject to the Book-Entry System.

“Business Day” shall mean, with respect to the Series 2013 Bonds issued pursuant to this First Supplemental Ordinance, any day other than a Saturday, a Sunday or a day which shall be in the State or the state in which the respective office of the Trustee, the Paying Agent and the Registrar is located a legal holiday or a day on which banking institutions are authorized by law or executive order to close.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Disclosure Dissemination Agent Agreement” shall have the meaning given that term in Section 15 hereof.

“Escrow Agent” shall mean that entity named as such in the Escrow Agreement.

“Escrow Agreement” shall mean the Refunding Escrow Agreement dated the date of its execution between the County and the Escrow Agent.

“Escrow Fund” shall mean the fund of that name created pursuant to the Escrow Agreement.

“First Supplemental Ordinance” shall mean shall mean this Ordinance enacted by the County Council authorizing the Series 2013 Bonds.

“General Bond Ordinance” shall mean the Ordinance duly enacted by the County Council on the date hereof, authorizing the issuance from time to time of Bonds.

“Initial Bonds” shall mean the Series 2013 Bonds initially issued in Book-Entry Form as provided in Section 5 hereof.

“Interest Payment Date” shall mean _____ 1 and _____ 1 of each year, commencing _____ 1, 2013, or such other date as the County Administrator may determine pursuant to Section 4 hereof.

“Paying Agent” shall mean _____, as Paying Agent for the Series 2013 Bonds.

“Principal Payment Date” shall mean _____ 1 of each year, commencing _____ 1, 20____, or such other date as the County Administrator may determine pursuant to Section 4 hereof.

“Refunding” shall mean the refunding of the outstanding principal amount of the 2007 Loan Agreement.

“Registrar” shall mean _____, as Registrar for the Series 2013 Bonds.

“Securities Depository” shall mean The Depository Trust Company, New York, New York, or any other recognized securities depository selected by the County, which securities depository maintains a book-entry system in respect of any Series of Bonds, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

“Series 2013 Bonds” shall mean the Richland County Hospitality Tax Refunding Revenue Bonds, Series 2013, in the aggregate principal amount of not exceeding \$22,750,000 authorized to be issued hereunder.

“Series 2013 Debt Service Fund” shall mean the fund of the same name established pursuant to Section 7 hereof to provide for the payment of the principal of and interest on the Series 2013 Bonds.

“Trustee” shall mean _____, as Trustee for the Series 2013 Bonds.

“Underwriter” shall mean that entity named by the County Administrator..

Section 2. Certain Findings and Determinations.

The Council hereby finds and determines:

(a) Pursuant to Section 4 9 10, Code of Laws of South Carolina 1976, as amended, the County operates under the Council-Administrator form of government and the County Council constitutes the governing body of the County.

(b) Pursuant to constitutional and statutory authorizations and Ordinance No. 040-07HR enacted by the County Council on April 17, 2007, the County has heretofore entered into the 2007 Loan Agreement.

(c) The outstanding principal amount of the 2007 Loan Agreement pursuant to the terms thereof is \$21,490,000 which amounts relate to funds expended for the Township Auditorium and to purchase property for a regional recreational complex. The 2007 Loan Agreement may be prepaid in whole or in part any time at the option of the County without penalty upon 30 days' notice at par together with the interest accrued thereon to the date fixed for redemption.

(d) The Refunding Bond Act authorizes the County to effect the refunding of any of its outstanding debt. The Refunding Act authorizes and provides the procedure for the issuance of bonds whose proceeds are to be used to pay, in whole or in part, sums due on debt previously issued and further provides that any issuer may issue bonds to such extent as such issuer shall be indebted by way of principal, interest, and redemption premium upon any outstanding debt.

(e) County Council has been advised that based on current market conditions and projected savings, the County Council finds that it is in the best interest of the County to effect a refunding of the 2007 Loan Agreement (the "Refunding") because a savings can be effected through the Refunding. The County Council recognizes, however, that current market conditions may change and that, as of the date of enactment of this First Supplemental Ordinance, a determination cannot be made as to the amount of such savings, if any, realized through the Refunding and that certain authority relating to such refunding is delegated to the County Administrator through this First Supplemental Ordinance. If the rates of interest on the refunding bonds authorized by this First Supplemental Ordinance do not result in satisfactory debt service savings, the County Council, through the authority delegated to the County Administrator, will be empowered to cancel or postpone the purchase of the refunding bonds.

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

(g) The Series 2013 Bonds constitute and are "Bonds" within the meaning of the quoted word as defined and used in the General Bond Ordinance.

(h) The Hospitality Taxes pledged under the General Bond Ordinance are or will not be encumbered by any lien and charge thereon or pledge thereof, other than the pledge thereof created by the General Bond Ordinance and this First Supplemental Ordinance for the payment and security of the Series 2013 Bonds.

(i) There does not exist an Event of Default (as defined in the General Bond Ordinance), nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute such Event of Default.

(j) It is necessary and in the best interest of the County for the County Council to authorize the issuance of the Series 2013 Bonds in the principal amount of not exceeding \$22,750,000 in accordance with the Refunding Bond Act, the Hospitality Tax Act, the General Bond Ordinance and this First Supplemental Ordinance for the purposes of refunding the 2007 Loan Agreement and paying the costs of issuing the Series 2013 Bonds.

(k) Pursuant to Ordinance No. 067-12HR enacted on November 13, 2012, County Council adopted Written Procedures related to Tax-Exempt Debt.

Section 3. Authorization of Series 2013 Bonds to Effect Refunding.

(a) There is hereby authorized to be issued the Series 2013 Bonds designated “Richland County, Hospitality Tax Refunding Revenue Bonds, Series 2013,” in the aggregate principal amount of not exceeding \$22,750,000. The proceeds of the Series 2013 Bonds shall be used for the purposes set forth in Section 2(j) hereof.

(b) The Refunding shall be effected with a portion of the proceeds of the Series 2013 Bonds which proceeds shall be used for the payment of the principal of the Loan Agreement and accrued interest to the date of redemption.

(c) Upon the delivery of the Series 2013 Bonds, some or all of the proceeds thereof, less issuance expenses, shall be deposited with an escrow agent to be named (the “Escrow Agent”) and held by it under the Escrow Agreement between the Escrow Agent and the County in an irrevocable trust account. It shall be the duty of such Escrow Agent to keep such proceeds invested and reinvested to the extent that it shall be practical in obligations of the United States or any agency thereof and to apply the principal and interest of the trust so established in the manner prescribed in such the Escrow Agreement and to cause the redemption of the Loan Agreement.

(d) The County Administrator and/or his lawfully-authorized designee are hereby authorized and directed for and on behalf of the County to execute such agreements and give such directions as shall be necessary to carry out the provisions of this First Supplemental Ordinance, including the execution and delivery of the Escrow Agreement. The Escrow Agreement shall be dated the date of delivery of the Series 2013 Bonds to the initial purchasers thereof.

Section 4. Delegation of Authority; Sale and Issuance of Series 2013 Bonds.

(a) The County Administrator is hereby authorized and empowered to undertake any one or more of the following actions: (a) determine the original issue date of the Series 2013 Bonds; (b) determine the aggregate principal amount of the Series 2013 Bonds, if less than authorized by this First Supplemental Ordinance; (c) determine the principal amount of each maturity of the Series 2013 Bonds; (d) determine the Interest Payment Dates and the Principal Payment Dates for the Series 2013 Bonds; (e) determine the optional redemption dates and terms of redemption of the Series 2013 Bonds; (f) determine the interest rates for the Series 2013 Bonds; (g) determine if certain of the Series 2013 Bonds are to be subject to mandatory and optional redemption; (h) determine the redemption prices of the Series 2013 Bonds subject to optional redemption; (i) determine any original issue discount or original issue premium at which the Series 2013 Bonds will be sold, or whether any Underwriter’s discount or other fee will be paid to the purchasers of the Series 2013 Bonds; and (j) agree to any other terms, provisions and matters necessary or advisable to effect the issuance of the Series 2013 Bonds.

(b) The Series 2013 Bonds may be sold publicly, privately to the Underwriter, or directly to one or more purchasers in a private offering or private placement transaction. In connection with a public offering, the County Administrator is hereby authorized and directed to approve the form of a Bond Purchase Agreement as the County Administrator shall negotiate and approve, and to execute the Bond Purchase Agreement, and deliver the same to the Underwriter, the County Administrator's execution and delivery of the Bond Purchase Agreement constituting conclusive evidence of approval of the matters therein contained. Notwithstanding the foregoing, the County Administrator is hereby authorized to take all actions, including the preparation and dissemination of requests for proposals and the preparation, publication and/or distribution of information, offering documents or private placement memoranda (which may be in the respective forms of the Bond Purchase Agreement and/or hereinafter defined Preliminary Official Statement, as applicable, together with such amendments and modifications as may be approved by the County Administrator), all relating to the County, the Series 2013 Bonds and the Hospitality Taxes, to solicit interest and receive offers from financial institutions to purchase the Series 2013 Bonds in a private offering, and to accept such offer which is in the best interest of the County and execute such documents as may be necessary in connection therewith.

(c) The County Administrator is hereby authorized and directed to prepare a Preliminary Official Statement, relating to a public offering of the Series 2013 Bonds (the "Preliminary Official Statement"), and to take such actions necessary to "deem final" the Preliminary Official Statement for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

(d) The County hereby authorizes the Final Official Statement of the County to be dated on or about the date of the execution and delivery of the Bond Purchase Agreement, relating to the Series 2013 Bonds substantially in the form of the Preliminary Official Statement, with such modifications as the County Administrator approves; the County Administrator of the County is hereby authorized and directed to execute copies of the Final Official Statement and deliver the same to the Underwriter, which execution and delivery shall be conclusive evidence of the approval of any such modifications; and the County hereby authorizes the use of the Preliminary Official Statement and Final official Statement and the information contained therein in connection with the public offering and sale of the Series 2013 Bonds by the Underwriter.

(e) The County Council hereby authorizes and directs all of the officers and employees of the County to carry out or cause to be carried out all obligations of the County hereunder and to perform such other actions as they shall consider necessary or advisable in connection with the issuance, sale and delivery of the Series 2013 Bonds.

(f) The Council hereby authorizes the County Administrator or his designee to negotiate the terms of, and execute, in the name and on behalf of the County, and deliver investment agreements, forward delivery agreements, repurchase agreements and other agreements in connection with the Series 2013 Bonds, to prepare and solicit bids for providers of such agreements and to execute, in the name and on behalf of the County, written confirmations of any such agreements and other documents as may be necessary in connection therewith. Further, the County Administrator or his designee is hereby authorized to take any and all actions and execute any and all documents, upon the advice of its Bond Counsel, necessary to cause the termination of any forward delivery, repurchase or other investment agreement related to the 2007 Loan Agreement.

(g) The Series 2013 Bonds shall originally be dated the date of delivery of the Series 2013 Bonds, or such other date as the County Administrator shall determine pursuant to this Section, and shall be issued as fully registered Bonds in the denominations of \$5,000 and integral multiples of \$5,000. The Series 2013 Bonds shall be numbered and lettered in such a fashion as to maintain a proper record thereof.

(h) Unless otherwise determined by the County Administrator pursuant to this Section, the Series 2013 Bonds shall mature on the Principal Payment Dates and in the principal amounts, and bear interest payable on the Interest Payment Dates at the rates per annum (calculated on the basis of a 360-day year comprised of twelve 30-day months), as reflected thereon.

(i) Principal of and redemption premium, if any, on the Series 2013 Bonds shall be payable at the designated corporate trust office of the Paying Agent. Interest on the Series 2013 Bonds shall be payable on each Interest Payment Date, in each case to the Holders as of the immediately preceding Record Date, such interest to be paid by the Paying Agent by check or draft mailed to each Holder at the address as it appears on the Books of Registry maintained at the designated corporate trust office of the Paying Agent, and in the case of a Holder of \$1,000,000 or more in principal amount of Series 2013 Bonds, by wire transfer to an account within the continental United States upon the timely receipt of a written request of such Holder. Payment of the principal of and interest on such Series 2013 Bonds may be payable to the Holder thereof without presentation and surrender of such Series 2013 Bonds.

Section 5. Book-Entry System; Recording and Transfer of Ownership of the Series 2013 Bonds.

The Initial Bonds will be eligible securities for the purposes of the Book-Entry System of transfer maintained by the Depository, and transfers of beneficial ownership of the Initial Bonds shall be made only through the Depository and its participants in accordance with rules specified by the Depository. Such beneficial ownership must be of \$5,000 principal amount of Initial Bonds of the same Series and maturity or any integral multiple of \$5,000.

The Initial Bonds will be issued in fully-registered form, as a single bond representing the entire principal amount of the Series 2013 Bonds or one Series 2013 Bond for each of the maturities of the Series 2013 Bonds, in the name of Cede & Co., as the nominee of the Depository. When any principal of, premium, if any, or interest on the Initial Bonds becomes due, the County shall transmit or cause the Paying Agent to transmit to the Depository an amount equal to such installment of principal, premium, if any, and interest. Such payments will be made to Cede & Co. or other nominee of the Depository as long as it is owner of record on the applicable Record Date. Cede & Co. or other nominee of the Depository shall be considered to be the owner of the Initial Bonds so registered for all purposes of this First Supplemental Ordinance, including, without limitation, payments as aforesaid and receipt of notices. The Depository shall remit such payments to the Beneficial Owners of the Series 2013 Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption of the Initial Bonds or any portion thereof shall be sent to the Depository in accordance with the provisions of the General Bond Ordinance.

The Depository is expected to maintain records of the positions of Participants in the Initial Bonds, and the Participants and persons acting through Participants are expected to maintain records of the Beneficial Owners in the Initial Bonds. The County, the Trustee, the Registrar and the Paying Agent make no assurances that the Depository and its Participants will act in accordance with such rules or expectations on a timely basis, and the County, the Trustee, the Registrar and the Paying Agent shall have no responsibility for any such maintenance of records or transfer of payments by the Depository to its Participants, or by the Participants or persons acting through Participants to the Beneficial Owners.

The County, the Trustee, the Paying Agent and the Registrar may treat the Depository (or its nominee) as the sole and exclusive owner of the Series 2013 Bonds registered in its name for the purpose of payment of the principal of, interest or premium, if any, on the Series 2013 Bonds, giving any notice

permitted or required to be given to Bondholders under the General Bond Ordinance or this First Supplemental Ordinance, registering the transfer of the Series 2013 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The County, the Trustee, the Paying Agent and the Registrar shall not have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Series 2013 Bonds under or through the Depository or any Participant, or any other person which is not shown on the Books of Registry of the County maintained by the Registrar as being a Bondholder, with respect to: the accuracy of any records maintained by the Depository or any Participant or the maintenance of any records; the payment by the Depository or any Participant of any amount in respect of the principal of, interest or premium, if any, on the Series 2013 Bonds; the sending of any transaction statements; the delivery or timeliness of delivery by the Depository or any Participant of any notice which is permitted or required to be given to Bondholders thereunder; the selection of Bondholders to receive payments upon any partial redemption of the Series 2013 Bonds; or any consent given or other actions taken by the Depository as a Bondholder.

If (a) the Depository determines not to continue to act as securities depository for the Series 2013 Bonds, and gives reasonable notice to the Registrar or the County, or (b) the County has advised the Depository of the County's determination that the Depository is incapable of discharging its duties, then the County shall attempt to retain another qualified securities depository to replace the Depository. Upon receipt by the County or the Registrar of the Initial Bonds together with an assignment duly executed by the Depository, the County shall execute and deliver to the successor depository, the Series 2013 Bonds of the same principal amount, interest rate and maturity. If the County is unable to retain a qualified successor to the Depository, or the County has determined that it is in its best interest not to continue the Book-Entry System of transfer or that interests of the Beneficial Owners of the Series 2013 Bonds might be adversely affected if the Book-Entry System of transfer is continued (the County undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify Beneficial Owners of the Series 2013 Bonds by mailing an appropriate notice to the Depository, upon receipt by the County of the Initial Bonds together with an assignment duly executed by the Depository, the County shall execute, authenticate and deliver to the Depository Participants the Series 2013 Bonds in fully-registered form, in authorized denomination; provided, however, that the discontinuation of the Book-Entry System of registration and transfer with respect to the Series 2013 Bonds or the replacement of the Depository or any successor depository shall be subject to the applicable rules and procedures of the Depository or such successor depository on file or otherwise approved by the Securities and Exchange Commission.

Notwithstanding the foregoing, at the request of the purchaser, the Series 2013 Bonds will be issued as one single fully-registered bond and not issued through the book-entry system.

Section 6. Optional Redemption of Series 2013 Bonds. Such of the Series 2013 Bonds as may be determined by the County Administrator pursuant to Section 4 hereof shall be subject to redemption prior to maturity, at the option of the County, in whole or in part at any time in such order of their maturities as the County shall determine and by lot within a maturity, at the respective redemption prices with respect to each Series 2013 Bond, expressed as a percentage of principal amount of the Series 2013 Bonds to be redeemed, as shall be determined by the County Administrator pursuant to Section 4 hereof, together, in each such case, with the interest accrued on such principal amount to the date fixed for redemption. The Trustee shall give notice of redemption of the Series 2013 Bonds by first-class mail, postage prepaid, to the Holders thereof as shown on the Books of Registry of the County not less than five (5) Business Days prior to the date fixed for the redemption thereof.

Section 7. Mandatory Redemption of Series 2013 Bonds. Such of the Series 2013 Bonds as the County Administrator shall determine pursuant to Section 4 hereof shall be subject to mandatory redemption at a redemption price equal to the principal amount of the Series 2013 Bonds to be redeemed, together with interest accrued from the date of redemption, in the years and in the amounts determined by the County Administrator, pursuant to Section 4 hereof.

At its option, to be exercised on or before the sixtieth (60th) day prior to any mandatory redemption date, the County may (i) deliver to the Trustee for cancellation Series 2013 Bonds which are subject to mandatory redemption in any aggregate principal amount desired or (ii) receive a credit in respect of its mandatory redemption obligation for any such Series 2013 Bonds which, prior to such date, have been purchased or redeemed (otherwise than through the operation of the mandatory redemption requirement) by the County and cancelled by the Trustee and not theretofore applied as a credit against any mandatory redemption obligation. Each Series 2013 Bond so delivered or previously purchased or redeemed shall be credited by the Trustee, at one hundred percent (100%) of the principal amount thereof, to the obligation of the County on those respective mandatory redemption obligations in chronological order or such other manner as directed in writing by the County to the Trustee, and the principal amount of the Series 2013 Bonds to be redeemed by operation of the mandatory redemption requirement shall be accordingly reduced.

The Trustee, without further authorization or direction from the County, shall give notice of all mandatory redemptions within the time periods and in the manner specified in Article V of the General Bond Ordinance.

Section 8. Payment of the Series 2013 Bonds. The Series 2013 Bonds, together with the interest thereon, shall be payable, in such coin or currency of the United States of America which at the time of such payment is legal tender for public and private debts, solely from the Hospitality Taxes of the County in accordance with the provisions of the General Bond Ordinance and this First Supplemental Ordinance. The Series 2013 Bonds shall be secured by a pledge of Hospitality Taxes on a parity with the pledge of Hospitality Taxes securing the payment of Additional Bonds issued in compliance with the provisions of the General Bond Ordinance.

The Series 2013 Bonds do not constitute an indebtedness of the County within any State constitutional provisions (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation. The Series 2013 Bonds shall not be a debt of the County, nor a charge, lien or encumbrance, legal or equitable, upon any property of the County or upon any income, receipts or revenues thereof, other than the aforesaid Hospitality Taxes of the County. No recourse shall be had for the payment of the Series 2013 Bonds or the interest thereon against the general fund of the County, nor shall the credit or taxing power of the County be deemed to be pledged thereto. The full faith, credit and taxing powers of the County are not pledged to the payment of the principal of or interest on the Series 2013 Bonds.

Section 9. Form of the Series 2013 Bonds. The Series 2013 Bonds shall be in substantially the form set forth in Exhibit A hereto, with such necessary or appropriate variations, omissions and insertions as are incidental to the series, numbers, denominations, maturities, dates, interest rate or rates, redemption provisions, the purpose of issuance and other details thereof or as are otherwise permitted or required by law or by the General Bond Ordinance, including this First Supplemental Ordinance. The Series 2013 Bonds shall be executed in the name and on behalf of the County by the manual or facsimile signatures of the Chair of County Council and Interim Clerk to Council.

Section 10. Establishment of Series 2013 Debt Service Fund. In accordance with Section 6.6 of the General Bond Ordinance, the Series 2013 Debt Service Fund is hereby directed to be established by the Trustee on the date of the original delivery of the Series 2013 Bonds for the benefit of the Holders of the Series 2013 Bonds.

Section 11. Designation of Trustee, Registrar and Paying Agent. Pursuant to the General Bond Ordinance, the Trustee is _____. The County Council hereby designates _____ as Registrar and Paying Agent for the Series 2013 Bonds. The Registrar and Paying Agent shall signify their acceptances of their respective duties upon delivery of the Series 2013 Bonds.

Section 12. Disposition of Proceeds of Series 2013 Bonds and Certain Other Moneys. The proceeds derived from the sale of the Series 2013 Bonds, net of any original issue discount or premium (or both), any Underwriter's discount or fees payable to the purchaser thereof, shall be deposited with (or at the order of) the County, the Trustee, the Escrow Agent or the Custodian, as applicable, and used for the following purposes:

- (a) With respect to the proceeds of the Series 2013 Bonds issued to refund the Loan Agreement, proceeds thereof shall be deposited with the Escrow Agent pursuant to the Escrow Agreement; and
- (b) With respect to the proceeds of the Series 2013 Bonds issued to pay Costs of Issuance for such Series 2013 Bonds, proceeds thereof shall be deposited with and held by the County or as may be directed by the County.

The respective amounts specified in this Section 12 shall be determined by the County upon delivery of the Series 2013 Bonds.

Section 13. Federal Tax Covenant. The County hereby covenants and agrees with the Holders of the Series 2013 Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Series 2013 Bonds to become includable in the gross income of the Bondholders thereof for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Series 2013 Bonds and that no use of the proceeds of the Series 2013 Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Series 2013 Bonds would have caused the Series 2013 Bonds to be "arbitrage bonds," as defined in the Code; and to that end the County hereby shall:

- (a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as the Series 2013 Bonds are Outstanding;
- (b) establish such funds, make such calculations and pay such amounts, if necessary, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebate of certain amounts to the United States; and
- (c) make such reports of such information at the times and places required by the Code.

Section 14. Continuing Disclosure. The County Administrator is hereby authorized and directed to approve the form of, and execute and deliver, a continuing disclosure undertaking, related to the Series 2013 Bonds as required by applicable law, and the County hereby covenants and agrees that it will comply with and carry out all of the provisions of such continuing disclosure undertaking. Notwithstanding any other provisions of this First Supplemental Ordinance, failure of the County to comply with the continuing disclosure undertaking shall not be considered an Event of Default, and no liability for damages shall attach therefor. The sole remedy for such failure to comply shall be that any Bondholder may take such actions as

may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the County to comply with their obligations under this paragraph.

Section 15. Headings. The headings and titles of the several sections hereof shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation or effect of this First Supplemental Ordinance.

Section 16. Notices. All notices, certificates or other communications hereunder or under the General Bond Ordinance shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, or given when dispatched by telegram addressed as follows:

If to the County:

Richland County, South Carolina
Post Office Box 192
Columbia, South Carolina 29202
Attn: County Administrator

If to the Paying Agent, the Registrar, the Trustee or the Escrow Agent:

The County, the Paying Agent, the Registrar, the Trustee and the Escrow Agent may, by notice given to the other parties, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 17. Repeal of Inconsistent Ordinances and Resolutions. All ordinances and resolutions of the County, and any part of any ordinance or resolution, inconsistent with this First Supplemental Ordinance are hereby repealed to the extent of such inconsistency.

Section 18. Severability. If any sections, phrase, sentence or portion of this First Supplemental Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not attest the validity of the remaining portions thereof.

Section 19. Miscellaneous. The County Council hereby authorizes any one or more of the following officials to execute such documents and instruments as necessary to effect the issuance of the Series 2013 Bonds: Chair of the County Council, County Administrator, Interim Clerk to the County Council, Finance Director and County Attorney. The County Council hereby retains McNair Law Firm, P.A. and The Law Office of Ernest W. Cromartie III, LLC, as co-bond counsel, Parker Poe Adams and Bernstein LLP and Jabber & Isaac, P.A., co-disclosure counsel, and Southwest Securities Inc., as financial advisor in connection with the issuance of the Series 2013 Bonds. The County Administrator is authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate these engagements and any additional engagements that may be required such as for the Underwriter.

All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Series 2013 Bonds are, to the extent of such conflict, hereby repealed and this First Supplemental Ordinance shall take effect and be in full force from and after its adoption.

[Signature Page follows]

Enacted this ____ day of _____, 2013.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Kelvin Washington, Chair
Richland County Council

(SEAL)

ATTEST THIS ____ DAY OF
_____, 2013

Interim Clerk to Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

Date of First Reading: February 5, 2012 (Title Only)
Date of Second Reading: February 19, 2013 (Tentative)
Date of Third Reading:

FORM OF BOND

[DTC Legend]

RICHLAND COUNTY, SOUTH CAROLINA
HOSPITALITY TAX REFUNDING REVENUE BOND, SERIES 2013

No. R-___

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Issue Date</u>	<u>CUSIP</u>
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Registered Holder:

Principal Amount:

RICHLAND COUNTY, SOUTH CAROLINA (the "County") a public body corporate and politic and a political subdivision of the State of South Carolina (the "State"), created and existing by virtue of the laws of the State, acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Owner named above or registered assigns, the Principal Amount set forth above on the Maturity Date stated above, unless this Bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender hereof at the corporate trust office of _____ in _____, as trustee (the "Trustee"), and to pay interest on such Principal Amount at the annual Interest Rate stated above (calculated on the basis of a 360-day year of twelve (12) 30-day months), until the obligation of the County with respect to the payment of such Principal Amount shall be discharged. Interest on this Bond shall be payable in semiannual installments on _____ 1 and _____ 1 of each year beginning _____, 2013 (each, an "Interest Payment Date"), until maturity or earlier redemption. All payments shall be paid to the person in whose name this Bond is registered at the close of business on the fifteenth day of the calendar month (each, a "Record Date") preceding each Interest Payment Date or Principal Payment Date (as defined in the hereinafter defined Ordinances). The payments shall be payable by check or draft mailed at the times provided herein to the person in whose name this Bond is registered at the address shown on the registration books of the County held by _____, as registrar (the "Registrar"), or, in the case of a Registered Holder of \$1,000,000 or more in principal amount of this Bond, by wire transfer to on account within the continental United States upon the timely receipt of a written request of such Registered Holder. The payments are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

THIS BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF TITLE 6, CHAPTER 17 AND CHAPTERS 15, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED (COLLECTIVELY, THE "ACT"); THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION (EXCEPT ARTICLE X, SECTION 14(10) OF THE STATE CONSTITUTION AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A SOURCE OF REVENUE DERIVED OTHER THAN A TAX OR LICENSE) OR STATUTORY LIMITATION. THE COUNTY IS NOT OBLIGATED TO PAY ANY OF THE BONDS OR THE INTEREST THEREON EXCEPT FROM HOSPITALITY FEES (AS DEFINED IN THE ORDINANCES). THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE COUNTY, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF AND NEITHER THE

FULL FAITH AND CREDIT NOR THE GENERAL CREDIT NOR TAXING POWERS OF THE COUNTY, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF.

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

This Bond is one of an issue of bonds of the County in the aggregate principal amount of _____ Million Dollars (\$ _____) (the "Bonds") of like tenor, except as to number, rate of interest, date of maturity and redemption provides, issued pursuant to and in accordance with the Constitution and statutes of the State, including particularly the Act, Ordinance No. _____ duly enacted by the County Council of the County (the "Council") on _____, 2013 (the "General Bond Ordinance"), and Ordinance No. _____ duly enacted by the County Council on _____, 2013 (the "First Supplemental Ordinance") (the General Bond Ordinance and the First Supplemental Ordinance are herein collectively referred to as the "Ordinances") for the purpose of providing moneys, to refund the 2007 Loan Agreement, and paying costs of issuance of the Bonds.

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinances. Certified copies of the Ordinances are on file in the office of the Trustee and in the office of the Clerk of Court for Richland County, South Carolina.

The Ordinances contain provisions defining terms, set forth the revenues pledged for the payment of the principal of and interest on this Bond and the Bonds of other series herewith which may hereafter be issued on a parity herewith under the Ordinances; set forth the nature, extent and manner of enforcement of the security of this Bond and of such pledge, and the rights and remedies of the Holder hereof with respect thereto; set forth the terms and conditions upon which and the extent to which the Ordinances may be altered, modified and amended; set forth the terms and conditions upon which this Bond is issued upon which other bonds may be hereinafter issued payable as to principal, premium, if any, and interest on a parity with this Bond and equally and ratably secured herewith; sets forth the rights, duties and obligations of the County thereunder; and set forth the terms and conditions upon which the pledge made in the Ordinances for the security of this Bond and upon which the covenants, agreements and other obligations of the County made therein may be discharged at or prior to the maturity or redemption of this Bond with provisions for the payment thereof in the manner set forth in the Ordinances. Reference is hereby made to the Ordinances to all of the provisions of which any holder of this Bond by the acceptance hereof thereby assents. The provisions of the Act and the Ordinances shall be a contract with the holder of this Bond.

This Bond and the series of Bonds of which it is one and the interest thereon are special obligations of the County and are secured by and payable solely from, and secured equally and ratably by a pledge of and lien upon, the Hospitality Taxes imposed and collected by the County/

The General Bond Ordinance authorizes the issuance of additional bonds on a parity with the Bonds of this issue which, when issued in accordance with the provisions of the General Bond Ordinance, will rank equally and be on a parity herewith.

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

This Bond is transferable, as provided in the Ordinances, only upon the registration books of the County kept for that purpose and maintained by the Registrar, by the Holder hereof in person or by his

duly authorized attorney, upon (a) surrender of this Bond and an assignment with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder hereof or his duly authorized attorney and (b) payment of the charges, if any, prescribed in the Ordinances. Thereupon a Bond of the same aggregate principal amount, maturity and interest rate shall be issued to the transferee in exchange therefor as provided in the Ordinances. The County, the Trustee and the Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or redemption price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of this Bond, the County or the Trustee or Registrar, as the case may be, may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

[Redemption Provisions]

If less than all the Bonds of any maturity are called for redemption, the Bonds of such maturity to be redeemed shall be selected at random by the Trustee. In the event any of the Bonds or portions thereof are called for redemption, the Trustee shall give notice, in the name of the County, of redemption of Bonds by first-class mail, postage prepaid, to the Holder thereof as shown on the Books of Registry of the County not less than thirty (30) days and not more than sixty (60) days prior to the date fixed for the redemption thereof. If this Bond be redeemable and shall have been duly called for redemption and notice of the redemption hereof mailed as aforesaid, and if on or before the date fixed for such redemption, payment thereof shall be duly made or provided for, interest hereon shall cease or accrue from and after the redemption date hereof.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and statutes of the State to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, that the amount of this Bond, together with all other indebtedness of the County, does not exceed any limit prescribed by such Constitution or statutes.

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

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA has caused this Bond to be signed by the manual or facsimile signature of its Chair to County Council, its corporate seal to be reproduced hereon and the same to be attested by the manual or facsimile signature of its Interim Clerk to County Council.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Chairman, County Council

(SEAL)
ATTEST:

By: _____
Interim Clerk to County Council

FORM OF CERTIFICATE OF AUTHENTICATION

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

_____, as Trustee

By: _____
Its: _____

Date: _____

FORM OF ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(please print or type name and address of Transferee and Social Security or other identifying number of Transferee)

the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date: _____

STAMP Language

Signature Guaranteed: _____

NOTICE: Signature(s) must be guaranteed
By an institution which is a participant in the
Securities Transfer Agent Medallion Program
(STAMP) or similar program.

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

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the approving opinion of McNair Law Firm, P.A., Columbia, South Carolina, the original of which was manually executed, dated and issued as of the date of the delivery of and payment for the bonds, and a copy of which is on file with the County.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Interim Clerk to County Council

Richland County Council Request of Action

Subject

An Ordinance Authorizing the issuance and sale of not to exceed \$6,000,000 General Obligation Bonds, Taxable Series 2013A, or such other appropriate series designation, of Richland County, South Carolina; fixing the form and details of the bonds; delegating to the County Administrator certain authority related to the bonds; providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto [**SECOND READING**] [**PAGES 124-161**]

Notes

January 22, 2013 - The Committee recommended that Council approve First Reading of an ordinance to authorize the issuance of taxable general obligation debt in an amount necessary to refund the outstanding general obligation bonds issued on October 6, 2004 for Owens Field.

First Reading: February 5, 2013

Second Reading:

Third Reading:

Public Hearing:

Administration

Reviewed by: Tony McDonald

Date: 1/17/13

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval due to the fact that the refunding of the 2004 bond will save the County debt service over the remaining life of the bond.

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$6,000,000 GENERAL OBLIGATION BONDS AND GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2013A, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF RICHLAND COUNTY, SOUTH CAROLINA; FIXING THE FORM AND DETAILS OF THE BONDS; DELEGATING TO THE COUNTY ADMINISTRATOR CERTAIN AUTHORITY RELATED TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

Pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

SECTION 1. Findings and Determinations. The County Council (the "County Council") of Richland County, South Carolina (the "County"), hereby finds and determines:

(a) Pursuant to Section 4-9-10, Code of Laws of South Carolina 1976, as amended, the County operates under the Council-Administrator form of government and the County Council constitutes the governing body of the County.

(b) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that each county shall have the power to incur bonded indebtedness in such manner and upon such terms and conditions as the General Assembly shall prescribe by general law. Such debt must be incurred for a public purpose and a corporate purpose in an amount not exceeding eight percent (8%) of the assessed value of all taxable property of such county.

(c) Pursuant to Title 4, Chapter 15 of the Code (the same being and hereinafter referred to as the "County Bond Act"), the governing bodies of the several counties of the State may each issue general obligation bonds to defray the cost of any authorized purpose and for any amount not exceeding their applicable constitutional limit.

(d) The County Bond Act provides that as a condition precedent to the issuance of bonds an election be held and the result be favorable thereto. Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended, provides that if an election be prescribed by the provisions of the County Bond Act, but not be required by the provisions of Article X of the Constitution, then in every such instance, no election need be held (notwithstanding the requirement therefor) and the remaining provisions of the County Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions.

(e) The assessed value of all the taxable property in the County as of June 30, 2012, for purposes of computation of the County's constitutional debt limit, is \$1,496,854,295. Eight percent of such sum is \$119,748,343. As of the date hereof, the outstanding general obligation debt of the County subject to the limitation imposed by Article X, Section 14(7) of the Constitution is \$67,235,000. Thus, the County may incur not exceeding \$52,513,343 of additional general obligation debt within its applicable debt limitation.

(h) [reimbursement]

(i) Pursuant to constitutional and statutory authorizations and Ordinance No. 044-04HR duly enacted by the County Council on July 21, 2004, the County has heretofore issued its \$3,000,000 Taxable General Obligation Bonds, Series 2004 dated October 1, 2004 (the "Series 2004 Bonds").

(j) The Series 2004 Bonds are currently outstanding in the amount of \$2,225,000. The Series 2004 Bonds maturing on or after March 1, 2015, are subject to redemption at the option of the County on or after March 1, 2014, in whole or in part at any time, at a redemption price of par together with the interest accrued thereon to the date fixed for redemption.

(k) Title 11, Chapter 21 of the S.C. Code provides that any public agency may utilize the provisions of Title 11, Chapter 15, Article 5 as amplified by Title 11, Chapter 21 of the Code of Laws of South Carolina 1976, as amended (the "Refunding Act") to effect the refunding of any of its outstanding bonds. The Refunding Act authorizes and provides the procedure for the issuance of general obligation bonds whose proceeds are to be used to pay, in whole or in part, sums due on general obligation bonds previously issued and further provides that any issuer may issue general obligations bonds to such extent as such issuer shall be indebted by way of principal, interest, and redemption premium upon any outstanding general obligation bonds.

(l) Based on current market conditions and projected savings, the County Council finds that it is in the best interest of the County to effect a refunding of certain maturities of the Series 2004 Bonds (the "Bonds to be Refunded") because a savings can be effected through the refunding of such Series 2004 Bonds. The County Council recognizes, however, that current market conditions may change and that, as of the date of enactment of this Ordinance, a determination cannot be made as to the amount of such savings, if any, realized through the refunding of the Bonds to be Refunded and that certain authority relating to such refunding is delegated to the County Administrator and/or his lawfully-authorized designee (the "County Administrator") through this Ordinance. Because the Refunding Act requires that refunding bonds be sold at public sale, there can be no assurance that market conditions at the time of such sale will be similar to the prevailing rates on the date of the enactment of this Ordinance. If the rates of interest on the refunding bonds authorized by this Ordinance do not result in satisfactory debt service savings, the County Council, through the authority delegated to the County Administrator will be empowered to reject bids for the purchase of the refunding bonds.

(m) It is now in the best interest of the County for the County Council to provide for the issuance and sale of not exceeding \$6,000,000 general obligation bonds of the County pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina, the proceeds of which will be used to provide funds for: (i) reimbursing the County for funds expended on the Regional Recreational Complex; (ii) refunding the 2004 Bonds; (iii) paying costs of issuance of the bonds; and (iv) such other lawful corporate and public purposes as the County Council shall determine.

SECTION 2. Authorization and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding \$6,000,000 aggregate principal amount of general obligation bonds of the County to be designated "\$6,000,000 (or such other amount as may be issued) General Obligation Bonds and General Obligation Refunding Bonds, Taxable Series 2013A, of Richland County, South Carolina" (the "Bonds") for the purposes stated in Section 1(m) of this Ordinance.

The refunding of the Bonds to be Refunded shall be effected with a portion of the proceeds of the Bonds which proceeds shall be used for the payment of the principal of such Bonds to be Refunded as and

when such Bonds to be Refunded mature and are called for redemption in accordance with the provisions of the 2004 Ordinance and interest on such Bonds to be Refunded as and when the same becomes due. If necessary, notice of the aforesaid refunding for which a portion of the proceeds of the Bonds will be used shall be given in a financial paper published in the City of New York, State of New York.

Upon the delivery of the Bonds, the principal proceeds thereof, less issuance expenses, shall be deposited with Wells Fargo Bank, N.A. (the "Escrow Agent") and held by it under a written Refunding Escrow Agreement between the Escrow Agent and the County (the "Refunding Escrow Agreement") in an irrevocable trust account. It shall be the duty of such Escrow Agent to keep such proceeds invested and reinvested to the extent that it shall be practical in obligations of the United States or any agency thereof and to apply the principal and interest of the trust so established in the manner prescribed in such Refunding Escrow Agreement.

The County Administrator is hereby authorized and directed for and on behalf of the County to execute such agreements and give such directions as shall be necessary to carry out the provisions of this Ordinance, including the execution and delivery of the Refunding Escrow Agreement. The Refunding Escrow Agreement shall be dated the date of delivery of the Bonds to the initial purchasers thereof.

Upon the award of the Bonds, the County shall designate the Bonds to be Refunded for redemption on a date determined by the County Administrator in accordance with the 2004 Ordinance. The Bonds shall be issued as fully registered Bonds registerable as to principal and interest; shall be dated as of the first day of the month in which they are delivered to the initial purchaser(s) thereof; shall be in denominations of \$5,000 or any integral multiple thereof not exceeding principal amount of Bonds maturing each year; shall be numbered from R-1 upward, respectively; shall bear interest from their date payable at such times as hereafter designated by the County Administrator of the County (the "Administrator") at such rate or rates as may be determined by the County Council at the time of sale thereof; and shall mature serially in successive annual installments as determined by the County Administrator.

Both the principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts.

SECTION 3. Delegation of Authority Relating to the Bonds. The County Council hereby delegates to the County Administrator the authority: (a) to determine the par amount of the bonds; (b) to determine maturity dates of the Bonds and the respective principal amounts maturing on such dates; (c) to determine the interest payment dates of the Bonds; (d) to determine redemption provisions, if any, for the Bonds; (e) the date and time of sale of the Bonds; (f) to receive bids on behalf of the County Council; and (g) to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Bonds.

After the sale of the Bonds, the County Administrator shall submit a written report to the County Council setting forth the results of the sale of the Bonds.

SECTION 4. Registration, Transfer and Exchange of Bonds. The County shall cause books (herein referred to as the "registry books") to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Bonds. Upon presentation at its office for such purpose the Registrar/Paying Agent shall register or transfer, or cause to be registered or transferred, on such registry books, the Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

Each Bond shall be transferable only upon the registry books of the County, which shall be kept for such purpose at the principal office of the Registrar/Paying Agent, by the registered owner thereof in person

or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar/Paying Agent duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any such Bond the Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee a new fully-registered Bond or Bonds, of the same aggregate principal amount, interest rate and maturity as the surrendered Bond. Any Bond surrendered in exchange for a new registered Bond pursuant to this Section shall be canceled by the Registrar/Paying Agent.

The County and the Registrar/Paying Agent may deem or treat the person in whose name any fully-registered Bond shall be registered upon the registry books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor the Registrar/Paying Agent shall be affected by any notice to the contrary. For every such transfer of Bonds, the County or the Registrar/Paying Agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer, and, except as otherwise provided herein, may charge a sum sufficient to pay the cost of preparing each Bond issued upon such transfer, which sum or sums shall be paid by the person requesting such transfer or by the County as a condition precedent to the exercise of the privilege of making such transfer. Neither the County nor the Registrar/Paying Agent shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an interest payment date on such Bonds.

SECTION 5. Record Date. The County hereby establishes a record date for the payment of interest or for the giving of notice of any proposed redemption of Bonds, and such record date shall be the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date on such Bond or in the case of any proposed redemption of Bonds, such record date shall be the fifteenth (15th) day prior to the giving of notice of redemption of bonds.

SECTION 6. Mutilation, Loss, Theft or Destruction of Bonds. In case any Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the County shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a new Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event the applicant for the issuance of a substitute Bond shall furnish the County and the Registrar evidence or proof satisfactory to the County and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity in an amount as may be required by the laws of the State of South Carolina or such greater amount as may be required by the County and the Registrar. Any duplicate Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance as was the original Bond in lieu of which such duplicate Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder.

All expenses necessary for the providing of any duplicate Bond shall be borne by the applicant therefor.

SECTION 7. Execution of Bonds. The Bonds shall be executed in the name of the County with the manual or facsimile signature of the Chair of the County Council attested by the manual or facsimile signature of the Clerk of the County Council under a facsimile of the seal of the County impressed,

imprinted or reproduced thereon; provided, however, the facsimile signatures appearing on the Bonds may be those of the officers who are in office on the date of adoption of this Ordinance. The execution of the Bonds in such fashion shall be valid and effectual, notwithstanding any subsequent change in such offices. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Bond shall bear a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.

SECTION 8. Form of Bonds. The Bonds shall be in substantially the form attached hereto as Exhibit A and incorporated herein by reference.

SECTION 9. Security for Bonds. The full faith, credit, and taxing power of the county is irrevocably pledged to the payment of the Bonds. The Bonds are payable from an ad valorem tax levied annually by the County Auditor and collected by the County Treasurer.

The Council shall give the County Auditor and the County Treasurer written notice of the delivery of and payment for the Bonds and they are hereby directed to levy and collect annually, on all taxable property in the County, an ad valorem tax sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

SECTION 10. Notice of Initiative and Referendum. The County Council hereby delegates to the County Administrator the authority to determine whether the Notice prescribed under the provisions of Title 11, Chapter 27, relating to the Initiative and Referendum provisions contained in Title 4, Chapter 9 of the Code of Laws of South Carolina 1976, as amended, shall be given with respect to this Ordinance, such notice being in substantially the form attached hereto as Exhibit B. If such notice is given, the County Administrator is authorized to cause such notice to be published in a newspaper of general circulation in the County.

SECTION 11. Defeasance. The obligations of the County under this Ordinance and the pledges, covenants and agreements of the County herein made or provided for, shall be fully discharged and satisfied as to any portion of the Bonds, and such Bond or Bonds shall no longer be deemed to be outstanding hereunder when:

(a) Such Bond or Bonds shall have been purchased by the County and surrendered to the County for cancellation or otherwise surrendered to the County or the Paying Agent and is canceled or subject to cancellation by the County or the Paying Agent; or

(b) Payment of the principal of and interest on such Bonds either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with a corporate trustee in trust and irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment, or (2) Government Obligations (hereinafter defined) maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment and all necessary and proper fees, compensation and expenses of the corporate trustee. At such time as the Bonds shall no longer be deemed to be outstanding hereunder, such Bonds shall cease to draw interest from the due date thereof and, except for the purposes of any such payment from such moneys or Government Obligations, shall no longer be secured by or entitled to the benefits of this Ordinance.

“Government Obligations” shall mean any of the following:

- (a) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America;
- (b) non-callable, U. S. Treasury Securities - State and Local Government Series ("SLGS");
- (c) general obligation bonds of the State, its institutions, agencies, school districts and political subdivisions; and
- (d) a defeasance obligation as defined in Section 6-5-10 of the S.C. Code as such as may be amended from time to time.

(c) Such Bond or Bonds shall be defeased as provided in Section 11-14-110 of the S.C. Code as such may be amended from time to time.

SECTION 12. Exemption from State Taxes. Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the Code, from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

SECTION 13. Eligible Securities. The Bonds initially issued (the "Initial Bonds") will be eligible securities for the purposes of the book-entry system of transfer maintained by The Depository Trust Company, New York, New York ("DTC"), and transfers of beneficial ownership of the Initial Bonds shall be made only through DTC and its participants in accordance with rules specified by DTC. Such beneficial ownership must be of \$5,000 principal amount of Bonds of the same maturity or any integral multiple of \$5,000.

The Initial Bonds shall be issued in fully-registered form, one Bond for each of the maturities of the Bonds, in the name of Cede & Co., as the nominee of DTC. When any principal of or interest on the Initial Bonds becomes due, the Paying Agent, on behalf of the County, shall transmit to DTC an amount equal to such installment of principal and interest. DTC shall remit such payments to the beneficial owners of the Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption of the Initial Bonds or any portion thereof shall be sent to DTC in accordance with the provisions of the Ordinance.

If (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the County has advised DTC of its determination that DTC is incapable of discharging its duties, the County shall attempt to retain another qualified securities depository to replace DTC. Upon receipt by the County the Initial Bonds together with an assignment duly executed by DTC, the County shall execute and deliver to the successor securities depository Bonds of the same principal amount, interest rate and maturity registered in the name of such successor.

If the County is unable to retain a qualified successor to DTC or the County has determined that it is in its best interest not to continue the book-entry system of transfer or that interests of the beneficial owners of the Bonds might be adversely affected if the book-entry system of transfer is continued (the County undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify beneficial owners of the

Bonds by mailing an appropriate notice to DTC, upon receipt by the County of the Initial Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Bonds in fully-registered form, in substantially the form set forth in Section 2 of this Ordinance in the denomination of \$5,000 or any integral multiple thereof.

Notwithstanding the foregoing, at the request of the purchaser, the Bonds will be issued as one single fully-registered bond and not issued through the book-entry system.

SECTION 14. Sale of Bonds, Form of Notice of Sale. The Bonds shall be sold at public sale. A Notice of Sale in substantially the form attached hereto as Exhibit C and incorporated herein by reference shall be distributed to prospective bidders and a summary of such Notice of Sale shall be published in a newspaper having general circulation in the State of South Carolina or in a financial publication published in the City of New York, State of New York, or both, not less than seven (7) days prior to the date set for such sale.

SECTION 15. Preliminary and Final Official Statement. The County Council hereby authorizes and directs the County Administrator to prepare, or cause to be prepared, a Preliminary Official Statement to be distributed to prospective purchasers of the Bonds together with the Notice of Sale. The County Council authorizes the County Administrator to designate the Preliminary Official Statement as “near final” for purposes of Rule 15c2-12 of the Securities Exchange Commission. The County Administrator is further authorized to see to the completion of the final form of the Official Statement upon the sale of the Bonds so that it may be provided to the purchaser of the Bonds.

SECTION 16. Filings with Central Repository. In compliance with Section 11-1-85, South Carolina Code of Laws 1976, as amended, the County covenants that it will file or cause to be filed with a central repository for availability in the secondary bond market when requested: (a) a copy of an annual independent audit of the County within thirty (30) days of the County's receipt thereof; and (b) within thirty (30) days of the occurrence thereof, event specific information of an event which adversely affects more than five (5%) percent of the tax revenues of the County or the County's tax base.

SECTION 17. Continuing Disclosure. In compliance with the Securities and Exchange Commission Rule 15c2-12 (the “Rule”) the County covenants and agrees for the benefit of the holders from time to time of the Bonds to execute and deliver prior to closing, and to thereafter comply with the terms of a Disclosure Dissemination Agent Agreement in substantially the form appearing as Exhibit D to this Ordinance. In the event of a failure of the County to comply with any of the provisions of the Disclosure Dissemination Agent Agreement, an event of default under this Ordinance shall not be deemed to have occurred. In such event, the sole remedy of any bondholder or beneficial owner shall be an action to compel performance by the Ordinance.

SECTION 18. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bonds necessary to refund the Bonds to be Refunded shall be deposited with the Escrow Agent pursuant to the terms of the Refunding Escrow Agreement. The remaining proceeds, except for any bid premium, shall be deposited with the Treasurer of the County in a special fund to the credit of the County and shall be applied solely to the purposes for which the Bonds have been issued, including payment of costs of issuance of the Bonds. The bid premium shall be deposited into the debt service fund for the Bonds to be applied toward the first debt service payment on the Bonds.

SECTION 19. Notice of Public Hearing. The County Council hereby ratifies and approves the publication of a notice of public hearing regarding the Bonds and this Ordinance, such notice in

substantially the form attached hereto as Exhibit E, having been published in *The State*, a newspaper of general circulation in the County, not less than 15 days prior to the date of such public hearing.

SECTION 20. Miscellaneous. The County Council hereby authorizes any one or more of the following officials to execute such documents and instruments as necessary to effect the issuance of the Bonds: Chair of the County Council, County Administrator, Clerk to the County Council and County Attorney. The County Council hereby retains McNair Law Firm, P.A. and The Law Office of Ernest W. Cromartie III, LLC, as co-bond counsel, _____ and _____ as co-disclosure counsel and Southwest Securities Inc., as financial advisor in connection with the issuance of the Bonds. The County Administrator is authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate these engagements.

All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its adoption.

[Signature Page to Follow]

Enacted this ____ day of _____, 2013.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Kelvin Washington, Chair
Richland County Council

(SEAL)

ATTEST THIS ____ DAY OF

_____, 2013:

Clerk to Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

Date of First Reading: February 5, 2013 (Title Only)
Date of Second Reading: February 19, 2013
Date of Public Hearing:
Date of Third Reading:

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
GENERAL OBLIGATION BONDS, TAXABLE SERIES 2013A

No. R-

<u>INTEREST</u> <u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>ORIGINAL</u> <u>ISSUE DATE</u>	<u>CUSIP</u>
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REGISTERED HOLDER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Richland County, South Carolina (the "County"), is justly indebted and, for value received, hereby promises to pay to the registered holder specified above, or registered assigns, the principal amount specified above on the maturity date specified above, upon presentation and surrender of this Bond at the principal office of _____, in the City of _____, State of _____ (the "Paying Agent"), and to pay interest on such principal amount from the date hereof at the rate per annum specified above until this Bond matures. Interest on this Bond is payable semiannually on _____ and _____ of each year, commencing _____, until this Bond matures, and shall be payable by check or draft mailed to the person in whose name this Bond is registered on the registration books of the County maintained by the registrar, presently _____, in _____, _____ (the "Registrar"), at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date. The principal of and interest on this Bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts; provided, however, that interest on this fully-registered Bond shall be paid by check or draft as set forth above.

This Bond shall not be entitled to any benefit under the Ordinance (hereafter defined), nor become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been duly executed by the Registrar.

For the payment hereof, both principal and interest, as they respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are irrevocably pledged and there shall be levied annually by the County Auditor and collected by the County Treasurer, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this Bond as they respectively mature and to create such sinking fund as may be necessary therefore.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, denomination, date of maturity, redemption provisions, and rate of interest, aggregating _____ Dollars (\$ _____), issued pursuant to and in accordance with the Constitution

and laws of the State of South Carolina, including Article X of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 15, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended; and Ordinance No. _____ duly enacted by the County Council on _____, 2013.

[Redemption Provisions]

This Bond is transferable as provided in the Ordinance, only upon the books of the County kept for that purpose at the principal office of the Registrar by the registered holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or his duly authorized attorney. Thereupon a new fully-registered Bond or Bonds of the same aggregate principal amount, interest rate redemption provisions, if any, and maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance. The County, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina, this Bond and the interest hereon are exempt from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to or in the issuance of this Bond exist, have happened and have been performed in regular and due time, form and manner as required by law; that the amount of this Bond, together with all other indebtedness of the County, does not exceed the applicable limitation of indebtedness under the laws of the State of South Carolina; and that provision has been made for the levy and collection of a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this Bond as the same shall respectively mature and to create such sinking fund as may be necessary therefor.

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA, has caused this Bond to be signed with the facsimile signature of the Chair of the County Council, attested by the facsimile signature of the Clerk to the County Council and the seal of the County impressed, imprinted or reproduced hereon.

RICHLAND COUNTY, SOUTH CAROLINA

Chair, County Council

(SEAL)
ATTEST:

Clerk, County Council

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

This bond is one of the Bonds described in the within mentioned Ordinance of Richland County, South Carolina.

_____ as Registrar

By: _____ Authorized Officer

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

TEN COM - As tenants in common

UNIF GIFT MIN. ACT

TEN ENT - As tenants by the entireties

_____ Custodian _____
(Cust.) (Minor)

JT TEN - As joint tenants with right of survivorship and not as tenants in common

under Uniform Gifts to Minors

(State)

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

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____ (Name and address of Transferee)

the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

Signature Guaranteed:

(Authorizing Officer)

Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program (“STAMP”) or similar program.

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

Copies of the final approving opinions to be rendered shall be printed on the back of each Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the County with a facsimile signature of the Clerk to the County Council. The certificate shall be in substantially the following form:

[FORM OF CERTIFICATE]

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the complete final approving opinions (except for date and letterhead) of McNair Law Firm, P.A., Columbia, South Carolina, approving the issue of bonds of which the within bond is one, the original of which opinions were manually executed, dated and issued as of the date of delivery of and payment for the bonds and a copy of which is on file with the County Council of Richland County, South Carolina.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Clerk, County Council

FORM OF NOTICE

NOTICE IS HEREBY GIVEN that the County Council (the "County Council") of Richland County, South Carolina (the "County"), on _____, 2013, enacted Ordinance No. _____ entitled "AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$6,000,000 GENERAL OBLIGATION BONDS, TAXABLE SERIES 2013A, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF RICHLAND COUNTY, SOUTH CAROLINA; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR OF THE COUNTY TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO" (the "Ordinance"). The Ordinance authorizes the issuance and approves the sale of not to exceed \$6,000,000 General Obligation Bonds, Taxable Series 2013A (the "Bonds") of the County.

The proceeds of the Bonds will be used to provide funds for: (i) reimbursing the County for funds expended on the Regional Recreational Complex; (ii) refunding the 2004 Bonds to be Refunded; (iii) paying costs of issuance of the bonds; and (iii) such other lawful corporate and public purposes as the County Council shall determine.

Pursuant to Section 11-27-40(8) of the Code of Laws of South Carolina, 1976, as amended, unless a notice, signed by not less than five (5) qualified electors of the County, of the intention to seek a referendum is filed both in the office of the Clerk of Court of the County and with the Clerk of the County Council, the initiative and referendum provisions of South Carolina law, Sections 4-9-1210 to 4-9-1230 of the Code of Laws of South Carolina, 1976, as amended, shall not be applicable to the Ordinance. The notice of intention to seek a referendum must be filed within twenty (20) days following the publication of this notice of the adoption of the aforesaid Ordinance in a newspaper of general circulation in Richland County.

/s/Chair, County Council, Richland County,
South Carolina

FORM OF NOTICE OF SALE

\$ _____ GENERAL OBLIGATION BONDS, TAXABLE SERIES 2013A
OF RICHLAND COUNTY, SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that sealed bids, facsimile bids and electronic bids will be received on behalf of Richland County, South Carolina (the "County") in the Administrative Conference Room, 4th Floor, 2020 Hampton Street, Columbia, South Carolina, until 11:00 a.m., South Carolina time, on _____, _____, 2013, at which time said proposals will be publicly opened for the purchase of \$ _____ General Obligation Bonds, Series 2013A, of the County (the "Bonds").

Sealed Bids: Each hand delivered proposal shall be enclosed in a sealed envelope marked "Proposal for \$ _____ General Obligation Bonds, Taxable Series 2013A, Richland County, South Carolina" and should be directed to the County Administrator at the address in the first paragraph hereof.

Facsimile Bids: The County will accept the facsimile transmission of a manually signed Official Bid Form at the risk of the Bidder. The County shall not be responsible for the confidentiality of bids submitted by facsimile transmission. Any delay in receipt of a facsimile bid, and any incompleteness or illegible portions of such bid are the responsibility of the bidder. Bids by facsimile should be transmitted to the attention of W. Anthony McDonald, County Administrator, fax number (803) 576-2138.

Electronic Bids: Electronic proposals must be submitted through i-Deal's Ipreo Electronic Bid Submission System ("Ipreo"). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Ipreo may be obtained from i-Deal, 40 W. 23rd Street, 5th floor, New York, New York 10010, Customer Support, telephone (212) 404-8102.

PROPOSALS MAY BE DELIVERED BY HAND, BY MAIL, BY FACSIMILE TRANSMISSION OR BY ELECTRONIC BID, BUT NO PROPOSAL SHALL BE CONSIDERED WHICH IS NOT ACTUALLY RECEIVED BY THE COUNTY AT THE PLACE, DATE AND TIME APPOINTED, AND THE COUNTY SHALL NOT BE RESPONSIBLE FOR ANY FAILURE, MISDIRECTION, DELAY OR ERROR RESULTING FROM THE SELECTION BY ANY BIDDER OF ANY PARTICULAR MEANS OF DELIVERY OF BIDS.

Book-Entry-Only Bonds: The Bonds will be issued in fully-registered form. One Bond representing each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds and each such Bond will be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates representing each maturity with DTC.

The Bonds will be issued in fully-registered form registered as to principal and interest; will be dated _____, 2013; will be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing in each year; and will mature serially in successive annual installments on _____ in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
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The Bonds will bear interest from the date thereof payable semiannually on _____ and _____ of each year, commencing _____, until they mature.

[Redemption Provisions]

Registrar/Paying Agent: Wells Fargo Bank, N.A., Atlanta, Georgia, shall serve as Registrar/Paying Agent for the Bonds.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 of 1% and the interest rate specified for any maturity shall not be lower than the interest rate specified for any previous maturity. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. **A BID FOR LESS THAN ALL THE BONDS OR FOR LESS THAN PAR WILL NOT BE CONSIDERED.**

Award of Bid. The Bonds will be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost (TIC) to the County. The TIC will be the nominal interest rate which, when compounded semiannually and used to discount all debt service payments on the Bonds (computed at the interest rates specified in the bid and on the basis of a 360-day year of twelve 30-day months) to the dated date of the Bonds, results in an amount equal to the price bid for the Bonds. In the case of a tie bid, the winning bid will be awarded by lot. The County reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 3:00 p.m., South Carolina time, on the date of the sale.

Security: The full faith, credit and taxing power of the County are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature, and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the County Auditor and collected by the County Treasurer, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

Good Faith Deposit: No good faith deposit is required.

Bid Form: Proposals should be enclosed in a separate sealed envelope marked "Proposal for \$_____ General Obligation Bonds, Series 2013A, of Richland County, South Carolina" and should be directed to the Chair of the County Council at the address in the first paragraph hereof. It is requested but not required that you submit your bid on the Proposal for Purchase of Bonds supplied with the Official Statement.

Official Statement: Upon the award of the Bonds, the County will prepare an official statement (the "Official Statement") in substantially the same form as the preliminary official statement subject to minor additions, deletions and revisions as required to complete the Official Statement. Within seven (7) business days after the award of the Bonds, the County will deliver the Official Statement to the successful bidder in sufficient quantity to comply with Rule G-32 of the Municipal Securities Rulemaking Board. The successful bidder agrees to supply to the County all necessary pricing information and any Underwriter identification necessary to complete the Official Statement within 24 hours after the award of the Bonds.

Continuing Disclosure: In order to assist the bidders in complying with S.E.C. Rule 15c2-12(b)(5), the County will undertake, pursuant to an ordinance and a Disclosure Dissemination Agent Agreement, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Legal Opinion: The County Council shall furnish upon delivery of the Bonds the final approving opinions of McNair Law Firm, P.A., Columbia, South Carolina, which opinions shall accompany each Bond, together with the usual closing documents, including a certificate of the County that no litigation is pending affecting the Bonds.

Certificate as to Issue Price: The successful bidder must provide a certificate to the County by the date of delivery of the Bonds, stating the initial reoffering price of the Bonds to the public (excluding bond houses and brokers) and the price at which a substantial amount of the Bonds were sold to the public, in form satisfactory to Bond Counsel. A sample copy of such a certificate may be obtained from Bond Counsel.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be set forth on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the successful bidder.

Delivery: The Bonds will be delivered on or about _____, 2013, in New York, New York, at the expense of the County. The balance of the purchase price then due, including the amount of accrued interest, must be paid in federal funds or other immediately available funds.

Additional Information: The Preliminary Official Statement of the County with respect to the Bonds is available via the internet at <https://officialstatements.swst.com> and will be furnished to any person interested in bidding for the Bonds upon request to McNair Law Firm, P. A., Post Office Box 11390, Columbia, South Carolina 29211, attention: Francenia B. Heizer, Esquire, telephone (803) 799-9800, e-mail: fheizer@mcnair.net. The Preliminary Official Statement shall be reviewed by bidders prior to submitting a bid. Bidders may not rely on this Notice of Sale as to the complete information concerning the Bonds. Persons seeking information should communicate with the County's Bond Counsel, Francenia B. Heizer, Esquire, McNair Law Firm, P.A., 1301 Gervais Street, 17th Floor, Columbia, South Carolina, 29201, telephone (803) 799-9800, e-mail: fheizer@mcnair.net or with the Financial Advisor, Brian G. Nurick, SVP/Managing Director of Public Finance, Southwest Securities Inc., 1219 Assembly Street, Suite 202, Columbia, South Carolina 29201; telephone (803) 733-1604, e-mail: brian.nurick@swst.com.

RICHLAND COUNTY, SOUTH CAROLINA

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as _____, 2013, is executed and delivered by Richland County, South Carolina (the “Issuer”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Representative” means the Finance Director, or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

“Failure to File Event” means the Issuer’s failure to file an Annual Report on or before the Annual Filing Date.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

“Official Statement” means that Official Statement prepared by the Issuer in connection with the Bonds, as listed on Appendix A.

“Trustee” means the institution, if any, identified as such in the document under which the Bonds were issued.

“Voluntary Event Disclosure” means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a

Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

“Voluntary Financial Disclosure” means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than the next February 1 after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2013. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 12:00 noon on the first business day following the Annual Filing Date for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, together with a copy for the Trustee, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

- (i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;
- (iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:
 - “Principal and interest payment delinquencies;”
 - “Non-Payment related defaults, if material;”
 - “Unscheduled draws on debt service reserves reflecting financial difficulties;”
 - “Unscheduled draws on credit enhancements reflecting financial difficulties;”
 - “Substitution of credit or liquidity providers, or their failure to perform;”
 - “Adverse tax opinions, IRS notices or events affecting the tax status of the security;”
 - “Modifications to rights of securities holders, if material;”
 - “Bond calls, if material;”
 - “Defeasances;”
 - “Release, substitution, or sale of property securing repayment of the securities, if material;”
 - “Rating changes;”
 - “Tender offers;”
 - “Bankruptcy, insolvency, receivership or similar event of the obligated person;”
 - “Merger, consolidation, or acquisition of the obligated person, if material;” and
 - “Appointment of a successor or additional trustee, or the change of name of a trustee, if material;”
- (v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual financial information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;
- (vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. “amendment to continuing disclosure undertaking;”
2. “change in obligated person;”
3. “notice to investors pursuant to bond documents;”
4. “certain communications from the Internal Revenue Service;”
5. “secondary market purchases;”
6. “bid for auction rate or other securities;”
7. “capital or other financing plan;”
8. “litigation/enforcement action;”
9. “change of tender agent, remarketing agent, or other on-going party;”
10. “derivative or other similar transaction;” and
11. “other event-based disclosures;”

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. “quarterly/monthly financial information;”
2. “change in fiscal year/timing of annual disclosure;”
3. “change in accounting standard;”
4. “interim/additional financial information/operating data;”
5. “budget;”
6. “investment/debt/financial policy;”
7. “information provided to rating agency, credit/liquidity provider or other third party;”
8. “consultant reports;” and
9. “other financial/operating data.”

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the information provided in the Official Statement as follows:

- (i) The financial statements of the Issuer for the preceding fiscal year prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board (or if not in conformity, to be accompanied by a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information). If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.
- (ii) Financial and operating data for the fiscal year then ended, to the extent such information is not included in the Issuer's audited financial statements filed pursuant to clause (1) above, which shall be generally consistent with the tabular information (or other information, as otherwise noted below) contained in the Official Statement under the following headings: "THE BONDS—Security;" "DEBT STRUCTURE—Outstanding Indebtedness;" and "CERTAIN FISCAL MATTERS—Assessed Value of Taxable Property in the County," "—Estimated True Value of All Taxable Property in the County," "—Tax Rates," "—Tax Collections for Last Five Years," and "—Ten Largest Taxpayers."

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Issuer, which have been submitted to the MSRB. If the document included by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official

statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any annual financial information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

- i. Principal and interest payment delinquencies;
- ii. Non-payment related defaults, if material;
- iii. Unscheduled draws on debt service reserves reflecting financial difficulties;
- iv. Unscheduled draws on credit enhancements reflecting financial difficulties;
- v. Substitution of credit or liquidity providers, or their failure to perform;
- vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- vii. Modifications to rights of Bond holders, if material;
- viii. Bond calls, if material, and tender offers;
- ix. Defeasances;
- x. Release, substitution, or sale of property securing repayment of the Bonds, if material;
- xi. Rating changes;
- xii. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

Note to subsection (a)(12) of this Section 4: For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having

supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

- xiii. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5

promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer

is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page to Follow]

The Disclosure Dissemination Agent and the Issuer have caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C., as
Disclosure Dissemination Agent

By: _____
Name: _____
Title: _____

RICHLAND COUNTY, SOUTH CAROLINA, as Issuer

By: _____
Name: W. Anthony McDonald
Title Interim County Administrator

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer _____
Obligated Person(s) _____
Name of Bond Issue: _____
Date of Issuance: _____
Date of Official Statement _____

CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____
CUSIP Number:	_____	CUSIP Number:	_____

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Issuer: _____

Obligated Person: _____

Name(s) of Bond Issue(s): _____

Date(s) of Issuance: _____

Date(s) of Disclosure Agreement: _____

CUSIP Number: _____

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure
Dissemination Agent, on behalf of the Issuer

cc:

**EXHIBIT C-1
EVENT NOTICE COVER SHEET**

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this event notice relates:

Number of pages attached: _____

____ Description of Notice Events (Check One):

1. ____ "Principal and interest payment delinquencies;"
2. ____ "Non-Payment related defaults, if material;"
3. ____ "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. ____ "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. ____ "Substitution of credit or liquidity providers, or their failure to perform;"
6. ____ "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. ____ "Modifications to rights of securities holders, if material;"
8. ____ "Bond calls, if material;"
9. ____ "Defeasances;"
10. ____ "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. ____ "Rating changes;"
12. ____ "Tender offers;"
13. ____ "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. ____ "Merger, consolidation, or acquisition of the obligated person, if material;" and
15. ____ "Appointment of a successor or additional trustee, or the change of name of a trustee, if material."

____ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

EXHIBIT C-2
VOLUNTARY EVENT DISCLOSURE COVER SHEET

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name:

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Event Disclosure (Check One):

- 1. _____ "amendment to continuing disclosure undertaking;"
- 2. _____ "change in obligated person;"
- 3. _____ "notice to investors pursuant to bond documents;"
- 4. _____ "certain communications from the Internal Revenue Service;"
- 5. _____ "secondary market purchases;"
- 6. _____ "bid for auction rate or other securities;"
- 7. _____ "capital or other financing plan;"
- 8. _____ "litigation/enforcement action;"
- 9. _____ "change of tender agent, remarketing agent, or other on-going party;"
- 10. _____ "derivative or other similar transaction;" and
- 11. _____ "other event-based disclosures."

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

**EXHIBIT C-3
VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET**

This cover sheet and accompanying “voluntary financial disclosure” will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of _____ between the Issuer and DAC.

Issuer’s and/or Other Obligated Person’s Name:

Issuer’s Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

Number of pages attached: _____

_____ Description of Voluntary Financial Disclosure (Check One):

- 1. _____ “quarterly/monthly financial information;”
- 2. _____ “change in fiscal year/timing of annual disclosure;”
- 3. _____ “change in accounting standard;”
- 4. _____ “interim/additional financial information/operating data;”
- 5. _____ “budget;”
- 6. _____ “investment/debt/financial policy;”
- 7. _____ “information provided to rating agency, credit/liquidity provider or other third party;”
- 8. _____ “consultant reports;” and
- 9. _____ “other financial/operating data.”

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Digital Assurance Certification, L.L.C.
390 N. Orange Avenue
Suite 1750
Orlando, FL 32801
407-515-1100

Date:

FORM OF NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Richland County, South Carolina (the "County"), in County Council Chambers located at 2020 Hampton Street, Columbia, South Carolina, at 6:00 p.m. on March 5, 2013, or at such other location as proper notice on the main entrance to the said building might specify.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of Taxable General Obligation Bonds and General Obligation Refunding Bonds of Richland County, South Carolina in the aggregate principal amount of not to exceed \$6,000,000 (the "Bonds"), the proceeds of which will be used to provide funds for: (i) reimbursing the County for funds expended on the Regional Recreational Complex; (ii) refunding the County's original principal amount \$3,000,000 Taxable General Obligation Bonds, Series 2004B; (iii) paying costs of issuance of the Bonds; and (iii) such other lawful corporate and public purposes as the County Council shall determine.

The full faith, credit and taxing power of the County will be irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary to provide for the prompt payment thereof. There shall be levied annually by the Auditor of the County, and collected by the Treasurer of the County, in the same manner as other county taxes are levied and collected, an ad valorem tax, without limit as to rate or amount, on all taxable property in the School District sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary to provide for the prompt payment thereof.

At the public hearing all taxpayers and residents of the County and any other interested persons who appear will be given an opportunity to express their views for or against the Ordinance and the issuance of the Bonds.

/s/Chair, County Council, Richland County,
South Carolina

Richland County Council Request of Action

Subject

An Ordinance Amending the Richland County Code of Ordinances, Chapter 26, Land Development; Article X, Subdivision Regulations; Section 26-224, Certain Subdivisions Exempt from Road Standards; so as to delete the requirement of county review fees [**PAGES 162-170**]

Notes

October 23, 2012 - The Committee recommended that Council delete the county review fees for family property (Section 26-224 of the Land Development Code), retroactive to November 15, 2011.

First Reading: November 13, 2012
Second Reading: January 22, 2013
Third Reading:
Public Hearing: December 18, 2012

Richland County Council Request for Action

Subject: Delete Review Fees for Family Property

A. Purpose

County Council is requested to consider a motion to amend Section 26-224, to remove the requirement of review fees when an applicant proposes to subdivide what is commonly referred to as “family property.”

B. Background / Discussion

On November 15, 2011, County Council enacted Ordinance No. 064-11HR, which allows the Planning Director, or his/her designee, to exempt subdivisions from the road construction requirements of Sec. 26-181 if the property is being transferred to the owners’ immediate family members or is being transferred by will or intestate succession or forced division decreed by appropriate judicial authority. Subsection (e) includes this provision:

“the proposed subdivision of land shall not be exempted from any other minimum standard set forth in this chapter, including any and all review fees, minimum lot size, etc.”

On April 17, 2012, a motion was made by the Honorable Kelvin Washington, as follows:

“I move to direct staff to draft an ordinance that would delete any county review fees for family property (Section 26-224 of the Land Development Code), retroactive to November 15, 2011.”

A draft ordinance is attached that deletes the review fees.

C. Legislative/Chronological History

This item was deferred during the May, June, July, and September 2012 D&S Committee meetings in order for the Committee to obtain feedback from Chairman Washington.

D. Financial Impact

The County would not receive the fees that it would have if the ordinance is not amended. For example, typical review fees are \$400 per application, and if the Planning Department received 5 applications per year, the loss of revenue would be \$2,000 per year. However, this amount could vary from year to year.

E. Alternatives

1. Approve the amendment to Section 26-224, and delete the requirement of review fees retroactive to November 15, 2011.

2. Do not approve the amendment, thereby requiring a \$400 review fee to be paid when an applicant submits a plan to subdivide “family property.”

F. Recommendation

This request is at Council’s discretion, as it was a motion by Mr. Washington.

Motion by: Honorable Kelvin E. Washington, Sr. Date: April 17, 2012

F. Approvals

Finance

Reviewed by: Daniel Driggers Date: 5/1/12
 Recommend Council approval Recommend Council denial
 Council Discretion (please explain if checked)
Comments regarding recommendation:

This is a policy decision for council discretion. The financial impact is negligible.

Planning

Reviewed by: Tracy Hegler Date:
 Recommend Council approval Recommend Council denial
 Council Discretion (please explain if checked)
Comments regarding recommendation:

While Planning recognizes the financial impact is negligible, the department is concerned about how this policy will be received by other applicants who are required to pay.

Planning

Reviewed by: Amelia R. Linder Date: 5/4/12
 Recommend Council approval Recommend Council denial
 Council Discretion (please explain if checked)
Comments regarding recommendation: This is a policy decision for Council to make.

Public Works

Reviewed by: David Hoops Date:
 Recommend Council approval Recommend Council denial
 Council Discretion (please explain if checked)
Comments regarding recommendation: Does not affect PW operating budget.

Legal

Reviewed by: Brad Farrar Date: 5/16/12
 Recommend Council approval Recommend Council denial
 Council Discretion (please explain if checked)
Comments regarding recommendation: See comments from Planning. Legal guidance available pursuant to S.C.Code Ann. Sections 30-4-10 et seq. (The South Carolina Freedom of Information Act) if desired.

Administration

Reviewed by: Sparty Hammett

Date: 5/16/12

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: I agree with the Planning Director, the removal of fees would have minimal financial impact; however, concerns could be raised by other applicants that have to pay plan review fees.

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-12HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 26, LAND DEVELOPMENT; ARTICLE X, SUBDIVISION REGULATIONS; SECTION 26-224, CERTAIN SUBDIVISIONS EXEMPT FROM ROAD STANDARDS; SO AS TO DELETE THE REQUIREMENT OF COUNTY REVIEW FEES.

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. The Richland County Code of Ordinances, Chapter 26, Land Development; Article X, Subdivision Regulations; Section 26-224, Certain Subdivisions Exempt From Road Standards; is hereby amended to read as follows:

Sec. 26-224. Certain subdivisions exempt from road standards.

The planning director, or his/her designee, may exempt subdivisions from the road construction requirements of Sec. 26-181 of this chapter only if the property is being transferred to the owners' immediate family members or is being transferred by will or intestate succession or forced division decreed by appropriate judicial authority. The subdivider must submit legal documentation satisfactory to the planning director, or his/her designee, in order to establish eligibility for this exemption. In addition, the subdivider must submit a "Hold Harmless Agreement" as to Richland County. This exemption shall apply only to initial division of property, not to subsequent sale or further subdivision by the heirs, devisees, or transferees. Plats of subdivisions so exempted shall show an ingress/egress easement providing access to all parcels, and shall contain the following information:

- (a) Names of owners of each parcel being created; and
- (b) Purpose of the subdivision; and
- (c) A note stating that "ROAD ACCESS NOT PROVIDED"; and
- (d) A note stating "THESE LOTS/PARCELS MAY NOT BE FURTHER SUBDIVIDED UNTIL ROAD ACCESS IS PROVIDED AND A REVISED PLAT IS APPROVED BY RICHLAND COUNTY".
- (e) Should the planning director, or his/her designee, exempt a proposed subdivision from the construction of the private roadway, the property shall also be exempt from delineation of jurisdictional and non-jurisdictional wetlands (for purposes of approving the plat for recordation only; this section shall not supersede any state and/or federal requirement for construction in, around or through a jurisdictional wetland or flood zone). In the situation that a property owner requests exemption from road construction as outlined in this section, the property owner shall sign a statement that he/she understands

that the proposed subdivision of land shall not be exempted from any other minimum standard set forth in this chapter, ~~including any and all review fees, minimum lot size, etc.;~~ provided, however, all Planning Department subdivision plan review fees shall be waived.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective retroactively from and after November 15, 2011.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin E. Washington, Sr., Chair

Attest this the _____ day of
_____, 2012

Michelle M. Onley
Assistant Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

Public Hearing:
First Reading:
Second Reading:
Third Reading:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-13HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 26, LAND DEVELOPMENT; ARTICLE X, SUBDIVISION REGULATIONS; SECTION 26-224, CERTAIN SUBDIVISIONS EXEMPT FROM ROAD STANDARDS; SO AS TO DELETE THE REQUIREMENT OF COUNTY REVIEW FEES.

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. The Richland County Code of Ordinances, Chapter 26, Land Development; Article X, Subdivision Regulations; Section 26-224, Certain Subdivisions Exempt From Road Standards; is hereby amended to read as follows:

Sec. 26-224. Certain subdivisions exempt from road standards.

The planning director, or his/her designee, may exempt subdivisions from the road construction requirements of Sec. 26-181 of this chapter only if the property is being ~~transferred~~ given, for no monetary compensation or any other consideration, to the owners' immediate family members or is being transferred by will or intestate succession or forced division decreed by appropriate judicial authority. The subdivider must submit legal documentation satisfactory to the planning director, or his/her designee, in order to establish eligibility for this exemption. In addition, the subdivider must submit a "Hold Harmless Agreement" as to Richland County. This exemption shall apply only to initial division of property, not to subsequent sale or further subdivision by the heirs, devisees, or transferees. Plats of subdivisions so exempted shall show an ingress/egress easement providing access to all parcels. This easement may be an existing easement maintained by Richland County. ~~The plat and~~ shall contain the following information:

- (a) Names of owners of each parcel being created; and
- (b) Purpose of the subdivision; and
- (c) A note stating that "ROAD ACCESS NOT PROVIDED"; and
- (d) A note stating "THESE LOTS/PARCELS MAY NOT BE FURTHER SUBDIVIDED UNTIL ROAD ACCESS IS PROVIDED AND A REVISED PLAT IS APPROVED BY RICHLAND COUNTY".
- (e) Should the planning director, or his/her designee, exempt a proposed subdivision from the construction of the private roadway, the property

shall also be exempt from delineation of jurisdictional and non-jurisdictional wetlands (for purposes of approving the plat for recordation only; this section shall not supersede any state and/or federal requirement for construction in, around or through a jurisdictional wetland or flood zone). In the situation that a property owner requests exemption from road construction as outlined in this section, the property owner shall sign a statement that he/she understands that the proposed subdivision of land shall not be exempted from any other minimum standard set forth in this chapter, ~~including any and all review fees, minimum lot size, etc.;~~ provided, however, all Planning Department subdivision plan review fees shall be waived.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective retroactively from and after November 15, 2011.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin E. Washington, Sr., Chair

Attest this the _____ day of _____, 2013

Michelle M. Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading: November 13, 2012
Public Hearing: December 18, 2012
Second Reading: January 22, 2012

Third Reading:

February 19, 2013 (tentative)

DRAFT - Third Reading

Richland County Council Request of Action

Subject

An Ordinance Amending the Richland County Code of Ordinances, Chapter 2, Administration; Article VII, Boards, Commissions and Committees; so as to abolish the Appearance Commission and to amend the Conservation Commission's responsibilities to include appearance **[PAGES 171-174]**

Notes

First Reading: February 5, 2013

Second Reading:

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-13HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION; ARTICLE VII, BOARDS, COMMISSIONS AND COMMITTEES; SO AS TO ABOLISH THE APPEARANCE COMMISSION AND TO AMEND THE CONSERVATION COMMISSION'S RESPONSIBILITIES TO INCLUDE APPEARANCE.

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. The Richland County Code Of Ordinances, Chapter 2, Administration; Article VII, Boards, Commissions And Committees; Section 2-332, Boards, Commissions And Committees; Subsection (h), Richland County Conservation Commission; Paragraph (6), Purposes And Objectives; is hereby amended to read as follows:

- (6) *Purposes and Objectives.* The purposes and objectives of the Richland County Conservation Commission shall be as follows:
- a. To promote the conservation of natural resources;
 - b. To promote the development and preservation of historical resources;
 - c. To promote passive, outdoor, nature- based recreation;
 - d. To promote tourism, emphasizing the natural, cultural, and historical resources of Richland County;
 - e. To promote efforts to improve the appearance of Richland County;
 - ~~ef.~~ To educate the public as to the benefits of conservation;
 - ~~fg.~~ To undertake such studies, plans, activities, and projects as may, from time to time, be assigned to the Commission by the County Council.

SECTION II. The Richland County Code of Ordinances, Chapter 2, Administration; Article VII, Boards, Commissions and Committees; Section 2-332, Boards, Commissions and Committees; Subsection (i), Richland County Appearance Commission; is hereby amended to read as follows:

- (i) ~~*Richland County Appearance Commission. Reserved.*~~

- ~~(1) *Creation.* There is hereby created a Richland County Appearance Commission which shall be a permanent county commission, appointed in whole by the county council.~~
- ~~(2) *Membership.* The Richland County Appearance Commission shall consist of at least 11 members who are individually appointed by the representing councilperson to represent each council district. Additionally, two members shall be appointed at-large by majority vote of the full council, for a maximum number of 13 commission members. At least one member of the commission must be a landscape architect and one member must be a horticulturist, and the other members being interested citizens residing in Richland County. Appropriate representatives from the South Carolina Department of Transportation, City of Columbia, and the county will serve as ex-officio members.~~
- ~~(3) *Purpose.* The Richland County Appearance Commission will seek to improve and enhance the overall appearance of Richland County. Responsibilities include:~~
- ~~a. To identify and work with municipalities, state agencies, and interested organizations to coordinate and collaborate in improving the appearance of Richland County.~~
 - ~~b. To make a recommendation to the county council, no later than June 1, 1999, as to the implementation of the Landscaping Investment and Major Boulevards Plan (LIMB) approved by county council.~~
 - ~~c. To undertake the development and implementation of a five-year overall beautification plan to complement and expand upon the LIMB Plan. This five-year plan will address long-term efforts to improve the appearance and natural beauty of the county and will include appearance standards and principles.~~
 - ~~d. To develop a maintenance plan for the above LIMB Plan and five-year plan.~~
 - ~~e. To identify outside public and/or private funding sources for beautification and recommend to council grant opportunities and if needed, county funding, for the beautification efforts.~~
- ~~(4) *Terms of members; election of officers; and meetings.*~~
- ~~a. An at-large Commission member shall serve a term of four years or until his or her successor is appointed. The term of a member of the Commission individually appointed by a Council member shall be coterminous with the term of the appointing Council member. Provided, however, that if a vacancy shall occur on Council, the member of the Commission appointed by the vacating Council member shall complete his or her term.~~

~~b. The commission shall elect a chairman, vice chairman, secretary and treasurer.~~

~~e. The commission shall meet at such times and places as determined by the chairman, but shall hold at least one meeting each quarter. The county administrator shall assign staff to assist the commission in making its recommendations to county council. All meetings of the commission shall be conducted in compliance with the South Carolina Freedom of Information Act.~~

~~(5) By laws. The commission shall adopt by laws by which meetings and activities of the commission will be conducted. Such by laws shall not conflict with Robert's Rules of Order, the general and permanent statutes of the State of South Carolina, and Richland County ordinances.~~

SECTION III. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION IV. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION V. Effective Date. This ordinance shall be effective from and after _____, 2013.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin E. Washington, Sr., Chair

ATTEST THIS THE _____ DAY

OF _____, 2013.

Michelle M. Onley
Clerk of Council

First Reading: February 5, 2013
Second Reading: February 19, 2013 (tentative)
Third Reading:

Richland County Council Request of Action

Subject

An Ordinance Amending the Richland County Code of Ordinances; Chapter 21, Roads, Highways and Bridges; Section 21-21, Transportation Improvement Program; so as to include funds for resurfacing of existing paved roads [**PAGES 175-178**]

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-13HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES; CHAPTER 21, ROADS, HIGHWAYS AND BRIDGES; SECTION 21-21, TRANSPORTATION IMPROVEMENT PROGRAM; SO AS TO INCLUDE FUNDS FOR RESURFACING OF EXISTING PAVED ROADS.

NOW, THEREFORE, pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE RICHLAND COUNTY COUNCIL:

SECTION I. The Richland County Code of Ordinances, Chapter 21, Roads, Highways and Bridges; Section 21-21, Transportation Improvement Program; is hereby amended to read as follows:

Sec. 21-21. Transportation improvement program.

(a) All public funds available to the county for transportation system improvements shall be expended in accordance with a comprehensive transportation improvement plan. This would apply to:

- (1a) Connector roads;
- (2b) Intersection improvements;
- (3e) Widening;
- (4d) Turn lanes; and
- (5e) Alignment improvements.

(b) Road resurfacing funds, for the resurfacing of existing paved roads, will be distributed by county council district based on that district's portion of total county paved road mileage. Pro rata fund distribution will be calculated as follows:

$$\frac{\text{District paved road paving funds}}{\text{Total paved road mileage}} = \frac{\text{Total paved road resurfacing funds}}{\text{Total paved road mileage}} \times \text{district paved road mileage}$$

Mileage refers to paved road mileage in the county road maintenance system (i.e. public paved roads that are routinely maintained by county public works forces). Roads will be selected for paving based on distribution/availability of funds and priority within that council district, as determined by the condition analysis as maintained by Public Works.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective from and after _____, 2013.

RICHLAND COUNTY COUNCIL

BY: _____
Kelvin E. Washington, Sr., Chair

ATTEST THIS THE ____ DAY
OF _____, 2013

Michelle M. Onley
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading: February 19, 2013 (tentative)
Second Reading:
Public Hearing:
Third Reading:

Richland County Council Request of Action

Subject

- a. An Ordinance Authorizing a Fee in Lieu of Tax Agreement between Richland County and Project Form [**FIRST READING BY TITLE ONLY**] [**PAGE 180**]
- b. Project Form Inducement Resolution [**PAGES 181-183**]
- c. Pineview Land Options [**PAGES 184-208**]

ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE AND SPECIAL SOURCE CREDIT AGREEMENT BY AND AMONG RICHLAND COUNTY, SOUTH CAROLINA, PROJECT FORM 1, AND PROJECT FORM 2 PROVIDING FOR A PAYMENT OF A FEE IN LIEU OF TAXES AND OTHER MATTERS RELATED THERETO.

Section 1. The County Council hereby finds that: (i) the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; (ii) the Project gives rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iii) the purposes to be accomplished by the Project are proper governmental and public purposes and the inducement of the location of the Project within South Carolina is of paramount importance and the benefits of the Project to the public are greater than the cost (which latter finding has been made using an appropriate cost-benefit analysis); and (iv) it has evaluated the Project considering all relevant and required factors, including, but not limited to, the anticipated dollar amount and nature of the investment to be made and the anticipated costs and benefits to the County, and all other criteria prescribed by law.

Section 2. The County hereby commits to enter into a fee in lieu of tax arrangement with the Company under the Act. The County commits to provide for a fee in lieu of *ad valorem* taxes (“FILOT”) for a period of 20 years for each component of the Project placed in service during the investment period (the “FILOT Term”) under the Act calculated using a 6% assessment ratio and a fixed millage rate equal to the lowest millage rate allowable under the Act for a period of 20 years for each component of the Project placed in service during the investment period.

Section 3. The further details of the FILOT and the SSRCs shall be prescribed by subsequent ordinance of the County to be adopted in accordance with South Carolina law and the rules and procedures of the County.

Section 4. The County agrees to use its best efforts to ensure that the Property is already located in or to include the Property in a Park for at least the longer of a 20-year period or the period of time the FILOT arrangement is in place.

Section 5. This resolution shall constitute an inducement resolution for this Project within the meaning of the Act.

Section 6. All orders, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This resolution shall take effect and be in full force from and after its passage by the County Council.

(Signature Page Follows)

Adopted this 19th day of February, 2013.

RICHLAND COUNTY, SOUTH CAROLINA

Signature: _____

Name: _____

Title: _____

(SEAL)

ATTEST:

Signature: _____

Name: _____

Title: Clerk to County Council

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

OPTION AGREEMENT

THIS OPTION AGREEMENT (the "*Agreement*") is made and entered into as of the _____ day of _____, 2013 ("*Effective Date*"), by and between **EAST RICHLAND COUNTY PUBLIC SERVICE DISTRICT** ("*Optionor*") and **RICHLAND COUNTY, SOUTH CAROLINA** ("*Optionee*").

WITNESSETH:

1. Option to Purchase. For and in consideration of the Option Consideration (as hereinafter defined) in hand paid by Optionee to Optionor, receipt and legal sufficiency of which is hereby acknowledged by the parties hereto, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, but subject to the "Optionor Contingency" (as defined below), Optionor hereby grants to Optionee and its assigns, the irrevocable right and option ("*Option*") to purchase, at any time through the Option Date (as hereinafter defined), the Property (as hereinafter defined), on the terms and conditions set forth in this Agreement.

"Optionor Contingency" shall mean the requirement that, notwithstanding any other provision in this Agreement to the contrary, all obligations of Optionor under this Agreement are subject to that certain 147.83 acre parcel of land located on Bluff Road, Richland County, South Carolina and being more particularly shown as Parcel "A" on that certain Plat prepared for Commonwealth Commercial Properties, LLC by Associated E & S, Inc. dated January 2, 2007, last revised November 30, 2011, a copy of which is attached hereto as **Exhibit B** ("*Parcel A*") being re-zoned from "RU" to "LI" or any other zoning classification that will permit the Optionor to use Parcel A for its business purposes. Optionor shall, not later than 60 days from the date of this Agreement have filed all documents necessary to apply for the zoning reclassification. Upon the re-zoning of Parcel A, the Optionor Contingency shall be deemed satisfied. In the event that a conclusive and final denial of the application of re-zoning is issued, Optionor shall have the option of either (i) waiving the Optionor Contingency or (ii) terminating this Agreement upon delivery of written notice to Optionee. In the event that Optionee exercises the Option before the re-zoning of Parcel A, Optionor shall have no obligation to close on the transfer of the Property to Optionee until Parcel A has been re-zoned.

2. Property Subject to Option. The property subject to the Option consists of all that certain lot, tract or parcel of real property as more particularly shown on **Exhibit A** attached hereto and made a part hereof, containing approximately 83.87 acres, more or less, together with all improvements, plants, shrubs and trees located thereon, and together with all rights, easements and appurtenances thereunto belonging (the "*Property*").

3. Option Consideration.

(a) Within five days of the Effective Date (as hereinafter defined), Optionee shall deliver to Optionor's Attorney, Scott Elliott, the sum of one thousand and no/100ths (\$1,000.00) Dollars ("*Option Consideration*").

(b) The Option Consideration shall be held by Optionor. If (i) Optionee shall rescind, cancel or terminate this Agreement and shall notify Optionor, or (ii) Optionee fails to Exercise the Option as set forth in Section 4(a), Optionor shall immediately return the Option Consideration to

Optionee as long as all Optionee Due Diligence Materials (as defined in Section 9(a) below) have been provided to the Optionor.

(c) All Option Consideration shall be applied to the Purchase Price at Closing, if Closing takes place within the terms and conditions as set forth herein.

(d) In the event of a default by either party, the Option Consideration shall be paid in accordance with Section 14 below.

4. Option Term/Closing

(a) The term of the Option shall be until **five (5) years** from the Effective Date ("**Option Date**"), unless terminated earlier at the option of Optionee. At any time on or before the Option Date, Optionee may elect to exercise the Option by providing Optionor written notification of its election ("**Exercise**"). The date such notification is mailed or hand delivered to Optionor shall be the "**Notification Date**." In the event Optionee timely elects to exercise the Option granted herein, the Closing (as hereinafter defined) of the Property shall proceed pursuant to the terms and conditions as set forth herein. In the event Optionee terminates this Option or fails to mail or otherwise deliver to Optionor written notification of its exercise of the Option prior to the Option Date, Optionor shall immediately return the Option Consideration to the Optionee, and this Agreement will become null and void and neither party hereto shall have any further rights or obligation hereunder, except as otherwise specifically set forth herein.

(b) Optionor and Optionee acknowledge and agree that this Agreement may be extended for such periods and on such terms as the parties mutually agree to.

(c) Provided that Optionee has timely delivered the Exercise of the Option as set forth in Section 4(a) above, the closing of the purchase and sale of the Property ("**Closing**") will be held at a location to be determined by the Optionee on any date ("**Closing Date**") which is on or before that date which is forty five (45) days following the Notification Date, at Optionee's option. Optionee shall give Optionor written notice of the Closing Date at least five (5) days in advance thereof.

5. Purchase Price: Method of Payment. Subject to prorations, adjustments and credits as otherwise specified in this Section 5 and elsewhere in this Agreement, the purchase price ("**Purchase Price**") to be paid to Optionor for the Property at Closing shall be:

(a) In the event the Option is exercised within Year 1 of execution of the Option, the purchase price shall be Nineteen Thousand Three Hundred Fifty-Four and no/100 (\$19,354) Dollars per acre;

(b) In the event the Option is exercised within Year 2 of execution of the Option, the purchase price shall be Nineteen Thousand Eight Hundred Fifty-Four and no/100 (\$19,854) Dollars per acre;

(c) In the event the Option is exercised within Year 3 of execution of the Option, the purchase price shall be Twenty Thousand Three Hundred Fifty-Four and no/100 (\$20,354) Dollars per acre;

(d) In the event the Option is exercised within Year 4 of execution of the Option, the purchase price shall be Twenty Thousand Eight Hundred Fifty-Four and no/100 (\$20,854) Dollars per acre; or

(e) In the event the Option is exercised within Year 5 of execution of the Option, the purchase price shall be Twenty-One Thousand Three Hundred Fifty-Four and no/100 (\$21,354) Dollars per acre.

The total acreage of the Property and the corresponding total Purchase Price shall be determined by the Survey to be obtained by the Optionee pursuant to the terms of Section 8 hereinafter. The Purchase Price will be calculated by multiplying the price per acre by the acreage determined to the nearest hundredth of an acre.

6. Prorations and Adjustments to Purchase Price. The following prorations and adjustments shall be made between Optionee and Optionor at Closing, or thereafter if Optionee and Optionor shall agree, with respect to the Purchase Price:

(a) All city, state and county ad valorem taxes (other than rollback taxes) and similar impositions levied or imposed upon or assessed against the Property, if any, (hereinafter called the "**Impositions**") for the year in which Closing occurs shall be prorated as of the Closing Date. Optionor shall have no obligation to pay any rollback taxes, if any. In the event the Impositions for such year are not determinable at the time of Closing, said Impositions shall be prorated on the basis of the best available information, and the parties shall re-prorate the Impositions for such year promptly upon the receipt of the imposition bills for such year and shall make between themselves any equitable adjustment required by reason of any difference between the estimated amount of the Impositions used as a basis for the proration at Closing and the actual amount of the Impositions for such year. This obligation shall survive Closing and recordation of the Deed. In the event any of the Impositions are due and payable at the time of Closing, the same shall be paid at Closing. If the Impositions are not paid at Closing, Optionee shall be responsible for payment in full of the Impositions within the time fixed for payment thereof and before the same shall become delinquent. Optionor shall deliver to Optionee the bills for the Impositions promptly upon receipt thereof.

(b) Any other items which are customarily prorated in connection with the purchase and sale of properties similar to the Property shall be prorated as of the Closing Date.

7. Title.

(a) Optionor covenants to convey to Optionee at Closing fee simple marketable title in and to the Property, subject only to the following: (i) current city, state and county ad valorem taxes not yet due and payable; and (ii) easements for the installation or maintenance of public utilities serving only the Property (collectively, "**Permitted Exceptions**").

(b) Optionee shall, at Optionee's expense and within six (6) months of the date hereof, examine the title to the Property and shall give Optionor written notice of any objections which render Optionor's title less than fee simple marketable title (each a "**Title Objection**"). Optionor shall have until thirty (30) days from the date of receipt of such notice in which to satisfy all Title Objections specified in Optionee's initial notice of Title Objections. If Optionor fails to satisfy any Title Objection, then, at the option of Optionee, Optionee may: (i) terminate this Agreement, in which event the Option Consideration shall be refunded to Optionee promptly upon request and thereafter all obligations of the parties under this Agreement shall expire, and except as expressly set forth herein to the contrary, this Agreement shall be of no further force or effect; (ii) extend the period of time in which Optionor has to cure the Title Objections until Optionor has satisfied such Title Objection and Optionor agrees to use its best efforts to satisfy any such Title Objection; or (iii) waive the Title Objection. Subsequent to the Notification Date, Optionee may update title to the Property, and if any matters of title have arisen since the date of the Optionee's initial title examination, Optionee shall give written notice to Optionor of the

same, and the same provisions shall apply with respect to the obligations of Optionor and Optionee's rights and remedies in the event that Optionor does not cure the Title Objections.

(c) Any mortgage, lien, judgment, or other claim in a liquidated amount which constitutes an exception to the title to the Property (whether or not the same is disclosed by the title examination or listed in any notice of title objection by Optionee) shall not in any event be a Permitted Exception hereunder, but such claim shall be paid, bonded or insured by Optionor to the satisfaction of the Optionee and Optionee's title insurer.

(d) Except as provided hereinafter, from and after the Effective Date of this Agreement through Closing, Optionor shall not mortgage or otherwise encumber the Property, or take any action or permit any happening that would interfere with the transaction contemplated by this Option, including granting or imposing any timber rights or deeds, easements, warranty, conditions or restrictions with respect to the Property without obtaining Optionee's consent, which shall not be unreasonably withheld, conditioned, or delayed.

8. Survey.

(a) Optionee shall, within six (6) months of the date hereof, obtain, at Optionee's expense, a survey of the Property ("**Survey**") prepared by a surveyor registered and licensed in the State of South Carolina. Such survey shall be signed and certified by the surveyor. The legal description of the Property set forth in the limited warranty deed to be delivered by Optionor at Closing shall be based upon and shall conform to the Survey. Such Survey shall be delivered to Optionor's attorney at least fifteen (15) days prior to Closing.

(b) Optionee shall, within six (6) months of the date hereof give Optionor written notice pursuant to this Agreement if Optionee objects to a specific matter which affects the fee simple title to the Property shown on the said Survey (each a "**Survey Objection**"), and Optionor shall, within ten (10) days after Optionee has received notice, elect by written notice to Optionee to either (i) at Optionor's sole cost and expense, take such actions as may be necessary to correct such of said objections as Optionee specifies in said notice, or (ii) decline to correct such objections. The failure of Optionor to give Optionee notice of Optionor's selection shall be deemed to be an election of (ii) above. In the event Optionor elects to correct less than all of such objections or elects option (ii) above, Optionee shall have ten (10) days after receipt of Optionor's notice, to elect either to (1) proceed with this Agreement and waive the Survey Objection which Optionor has elected not to correct, or (2) terminate this Agreement and receive a refund of the Option Consideration. The failure by Optionee to give Optionor notice of Optionee's election shall be deemed to be an election of option (1) above.

9. Investigation of the Property.

(a) Between the Effective Date hereof and the Closing Date, Optionee and Optionee's agents and designees shall have the right to enter the Property for the purposes of inspecting the Property and making surveys, mechanical and structural engineering studies, and any other investigations and inspections as Optionee may reasonably require to assess the condition of the Property; provided, however, that such activities by or on behalf of Optionee shall not damage the Property and shall not materially interfere with Optionor's normal ownership activities conducted on or from the Property.

. If Optionee fails to exercise the option, then any and all Optionee Due Diligence Materials will be delivered to the Optionor, at no expense, within thirty days of Optionee's notice not to exercise the option. Optionor will not be required to return the Option Consideration until all Optionee Due Diligence Materials have been delivered to the Optionor.

(b) Optionee hereby agrees to reimburse Optionor for all claims, demands, actions, losses, costs, damages, liabilities and expenses (including, without limitation, reasonable attorneys' fees, costs of litigation and the cost and expense of removing or bonding over any liens affecting the Property) actually incurred by Optionor by reason of the Optionee's exercise of the rights, duties and privileges granted to Optionee in this Section 9. The obligations of Optionee contained in the immediately preceding sentence shall expressly survive the Closing or any termination of this Agreement, in each case for a period of six (6) months, and shall not be subject to the liquidated damage provisions of Section 14(a) hereof.

10. Proceedings at Closing. On the Closing Date, the Closing shall take place as follows:

(a) Optionor shall deliver to Optionee the following documents and instruments, duly executed by or on behalf of Optionor: (i) limited warranty deed, in recordable form, conveying the Property; (ii) an Owner's Affidavit, in form and substance reasonably acceptable to Optionee's title insurer, with respect to the Property; (iii) a certificate of Optionor stating that Optionor is not a "foreign person" under §1445 of the Internal Revenue Code, as amended, and applicable regulations; (iv) such other documents as may be reasonably required by Optionee's title insurer as a condition to insuring Optionee's title to the Property free of exceptions other than the Permitted Exceptions; and (v) evidence in form and substance reasonably satisfactory to Optionee that Optionor has the power and authority to execute and enter into this Agreement and to consummate the purchase and sale of the Property.

(b) Optionee shall deliver to Optionor the following funds, documents and instruments, duly executed on behalf of Optionee: (i) the Purchase Price in accordance with the terms of this Agreement; (ii) evidence in form and substance reasonably satisfactory to Optionor that Optionee has the power and authority to execute and enter into this Agreement and to consummate the purchase and sale of the Property.

11. Costs of Closing.

(a) Optionor shall pay Optionor's attorneys' fees, the commission of any broker involved in the sale of the Property, the transfer fees associated with the recording of the limited warranty deed, and other fees or charges of any kind or nature customarily paid by sellers in similar transactions in South Carolina.

(b) Optionee shall pay its attorney fees, the costs associated with any financing obtained by Optionee, Optionee's inspection costs, all costs and expenses associated with the preparation of the title commitment and the premium for the owner's policy of title insurance to be issued in favor of Optionee insuring Optionee's title to the Property pursuant to Section 7(b) hereof, the cost of the Survey, and the recording costs associated with the recording of the Optionor's deed to Optionee.

(c) All other costs and expenses of the transaction contemplated hereby shall be borne by the party incurring the same.

12. Possession at Closing. In the event Optionee timely delivers its Exercise, Optionor shall surrender possession of the Property to Optionee on the Closing Date.

13. Warranties, Representations, Additional Covenants of Optionor and Optionee.

(a) In order to induce Optionee to enter into this Agreement, Optionor represents and warrants to Optionee as follows:

(i) That, on the Closing Date, Optionor shall have fee simple title to the Property, subject only to the Permitted Exceptions.

(ii) That this Agreement has been duly authorized and executed on behalf of Optionor and constitutes the valid and binding agreement of Optionor, enforceable against Optionor in accordance with its terms.

(iii) There are no actions, suits or proceedings pending or threatened against, by or affecting Optionor which affect title to the Property or which question the validity or enforceability of this Agreement or of any action taken by Optionor under this Agreement, in any court or before any governmental authority, domestic or foreign; and that there are no pending, threatened or contemplated condemnation actions involving all or any portion of the Property.

(iv) That the execution and delivery of the documents and instruments to be executed and delivered by Optionor on the Closing Date, and the performance by Optionor of Optionor's duties and obligations under this Agreement and of all other acts necessary and appropriate for the full consummation of the purchase and sale of the Property as contemplated by and provided for in this Agreement, are, to the best of Optionor's knowledge, consistent with and not in violation of, and will not create any adverse condition under, any contract, agreement or other instrument to which Optionor is a party, or any judicial order or judgment of any nature by which Optionor is bound.

(v) That to the best of Optionor's knowledge, information, and belief, there are no storage tanks located on the Property, either above or below ground, or any underground pipes or lines on the Property, other than for potable water or sanitary sewer, nor were there any such tanks, pipes, or lines formerly on the Property.

(vi) Optionor has received no notice of the existence of any areas on the Property where hazardous substances or wastes have been generated, disposed of, released or found, and, to the best of Optionor's knowledge, information and belief, no such areas for the generation, storage, disposal or release of any hazardous substances or wastes exist on the Property. For purposes of this Agreement, the term "hazardous substances or wastes" shall mean petroleum including crude oil or any fraction thereof, and any substance identified in CERCLA, FIFRA, RCRA or any other federal, state or other governmental legislation or ordinance identified by its terms as pertaining to the management, disposal or release of hazardous substances or wastes. In the event Optionor receives notice of any such violations affecting the Property prior to Closing, Optionor promptly shall notify Optionee thereof.

(vii) That to the best of Optionor's knowledge, information and belief, there is no condition on the property that is in violation of any statute, ordinance or regulation for the protection of human health or the environment.

(viii) There is no pending litigation or dispute concerning the location of the lines and corners of the Property and such lines and corners are clearly marked.

(ix) Optionor does not have any knowledge of any significant adverse fact or condition relating to the Property, which has not been specifically disclosed in writing by Optionor to Optionee.

(x) Optionor has received no notice that any municipality or any governmental or quasi-governmental authority has determined that there are any violations of zoning, health, environmental or other statutes, ordinances or regulations affecting the Property, and Optionor has no knowledge of any such violations. In the event Optionor receives notice of any such violations affecting the Property prior to Closing, Optionor promptly shall notify Optionee thereof.

(b) Optionor agrees to reimburse Optionee from and against any and all claims or losses related to the presence of hazardous substances or wastes on or at the Property or migrating from

the Property at any time prior to or on the Closing Date or for any condition of the Property subject to regulation under any statute, ordinance or regulation for the protection of human health or the environment that is on the Property on the Closing Date. The obligations of the Optionor contained in the immediately preceding sentence shall survive the consummation of the purchase and sale of the Property for a period of six (6) months after the Closing Date.

(c) In the event Optionee timely delivers its Exercise, the obligation of Optionee that arise to purchase the Property at Closing and to perform under this Agreement shall be subject to the representations and warranties made by Optionor in this Agreement being true as of the date of this Agreement and as of the Closing Date, and Optionor having performed all covenants and obligations and complied with all conditions required of it by this Agreement.

14. Remedies

(a) Provided that Optionee has timely delivered its Exercise and further provided that Optionor is not in default under this Option, if the purchase and sale of the Property is not consummated in accordance with the terms and conditions of this Agreement due to circumstances or conditions which constitute a default by Optionee under this Agreement and such default is not cured within ten (10) days after written notice by Optionor to Optionee specifying the default, the Option Consideration shall be retained by Optionor as full liquidated damages for such default. The parties acknowledge that Optionor's actual damages in the event of a default by Optionee under this Agreement will be difficult to ascertain, and that such liquidated damages represent the parties' best estimate of such damages. The parties expressly acknowledge that the foregoing liquidated damages are not intended as a penalty. Such retention of the Option Consideration shall be the sole and exclusive remedy of Optionor by reason of a default by Optionee under this Agreement, and Optionor hereby waives and releases any right to sue Optionee, and hereby covenants not to sue Optionee, for specific performance of this Agreement or to prove that Optionor's actual damages exceed the amount which is herein provided to Optionor as full liquidated damages.

(b) Provided that Optionee has timely delivered its Exercise and further provided that Optionee is not in default under this Option, if the purchase and sale of the Property is not consummated in accordance with the terms and conditions of this Agreement due to circumstances or conditions which constitute a default by Optionor under this Agreement, then Optionee shall be entitled to either (i) terminate this Agreement by giving written notice of strict termination to Optionor whereupon the Option Consideration shall be returned to Optionee, and this Agreement shall be deemed null and void and of no further force or effect, and no party hereto shall have any further rights, obligations or liabilities hereunder, or (ii) seek specific performance of this Agreement; provided, however, that in the event that the court is unable to enforce specific performance of this Agreement as a result of an intentional act of Optionor in violation of its obligations under this Agreement, Optionee shall be entitled to recover its damages in lieu of specific performance.

15. Condemnation. In the event of the taking of all or any portion of the Property by eminent domain proceedings, or the commencement or bona fide threat of the commencement of any such proceedings, prior to Closing, Optionee shall have the right at Optionee's option, to terminate this Agreement by giving written notice thereof to Optionor prior to Closing, in which event the Option Consideration shall be refunded to Optionee promptly upon request, all rights and obligations of the parties under this Agreement shall expire, and this Agreement shall become null and void. If Optionee does not so terminate this Agreement, Optionor shall assign to Optionee at Closing all rights of Optionor in and to any awards or other proceeds paid or payable thereafter by reason of any taking. Optionor shall notify Optionee of eminent domain proceedings within five (5) days after Optionor learns thereof.

16. Assignment. This Agreement may be assigned by Optionee, in whole or in part, with notice of Assignment in writing to Optionor.

17. Parties. This Agreement shall be binding upon, enforceable against, and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

18. Brokers. Optionor warrants and represents to the Optionee that Optionor shall be responsible for all brokerage commissions or fees payable in connection with this Agreement or the purchase and sale of the Property. Optionor shall and does hereby indemnify, defend and hold harmless Optionee from and against the claims, demands, actions, and judgments of any other brokers, agents and other intermediaries alleging a commission, fee or other payment to be owing by reason of its dealings, negotiations or communications in connection with this Agreement or the purchase and sale of the Property. The indemnity obligation contained in this Section 18 shall expressly survive the Closing or any termination of this Agreement.

19. Survival. All of the representations, covenants and warranties of the parties in this Agreement shall survive the consummation of the purchase and sale of the Property on the Closing Date.

20. Modification. This Agreement supersedes all prior discussions and agreements between Optionee and Optionor with respect to the purchase and sale of the Property and other matters contained herein, and contains the sole and entire understanding between Optionee and Optionor with respect thereto. This Agreement shall not be modified or amended except by an instrument in writing executed by or on behalf of Optionor and Optionee.

21. Applicable Law. This Agreement shall be governed construed under and interpreted and enforced in accordance with the laws of the State of South Carolina and any litigation hereunder shall be conducted in state or federal court in South Carolina.

22. Time. Time is and shall be of the essence of this Agreement.

23. Captions. The captions and headings used in this Agreement are for convenience only and do not in any way restrict, modify or amplify the terms of this Agreement.

24. Exhibits. Each and every exhibit referred to or otherwise mentioned in this Agreement is and shall be construed to be made a part of this Agreement by such reference or other mention at each point at which such reference or other mention occurs, in the same manner and with the same effect as if each exhibit were set forth in full and at length every time it is referred to or otherwise mentioned.

25. Notices. All notices, elections and communications permitted or required hereunder shall be in writing, signed by the party making the same, and shall be delivered personally, sent by reputable overnight delivery service or by registered or certified mail, return receipt requested, at the addresses set forth below. The date of such notice or communication shall be the date of personal delivery, signed receipt for overnight delivery, or mailing as the case may be, unless otherwise specified herein. In the event any date on which any notice or election is required to be made hereunder falls on Saturday, Sunday or federal, state or county holiday, then, the date on which such notice is required to be given or made hereunder shall, for all purposes, be deemed to be the next following business day.

Optionor: East Richland County Public Service District
704 Ross Road
Columbia, South Carolina 29223
Attn: _____
Phone: (803) _____

With a copy to: Scott A. Elliott

1508 Lady Street
Columbia, South Carolina 29201
Phone:(803) 771-0555

Optionee: Richland County, South Carolina
2020 Hampton Street
Columbia, South Carolina 29201
Attn: _____
Phone: (803) _____

With a copy to: Parker Poe Adams & Bernstein LLP
1201 Main Street, Suite 1450
Columbia, South Carolina 29201
Attn: Ray Jones
Phone (803) 255.8000

26. Memorandum. A memorandum of this Agreement shall be executed and duly acknowledged by Optionor and Optionee for the purpose of recording within ten (10) days from the Effective Date hereof.

27. Optionor Right to Sell Property; Optionee Right of First Refusal. Notwithstanding any provision herein to the contrary, if hereof Optionor receives from a third party during the term of this Agreement a written expression of interest (e.g. a letter, binding, partially binding or non-binding letter of intent, offer to purchase or draft contract, lease or other agreement) which is in all material respects acceptable to Optionor outlining the primary business terms on which such third party proposes to purchase or otherwise directly or indirectly acquire the Property or any portion thereof (a "**Proposal**"), then Optionor shall first offer in writing to sell the portion of the Property covered by the Proposal to Optionee. Optionor shall promptly notify Optionee in writing of the existence of the relevant Proposal (and of Optionor's willingness to accept same), and such notification from Optionor to Optionee shall also identify all material economic terms and conditions provided for in the Proposal including the identity of the prospective third party transferee. Optionee shall within thirty (30) days after such notification is received by Optionee from Optionor to elect (by so notifying Optionor in writing) to purchase the Property encompassed by the relevant Proposal. The purchase price, shall be equal to the purchase price set forth in the Proposal. If Optionee fails to notify Optionor in writing of Optionee's acceptance of the offer within the period set forth above, then the offer shall be deemed conclusively rejected by Optionee. If Optionee does not elect to purchase the Property pursuant to a Proposal, Optionor may proceed to sell the Property on the exact terms set forth in the Proposal, and Optionor agrees to reimburse Optionee for all actual costs incurred by Optionee in connection with its investigation of the Property, including without limitation all costs paid for Optionee Due Diligence Materials, but excluding any attorney's fees incurred. The reimbursement obligation of Optionor under this provision shall not exceed \$17,000.

Signature page to follow.

IN WITNESS WHEREOF, the Optionee has caused this Agreement to be executed by its duly authorized officer this ____ day of _____, 2013.

WITNESSES:

OPTIONEE:

Richland County, South Carolina

By: _____

Name: _____

Title: _____

**STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND**

ACKNOWLEDGMENT

I, _____, Notary Public, certify that _____, **as**
_____ **of Richland County, South Carolina**, personally came before me this day and voluntarily executed the foregoing as his/her act and deed.

Witness my hand and official seal,
this the ____ day of _____, 2013.

Notary Public for South Carolina

My Commission Expires _____

IN WITNESS WHEREOF, the Optionee has caused this Agreement to be executed by its duly authorized officer this ____ day of _____, 2013.

WITNESSES:

OPTIONOR:

East Richland County Public Service District

By: _____
Title:

**STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND**

ACKNOWLEDGMENT

I, _____, Notary Public, certify that _____, **as**
_____ **of East Richland County Public Service District**, personally came before me
this day and voluntarily executed the foregoing as his/her act and deed.

Witness my hand and official seal,
this the ____ day of _____, 2013.

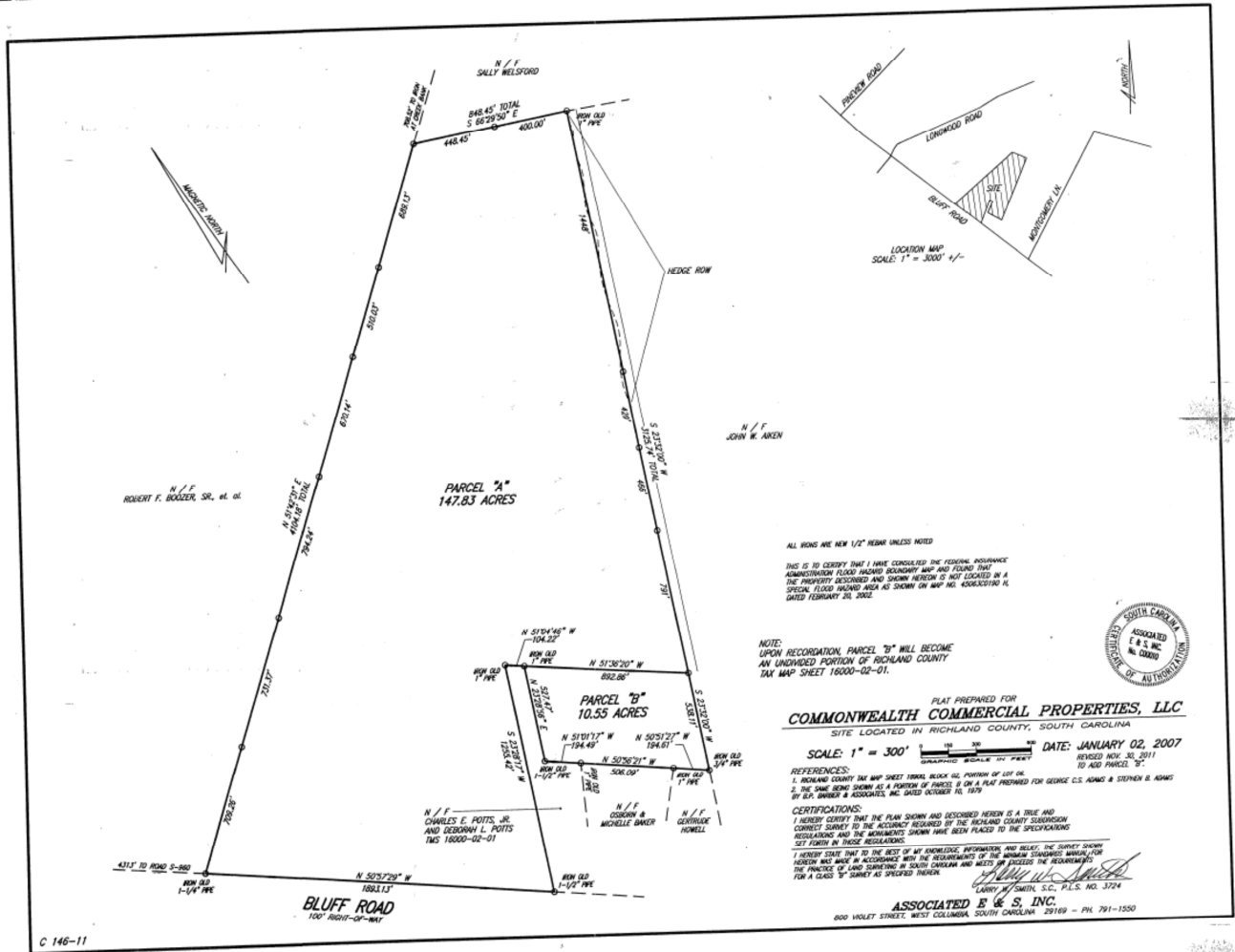
Notary Public for South Carolina

My Commission Expires _____

EXHIBIT "A"

All that certain piece, parcel or tract of land, with improvements thereon, situate, lying and being on the northwest side of Longwood Road, also known as S.C. Hwy No. S40-960, near the City of Columbia, State of South Carolina, and being shown and delineated as Tract Number 1-A (containing 83.87 acres) upon a plat prepared for East Richland County Public Service District by Hammond E. Edwards, Jr., P.E. & R.L.S., dated May 26, 1989, and recorded in Book 52, Page 6238, in the Office of the Register of Deeds for Richland County, South Carolina.

EXHIBIT B



ALL BEARS ARE NEW 1/2" BEARS UNLESS NOTED

THIS IS TO CERTIFY THAT I HAVE CONSULTED THE FEDERAL INSURANCE ADMINISTRATION FLOOD HAZARD BOUNDARY MAP AND FINDING THAT THE PROPERTY DESCRIBED AND SHOWN HEREON IS NOT LOCATED IN A SPECIAL FLOOD HAZARD AREA AS SHOWN ON MAP NO. 40063C017D H, DATED FEBRUARY 29, 2002.

NOTE:
UPON RECORDATION, PARCEL "B" WILL BECOME AN UNDIVIDED PORTION OF RICHLAND COUNTY TAX MAP SHEET 10000-02-01.

PLAT PREPARED FOR
COMMONWEALTH COMMERCIAL PROPERTIES, LLC
SITE LOCATED IN RICHLAND COUNTY, SOUTH CAROLINA

SCALE: 1" = 300' DATE: JANUARY 02, 2007
REVISION NO. 30, 2011 TO ADD PARCEL "B"

REFERENCES:
1. RICHLAND COUNTY TAX MAP SHEET 10000-02-01, PORTION OF LOT OR
2. THE SAME BEING SHOWN AS A PORTION OF PARCEL B ON A PLAT PREPARED FOR GEORGE C.S. ADAMS & STEPHEN B. ADAMS BY E.P. SMITH & ASSOCIATES, INC. DATED OCTOBER 15, 1970

CERTIFICATIONS:
I HEREBY CERTIFY THAT THE PLAN SHOWN AND DESCRIBED HEREON IS A TRUE AND CORRECT SURVEY TO THE ACCURACY REQUIRED BY THE RICHLAND COUNTY SURVEYOR RECORDS AND THE MONUMENTS SHOWN HAVE BEEN PLACED TO THE SPECIFICATIONS SET FORTH IN THESE REGULATIONS.

I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE ANTI-SURVEYOR ABOLITION ACT OF 1996 AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "B" SURVEY AS SPECIFIED THEREIN.

LARRY W. SMITH, S.C. P.L.S. NO. 3724
ASSOCIATED S.C. INC.
600 VOLET STREET, WEST COLUMBIA, SOUTH CAROLINA 29169 - PH. 791-1550

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

OPTION AGREEMENT

THIS OPTION AGREEMENT (the "*Agreement*") is made and entered into as of the _____ day of _____, 2013 ("*Effective Date*"), by and between **LONGBRANCH FARM, INC.**, a South Carolina corporation ("*Optionor*") and **RICHLAND COUNTY, SOUTH CAROLINA** ("*Optionee*").

WITNESSETH:

1. Option to Purchase. For and in consideration of the Option Consideration (as hereinafter defined) in hand paid by Optionee to Optionor, receipt and legal sufficiency of which is hereby acknowledged by the parties hereto, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Optionor hereby grants to Optionee and its assigns, the irrevocable right and option ("*Option*") to purchase, at any time through the Option Date (as hereinafter defined), the Property (as hereinafter defined), on the terms and conditions set forth in this Agreement.

2. Property Subject to Option. The property subject to the Option consists of all that certain lot, tract or parcel of real property as more particularly shown on Exhibit A attached hereto and made a part hereof, containing approximately 218.5 acres collectively, more or less, and together with all rights, easements and appurtenances thereunto belonging (the "*Property*").

3. Option Consideration.

(a) Within five days of the Effective Date (as hereinafter defined), Optionee shall deliver to Optionor's Attorney, W.D. Morris, the sum of five thousand and no /100ths (\$5,000.00) Dollars ("*Option Consideration*").

(b) The Option Consideration shall be held by Optionor's Attorney. If (i) Optionee shall rescind, cancel or terminate this Agreement and shall notify Optionor, or (ii) Optionee fails to Exercise the Option as set forth in Section 4(a), Optionor shall immediately return the Option Consideration to Optionee as long as all Optionee Due Diligence Materials (as defined in Section 9(a) below) have been provided to the Optionor.

(c) All Option Consideration shall be applied to the Purchase Price at Closing, if Closing takes place within the terms and conditions as set forth herein.

(d) In the event of a default by either party, the Option Consideration shall be paid in accordance with Section 14 below.

4. Option Term/Closing

(a) The term of the Option shall be until **five (5) years** from the Effective Date ("*Option Date*"), unless terminated earlier at the option of Optionee. At any time on or before the Option Date, Optionee may elect to exercise the Option by providing Optionor written notification of its election ("*Exercise*"). Within five(5) days of delivery of the Exercise, Optionee must deliver an additional payment of Option Consideration in the amount of \$twenty thousand and no/100ths (\$20,000.00) Dollars, thereby increasing the total Option Consideration to \$twenty-five thousand and no / 100ths (25,000.00) Dollars. The Option Consideration shall continue to be governed by Section 3 above. The date such notification is mailed or hand delivered to Optionor shall be the "*Notification Date*." In the event Optionee timely elects to

exercise the Option granted herein, the Closing (as hereinafter defined) of the Property shall proceed pursuant to the terms and conditions as set forth herein. In the event Optionee terminates this Option or fails to mail or otherwise deliver to Optionor written notification of its exercise of the Option prior to the Option Date, Optionor shall immediately return the Option Consideration to the Optionee, and this Agreement will become null and void and neither party hereto shall have any further rights or obligation hereunder, except as otherwise specifically set forth herein.

(b) Optionor and Optionee acknowledge and agree that this Agreement may be extended for such periods and on such terms as the parties mutually agree to.

(c) Provided that Optionee has timely delivered the Exercise of the Option as set forth in Section 4(a) above, the closing of the purchase and sale of the Property ("*Closing*") will be held at a location to be determined by the Optionee on any date ("*Closing Date*") which is on or before that date which is forty five (45) days following the Notification Date, at Optionee's option. Optionee shall give Optionor written notice of the Closing Date at least five (5) days in advance thereof.

5. Purchase Price: Method of Payment. Subject to prorations, adjustments and credits as otherwise specified in this Section 5 and elsewhere in this Agreement, the purchase price ("*Purchase Price*") to be paid to Optionor for the Property at Closing shall be Eighteen Thousand and no/100 (\$18,000) Dollars per acre.

The total acreage of the Property and the corresponding total Purchase Price shall be determined by the Survey to be obtained by the Optionee pursuant to the terms of Section 8 hereinafter. The Purchase Price will be calculated by multiplying the price per acre by the acreage determined to the nearest hundredth of an acre.

6. Prorations and Adjustments to Purchase Price. The following prorations and adjustments shall be made between Optionee and Optionor at Closing, or thereafter if Optionee and Optionor shall agree, with respect to the Purchase Price:

(a) All city, state and county ad valorem taxes (other than rollback taxes) and similar impositions levied or imposed upon or assessed against the Property, if any, (hereinafter called the "*Impositions*") for the year in which Closing occurs shall be prorated as of the Closing Date. Optionor shall have no obligation to pay any rollback taxes, if any. In the event the Impositions for such year are not determinable at the time of Closing, said Impositions shall be prorated on the basis of the best available information, and the parties shall re-prorate the Impositions for such year promptly upon the receipt of the imposition bills for such year and shall make between themselves any equitable adjustment required by reason of any difference between the estimated amount of the Impositions used as a basis for the proration at Closing and the actual amount of the Impositions for such year. This obligation shall survive Closing and recordation of the Deed. In the event any of the Impositions are due and payable at the time of Closing, the same shall be paid at Closing. If the Impositions are not paid at Closing, Optionee shall be responsible for payment in full of the Impositions within the time fixed for payment thereof and before the same shall become delinquent. Optionor shall deliver to Optionee the bills for the Impositions promptly upon receipt thereof.

(b) Any other items which are customarily prorated in connection with the purchase and sale of properties similar to the Property shall be prorated as of the Closing Date.

7. Title.

(a) Optionor covenants to convey to Optionee at Closing fee simple marketable title in and to the Property, subject only to the following: (i) current city, state and county ad valorem taxes not yet due and payable; and (ii) easements for the installation or maintenance of public utilities serving only the Property (collectively, "*Permitted Exceptions*").

(b) Optionee shall, at Optionee's expense and within six (6) months of the date hereof, examine the title to the Property and shall give Optionor written notice of any objections which render Optionor's title less than fee simple marketable title (each a "*Title Objection*"). Optionor shall have until thirty (30) days from the date of receipt of such notice in which to satisfy all Title Objections specified in Optionee's initial notice of Title Objections. If Optionor fails to satisfy any Title Objection, then, at the option of Optionee, Optionee may: (i) terminate this Agreement, in which event the Option Consideration shall be refunded to Optionee promptly upon request and thereafter all obligations of the parties under this Agreement shall expire, and except as expressly set forth herein to the contrary, this Agreement shall be of no further force or effect; (ii) extend the period of time in which Optionor has to cure the Title Objections until Optionor has satisfied such Title Objection and Optionor agrees to use its best efforts to satisfy any such Title Objection; or (iii) waive the Title Objection. Subsequent to the Notification Date, Optionee may update title to the Property, and if any matters of title have arisen since the date of the Optionee's initial title examination, Optionee shall give written notice to Optionor of the same, and the same provisions shall apply with respect to the obligations of Optionor and Optionee's rights and remedies in the event that Optionor does not cure the Title Objections.

(c) Any mortgage, lien, judgment, or other claim in a liquidated amount which constitutes an exception to the title to the Property (whether or not the same is disclosed by the title examination or listed in any notice of title objection by Optionee) shall not in any event be a Permitted Exception hereunder, but such claim shall be paid, bonded or insured by Optionor to the satisfaction of the Optionee and Optionee's title insurer at Closing.

(d) Except as provided hereinafter, from and after the Effective Date of this Agreement through Closing, Optionor shall not mortgage or otherwise encumber the Property (except with obligations that can be paid at closing), or take any action or permit any happening that would interfere with the transaction contemplated by this Option, including granting or imposing any timber rights or deeds, easements, warranty, conditions or restrictions with respect to the Property without obtaining Optionee's consent, which shall not be unreasonably withheld, conditioned, or delayed.

8. Survey.

(a) Optionee shall, within six (6) months of the date hereof, obtain, at Optionee's expense, a survey of the Property ("*Survey*") prepared by a surveyor registered and licensed in the State of South Carolina. Such survey shall be signed and certified by the surveyor. The legal description of the Property set forth in the limited warranty deed to be delivered by Optionor at Closing shall be based upon and shall conform to the Survey. Such Survey shall be delivered to Optionor's attorney at least fifteen (15) days prior to Closing.

(b) Optionee shall, within six (6) months of the date hereof give Optionor written notice pursuant to this Agreement if Optionee objects to a specific matter which affects the fee simple title to the Property shown on the said Survey (each a "*Survey Objection*"), and Optionor shall, within ten (10) days after Optionee has received notice, elect by written notice to Optionee to either (i) at Optionor's sole cost and expense, take such actions as may be necessary to correct such of said objections as Optionee specifies in said notice, or (ii) decline to correct such objections. The failure of Optionor to give Optionee notice of Optionor's selection shall be deemed to be an election of (ii) above. In the event Optionor elects to correct less than all of such objections or elects option (ii) above, Optionee shall have ten (10) days after receipt of Optionor's notice, to elect either to (1) proceed with this Agreement and waive the Survey Objection which

Optionor has elected not to correct, or (2) terminate this Agreement and receive a refund of the Option Consideration. The failure by Optionee to give Optionor notice of Optionee's election shall be deemed to be an election of option (1) above.

9. Investigation of the Property.

(a) Between the Effective Date hereof and the Closing Date, Optionee and Optionee's agents and designees shall have the right to enter the Property for the purposes of inspecting the Property and making surveys, mechanical and structural engineering studies, and any other investigations and inspections as Optionee may reasonably require to assess the condition of the Property (collectively, the "*Optionee Due Diligence Materials*"); provided, however, that such activities by or on behalf of Optionee shall not damage the Property and shall not materially interfere with Optionor's normal ownership activities conducted on or from the Property. If Optionee fails to exercise the option, then any and all Optionee Due Diligence Materials will be delivered to the Optionor, at no expense, within thirty days of Optionee's notice not to exercise the option. Optionor will not be required to return the Option Consideration until all Optionee Due Diligence Materials have been delivered to the Optionor. Notwithstanding the foregoing, Optionee will raise any objections with respect to the condition of the Property within nine (9) months of the Effective Date.

(b) Optionee hereby agrees to reimburse Optionor for all claims, demands, actions, losses, costs, damages, liabilities and expenses (including, without limitation, reasonable attorneys' fees, costs of litigation and the cost and expense of removing or bonding over any liens affecting the Property) actually incurred by Optionor by reason of the Optionee's exercise of the rights, duties and privileges granted to Optionee in this Section 9. The obligations of Optionee contained in the immediately preceding sentence shall expressly survive the Closing or any termination of this Agreement, in each case for a period of six (6) months, and shall not be subject to the liquidated damage provisions of Section 14(a) hereof.

10. Proceedings at Closing. On the Closing Date, the Closing shall take place as follows:

(a) Optionor shall deliver to Optionee the following documents and instruments, duly executed by or on behalf of Optionor: (i) limited warranty deed, in recordable form, conveying the Property; (ii) an Owner's Affidavit, in form and substance reasonably acceptable to Optionee's title insurer, with respect to the Property; (iii) a certificate of Optionor stating that Optionor is not a "foreign person" under §1445 of the Internal Revenue Code, as amended, and applicable regulations; (iv) such other documents as may be reasonably required by Optionee's title insurer as a condition to insuring Optionee's title to the Property free of exceptions other than the Permitted Exceptions; and (v) evidence in form and substance reasonably satisfactory to Optionee that Optionor has the power and authority to execute and enter into this Agreement and to consummate the purchase and sale of the Property.

(b) Optionee shall deliver to Optionor the following funds, documents and instruments, duly executed on behalf of Optionee: (i) the Purchase Price in accordance with the terms of this Agreement; (ii) evidence in form and substance reasonably satisfactory to Optionor that Optionee has the power and authority to execute and enter into this Agreement and to consummate the purchase and sale of the Property.

11. Costs of Closing.

(a) Optionor shall pay Optionor's attorneys' fees, the commission of any broker involved in the sale of the Property, the transfer fees associated with the recording of the limited warranty deed, and other fees or charges of any kind or nature customarily paid by sellers in similar transactions in South Carolina.

(b) Optionee shall pay its attorney fees, the costs associated with any financing obtained by Optionee, Optionee's inspection costs, all costs and expenses associated with the preparation of the title

commitment and the premium for the owner's policy of title insurance to be issued in favor of Optionee insuring Optionee's title to the Property pursuant to Section 7(b) hereof, the cost of the Survey, and the recording costs associated with the recording of the Optionor's deed to Optionee.

(c) All other costs and expenses of the transaction contemplated hereby shall be borne by the party incurring the same.

12. Possession at Closing. In the event Optionee timely delivers its Exercise, Optionor shall surrender possession of the Property to Optionee on the Closing Date, provided however, Optionee acknowledges that Optionor will need a period of time following delivery of the Exercise in order to vacate the Property, and Optionee agrees that, notwithstanding the Closing, Optionee will give Optionor not less than ninety (90) days from the date of the Exercise to fully vacate the Property. Optionor and Optionee will enter into an agreement at Closing which provides Optionee possession of the Property for the portion of such 60-day period as is after the Closing Date. Optionor's activities on the Property after Closing shall be limited to those activities necessary in connection with Optionor winding up operations on and vacating the Property.

13. Warranties, Representations, Additional Covenants of Optionor and Optionee.

(a) In order to induce Optionee to enter into this Agreement, Optionor represents and warrants to Optionee as follows:

(i) That, on the Closing Date, Optionor shall have fee simple title to the Property, subject only to the Permitted Exceptions.

(ii) That this Agreement has been duly authorized and executed on behalf of Optionor and constitutes the valid and binding agreement of Optionor, enforceable against Optionor in accordance with its terms.

(iii) There are no actions, suits or proceedings pending or threatened against, by or affecting Optionor which affect title to the Property or which question the validity or enforceability of this Agreement or of any action taken by Optionor under this Agreement, in any court or before any governmental authority, domestic or foreign; and that there are no pending, threatened or contemplated condemnation actions involving all or any portion of the Property.

(iv) That the execution and delivery of the documents and instruments to be executed and delivered by Optionor on the Closing Date, and the performance by Optionor of Optionor's duties and obligations under this Agreement and of all other acts necessary and appropriate for the full consummation of the purchase and sale of the Property as contemplated by and provided for in this Agreement, are, to the best of Optionor's knowledge, consistent with and not in violation of, and will not create any adverse condition under, any contract, agreement or other instrument to which Optionor is a party, or any judicial order or judgment of any nature by which Optionor is bound.

(v) That to the best of Optionor's knowledge, information, and belief, without duty of inquiry, there are no storage tanks located on the Property, either above or below ground, or any underground pipes or lines on the Property, other than for potable water or sanitary sewer, nor were there any such tanks, pipes, or lines formerly on the Property.

(vi) Optionor has received no notice of the existence of any areas on the Property where hazardous substances or wastes have been generated, disposed of, released or found, and, to the best of Optionor's knowledge, information and belief, no such areas for the generation, storage, disposal or release of any hazardous substances or wastes exist on the Property. For purposes of this Agreement, the term "hazardous substances or wastes" shall mean petroleum including crude oil or any fraction thereof, and

any substance identified in CERCLA, FIFRA, RCRA or any other federal, state or other governmental legislation or ordinance identified by its terms as pertaining to the management, disposal or release of hazardous substances or wastes. In the event Optionor receives notice of any such violations affecting the Property prior to Closing, Optionor promptly shall notify Optionee thereof.

(vii) That to the best of Optionor's knowledge, information and belief, there is no condition on the property that is in violation of any statute, ordinance or regulation for the protection of human health or the environment.

(viii) There is no pending litigation or dispute concerning the location of the lines and corners of the Property and such lines and corners are clearly marked.

(ix) Optionor does not have any knowledge of any significant adverse fact or condition relating to the Property, which has not been specifically disclosed in writing by Optionor to Optionee.

(x) Optionor has received no notice that any municipality or any governmental or quasi-governmental authority has determined that there are any violations of zoning, health, environmental or other statutes, ordinances or regulations affecting the Property, and Optionor has no knowledge of any such violations. In the event Optionor receives notice of any such violations affecting the Property prior to Closing, Optionor promptly shall notify Optionee thereof.

(b) Optionor agrees to indemnify, defend and hold harmless Optionee from and against any and all claims or losses related to the presence of hazardous substances or wastes on or at the Property or migrating from the Property at any time prior to or on the Closing Date or for any condition of the Property subject to regulation under any statute, ordinance or regulation for the protection of human health or the environment that is on the Property on the Closing Date. This indemnity shall survive the consummation of the purchase and sale of the Property on the Closing Date.

(c) In the event Optionee timely delivers its Exercise, the obligation of Optionee that arise to purchase the Property at Closing and to perform under this Agreement shall be subject to the representations and warranties made by Optionor in this Agreement being true as of the date of this Agreement and as of the Closing Date, and Optionor having performed all covenants and obligations and complied with all conditions required of it by this Agreement.

14. Remedies

(a) Provided that Optionee has timely delivered its Exercise and further provided that Optionor is not in default under this Option, if the purchase and sale of the Property is not consummated in accordance with the terms and conditions of this Agreement due to circumstances or conditions which constitute a default by Optionee under this Agreement and such default is not cured within ten (10) days after written notice by Optionor to Optionee specifying the default, the Option Consideration shall be retained by Optionor as full liquidated damages for such default. The parties acknowledge that Optionor's actual damages in the event of a default by Optionee under this Agreement will be difficult to ascertain, and that such liquidated damages represent the parties' best estimate of such damages. The parties expressly acknowledge that the foregoing liquidated damages are not intended as a penalty. Such retention of the Option Consideration shall be the sole and exclusive remedy of Optionor by reason of a default by Optionee under this Agreement, and Optionor hereby waives and releases any right to sue Optionee, and hereby covenants not to sue Optionee, for specific performance of this Agreement or to prove that Optionor's actual damages exceed the amount which is herein provided to Optionor as full liquidated damages.

(b) Provided that Optionee has timely delivered its Exercise and further provided that Optionee is not in default under this Option, if the purchase and sale of the Property is not consummated in accordance with the terms and conditions of this Agreement due to circumstances or conditions which constitute a default by Optionor under this Agreement, then Optionee shall be entitled to either (i) terminate this Agreement by giving written notice of strict termination to Optionor whereupon the Option Consideration shall be returned to Optionee, and this Agreement shall be deemed null and void and of no further force or effect, and no party hereto shall have any further rights, obligations or liabilities hereunder, or (ii) seek specific performance of this Agreement; provided, however, that in the event that the court is unable to enforce specific performance of this Agreement as a result of an intentional act of Optionor in violation of its obligations under this Agreement, Optionee shall be entitled to recover its damages in lieu of specific performance.

15. Condemnation. In the event of the taking of all or any portion of the Property by eminent domain proceedings, or the commencement or bona fide threat of the commencement of any such proceedings, prior to Closing, Optionee shall have the right at Optionee's option, to terminate this Agreement by giving written notice thereof to Optionor prior to Closing, in which event the Option Consideration shall be refunded to Optionee promptly upon request, all rights and obligations of the parties under this Agreement shall expire, and this Agreement shall become null and void. If Optionee does not so terminate this Agreement, Optionor shall either (i) assign to Optionee at Closing all rights of Optionor in and to any awards or other proceeds paid or payable thereafter by reason of any taking, or (ii) if such award or payment is made to Optionor prior to closing, the Purchase Price will be reduce by an amount equal to the award or payment. Optionor shall notify Optionee of eminent domain proceedings within five (5) days after Optionor learns thereof.

16. Assignment. This Agreement may be assigned by Optionee, in whole or in part, with notice of Assignment in writing to Optionor.

17. Parties. This Agreement shall be binding upon, enforceable against, and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

18. Brokers. Optionor warrants and represents to the Optionee that Optionor will be responsible for all brokerage commissions or fees payable in connection with this Agreement or the purchase and sale of the Property. Optionor shall and does hereby indemnify, defend and hold harmless Optionee from and against the claims, demands, actions, and judgments of any other brokers, agents and other intermediaries alleging a commission, fee or other payment to be owing by reason of its dealings, negotiations or communications in connection with this Agreement or the purchase and sale of the Property. The indemnity obligation contained in this Section 18 shall expressly survive the Closing or any termination of this Agreement.

19. Survival. All of the representations, covenants and warranties of the parties in this Agreement shall survive the consummation of the purchase and sale of the Property on the Closing Date.

20. Modification. This Agreement supersedes all prior discussions and agreements between Optionee and Optionor with respect to the purchase and sale of the Property and other matters contained herein, and contains the sole and entire understanding between Optionee and Optionor with respect thereto. This Agreement shall not be modified or amended except by an instrument in writing executed by or on behalf of Optionor and Optionee.

21. Applicable Law. This Agreement shall be governed construed under and interpreted and enforced in accordance with the laws of the State of South Carolina and any litigation hereunder shall be conducted in state or federal court in South Carolina.

22. Time. Time is and shall be of the essence of this Agreement.

23. Captions. The captions and headings used in this Agreement are for convenience only and do not in any way restrict, modify or amplify the terms of this Agreement.

24. Exhibits. Each and every exhibit referred to or otherwise mentioned in this Agreement is and shall be construed to be made a part of this Agreement by such reference or other mention at each point at which such reference or other mention occurs, in the same manner and with the same effect as if each exhibit were set forth in full and at length every time it is referred to or otherwise mentioned.

25. Notices. All notices, elections and communications permitted or required hereunder shall be in writing, signed by the party making the same, and shall be delivered personally, sent by reputable overnight delivery service or by registered or certified mail, return receipt requested, at the addresses set forth below. The date of such notice or communication shall be the date of personal delivery, signed receipt for overnight delivery, or mailing as the case may be, unless otherwise specified herein. In the event any date on which any notice or election is required to be made hereunder falls on Saturday, Sunday or federal, state or county holiday, then, the date on which such notice is required to be given or made hereunder shall, for all purposes, be deemed to be the next following business day.

Optionor: Longbranch Farm, Inc.
1 Lake Point Rd
Columbia, South Carolina 29209
Attn: R.C McEntire
Phone: (803) 799-3388

With a copy to: NAI Avant Attn: Tom Milliken
PO Box 2267
Columbia, SC 29202
Phone: 803-744-9837

Morris Law Firm
3700 Forest Drive
Forest Acres, SC 29204
Attn: W.D. Morris
803-782-7236

Optionee: Richland County, South Carolina
2020 Hampton Street
Columbia, South Carolina 29201
Attn: County Administrator
Phone: (803) 576-2050

With a copy to: Parker Poe Adams & Bernstein LLP
1201 Main Street, Suite 1450
Columbia, South Carolina 29201
Attn: Ray Jones
Phone (803) 255.8000

26. Memorandum. A memorandum of this Agreement shall be executed and duly acknowledged by Optionor and Optionee for the purpose of recording within ten (10) days from the Effective Date hereof.

27. Optionor Right to Sell Property; Optionee Right of First Refusal. Notwithstanding any provision herein to the contrary, if hereof Optionor receives from a third party during the term of this Agreement a written expression of interest (e.g. a letter, binding, partially binding or non-binding letter of intent, offer to purchase or draft contract, lease or other agreement) which is in all material respects acceptable to Optionor outlining the primary business terms on which such third party proposes to purchase or otherwise directly or indirectly acquire the Property or any portion thereof (a "*Proposal*"), then Optionor shall first offer in writing to sell the portion of the Property covered by the Proposal to Optionee. Optionor shall promptly notify Optionee in writing of the existence of the relevant Proposal (and of Optionor's willingness to accept same), and such notification from Optionor to Optionee shall also identify all material economic terms and conditions provided for in the Proposal including the identity of the prospective third party transferee. Optionee shall within forty-five (45) days after such notification is received by Optionee from Optionor to elect (by so notifying Optionor in writing) to purchase the Property encompassed by the relevant Proposal. The purchase price, shall be equal to the purchase price set forth in the Proposal. If Optionee fails to notify Optionor in writing of Optionee's acceptance of the offer within the period set forth above, then the offer shall be deemed conclusively rejected by Optionee. If Optionee does not elect to purchase the Property pursuant to a Proposal, Optionor may proceed to sell the Property on the exact terms set forth in the Proposal, and Optionor agrees to reimburse Optionee for all actual costs incurred by Optionee in connection with its investigation of the Property, including without limitation all costs paid for Optionee Due Diligence Materials and all attorney's fees actually incurred. The reimbursement obligation of Optionor under this provision shall not exceed \$43,000.

28. 1031 Exchange. Optionor may structure this transaction as a like kind exchange pursuant to Section 1031 of the Internal Revenue Code. Optionee shall cooperate in effecting Optionor's exchange. Optionor will make all necessary arrangements for the exchange, pay all costs associated with the exchange and bear all other expenses and risks necessary to accomplish the exchange. Optionor's exchange shall be accomplished through a qualified intermediary, Escrow Agent, exchange agent or similar third party. Optionor's structuring the conveyance of the Property as an exchange shall not extend or delay the Closing of the Property

Signature page to follow.

IN WITNESS WHEREOF, the Optionee has caused this Agreement to be executed by its duly authorized officer this ____ day of _____, 2013.

WITNESSES:

OPTIONEE:

Richland County, South Carolina

By: _____
Name: _____
Title: _____

**STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND**

ACKNOWLEDGMENT

I, _____, Notary Public, certify that _____, as _____ of **Richland County, South Carolina**, personally came before me this day and voluntarily executed the foregoing as his/her act and deed.


Witness my hand and official seal,
this the ____ day of _____, 2013.

Notary Public for South Carolina

My Commission Expires _____

IN WITNESS WHEREOF, the Optionee has caused this Agreement to be executed by its duly authorized officer this 21st day of January, 2013.

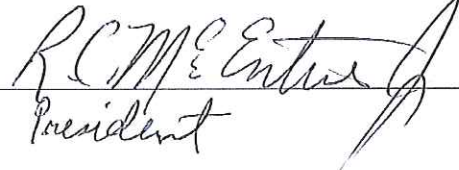
WITNESSES:



R. Bryant

OPTIONOR:

Longbranch Farm, Inc., a South Carolina corporation

By: 

Title: President

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND

ACKNOWLEDGMENT

I, Lance Aitshie, Notary Public, certify that P.C. McEntire, Jr., as President of Longbranch Farm, Inc., a South Carolina corporation, personally came before me this day and voluntarily executed the foregoing as his/her act and deed.

Witness my hand and official seal,
this the 21st day of January, 2013.



Notary Public for South Carolina

My Commission Expires My Commission Expires May 8, 2016

EXHIBIT "A"

All that certain piece, parcel or tract of land, with all improvements thereon, situate, lying and being in the County of Richland, State of South Carolina, containing 218.5± Acres, more or less, and being more particularly shown and delineated on a plat prepared for Longbranch Farm, Inc. by United Design Services, Inc. dated December 6, 2004 and recorded in the Office of the Register of Deeds for Richland County in Plat Book 1025 at Page 3242, and shown thereon as having the following metes and bounds, to-wit: Beginning at an iron at the westernmost point of said property at the intersection of Bluff Road and Carswell Drive, thence turning and running N46°29'04"E along Carswell Drive for a distance of 1,043.26 feet to an iron; thence turning and running along property now or formerly of Richland County Recreation Commission as shown on said plat, the following courses and distances: S43°58'45"E for a distance of 284.89 feet to an iron, thence N46°03'01"E for a distance of 1,799.80 feet to an iron, thence N43°56'21"W for a distance of 464.89 feet to an iron; thence turning and running N46°01'55"E along a portion of property now or formerly of Mor-Jay Properties, LLC as shown on said plat for a distance of 28.30 feet to a steel post; thence turning and continuing along property now or formerly of Mor-Jay Properties, LLC N48°30'51"E for a distance of 200.10 feet to a steel post; thence turning and running N48°06'59"E along property now or formerly of Frances S. Smoak, et al. as shown on said plat for a distance of 202.44 feet to a steel post; thence turning and continuing along property now or formerly of Frances S. Smoak, et al. N49°10'18"E for a distance of 232.15 feet to a steel post; thence turning and running N49°06'07"E along property now or formerly of Medlin as shown on said plat for a distance of 207.58 feet to an iron; thence continuing along property now or formerly of Medlin N41°58'30"E for a distance of 199.07 feet to a steel post; thence turning and running N46°16'03"E along property now or formerly of Peacock as shown on said plat for a distance of 257.56 feet to an iron; thence turning and running along the centerline of the creek/branch separating subject property from property now or formerly of Walker Farms Partnership as shown on said plat, the following courses and distances: S18°55'08"W for a distance of 368.54 feet to a point, thence S23°22'11"E for a distance of 235.64 feet to a point, thence S10°49'28"E for a distance of 181.22 feet to a point; thence turning and running S49°14'47"W along property now or formerly of East Richland County Public Service District as shown on said plat for a distance of 169.56 feet to a point; thence turning and continuing along said property now or formerly of East Richland County Public Service District S58°36'17"E for a distance of 3,388.16 feet to an iron; thence turning and running S70°01'19"W along the northwestern right-of-way margin of Longwood Road for a distance 1,686.42 feet to an iron; thence continuing along Longwood Road S70°02'10"W for a distance of 1,200.36 feet to an iron; thence turning and running along property now or formerly of RWE Nukem Corporation as shown on said plat, the following courses and distances: N19°55'09"W for a distance of 1,192.61 feet to an axle, thence S25°00'27"W for a distance of 594.71 feet to an iron, thence S25°01'50"W for a distance of 1,047.48 feet to an iron, thence S18°17'28"E for a distance of 60.67 feet to an iron; thence turning and running along the northwestern right-of-way margin of Longwood Road, the following courses and distances: S50°24'43"W for a distance of 50.02 feet to an iron, thence S45°41'08"W for a distance of 76.52 feet to an iron; thence turning and running N65°02'35"W along property now or formerly of Thomas W. Williamson and property now or formerly of Alvin T. Landers as shown on said plat for a total distance of 857.58 feet to an iron; thence turning and running N65°01'54"W along property now or formerly of Allison's Tupelo, LLC as shown on said plat for a distance of 817.89 feet to an iron; thence turning and running N24°01'56"E along property now or formerly of Rosa Lee Johnson, et al. as shown on said plat for a distance of 155.32 feet to an iron; thence turning and running N66°11'43"W along property now or formerly of Rosa Lee Johnson, et al. and property now or formerly of James Ward, Jr. as shown on said plat for a total distance of 580.35 feet to an iron; thence turning and running N47°37'51"W along Bluff Road as shown on said plat for a distance of 51.41 feet to the iron being the point of beginning.

This being the same property conveyed to Longbranch Farm, Inc. by deed of Branch Interests, A South Carolina General Partnership dated January 31, 1995 and recorded in the Office of the Register of Deeds for Richland County in Deed Book 1240 at Page 819; by deed of R. C. McEntire, Jr. dated January 31, 1995 and recorded in said Register's Office in Deed Book 1240 at Page 822; by deed of Terraceway Service Co., Inc. dated January 10, 2002 and recorded in the Office of the Register of Deeds for Richland County on January 11, 2002 in Book 613 at Page 439; and by deed of R.C. McEntire, Jr. dated February 23, 2005 and recorded in the Office of the Register of Deeds for Richland County on February 24, 2005 in Book 1026 at page 2748.

TMS No.: 16100-02-02, 04, 07, 21

Richland County Council Request of Action

Subject

Community Relations Council Appointments [**PAGES 210-216**]

Community Relations Council

One-third (10) of the thirty members are appointed by Richland County Council; one-third by the Columbia City Council; and, one-third by the Columbia Chamber of Commerce. The terms are three years. The Committee's goal is to make the Midlands a better place to live and work for all residents. To achieve its objective, efforts are made to improve and promote communications among business, government, and citizens. The staff studies and evaluates information received concerning racial and social problems within the Columbia metropolitan area and takes proper action based on consultation with the Board of Directors. The staff also works to assist its clientele with employment housing, education, crime, delinquency awareness, and health care.

BYLAWS OF GREATER COLUMBIA COMMUNITY RELATIONS COUNCIL
adopted November 8, 1983
amended May 17, 1989

ARTICLE I

ORGANIZATION

Section 1. This organization is incorporated under the laws of the state of South Carolina and shall be known as the Greater Columbia Community Relations Council.

Section 2. The corporate seal shall be circular in form and shall have inscribed thereon around the edge the words "Greater Columbia Community Relations Council;" and the word "Seal" through the center thereof.

Section 3. The Council shall be an eleemosynary (non-profit corporation and shall exist for the purpose of:

- a. Studying and evaluating information concerning racial problems and other community relations issues within the community;
- b. Formulating and submitting opinions and recommendations as to possible courses of action that appear in the best interest of the community as a whole, and seeking an equitable resolution;
- c. Furthering the employment opportunities and the necessary related training for underprivileged persons;
- d. Carrying out such other objectives as may be approved by the Board of Directors in its annual program of work.

ARTICLE II

BOARD OF DIRECTORS

Section 1. The governing body of the Council shall be a Board of Directors not more than thirty (30) persons or less than twenty-one (21) persons, selected and appointed as herein below set forth, without regard to race, color, creed, sex or national origin.

Section 2. Only the action of the Board of Directors shall constitute the policy or position of the Council.

Section 3. The Board of Directors shall be selected and appointed one-third by the Columbia City Council, one-third by the Richland County Council and one-third by the Greater Columbia Chamber of Commerce.

Section 4. The term of office of each Board member shall be three (3) years.

Section 5. No member of the Board of Directors shall be appointed to more than two (2) full consecutive terms.

An ex-Board member will be eligible for re-appointment after a lapse of one (1) year. Upon completion of the term of office as Chair, he or she may serve as a member of the Executive Committee of the Board for one (1) year.

ARTICLE III

MEETINGS

Section 1. Regular meetings of the Board of Directors of the Council shall be held monthly. The Board may dispense with two regular meetings per year. The June meeting shall be designed as the annual meeting.

Section 2. Special meetings of the Board of Directors shall be called by the Chair of the Board or upon the written request of any six (6) members of the Board.

Section 3. Notices and an agenda of all meetings of the Board shall be given to the public and to each member in writing and delivered either personally or by mail at least seven (7) days prior to the date of the meeting. Notice may be waived upon the necessity of special meetings of an urgent nature.

Section 4. One third of the total membership shall constitute a quorum at any meeting, but the members present, if less than a quorum, shall have the power to adjourn from time to time until the necessary number of members are present to constitute a quorum. The acts approved by a majority of those present at any meeting, at which a quorum is present, shall constitute the acts of the Board of Directors.

Section 5. Each member is entitled to one vote on each issue presented. Votes must be cast in person. Voting may be by secret ballot or by voice.

ARTICLE IV

OFFICERS

... of the Board shall be a Chair,

Section 1. The officers of the Board shall be Vice-Chair, and Treasurer. All such officers shall be elected from the Board at the annual meeting of the Board of directors and shall serve during the next ensuing fiscal year and until such time as their successors are duly qualified and elected.

-8-

Section 2. Any officer may be removed from office at any time by a majority vote of the Board of Directors as then constituted, notwithstanding the fact that the term for which they may have been elected has not expired. No cause need be assigned for any removal under this section.

Section 3. Any vacancy in any office, regardless of the cause, may be filled by the Board of Directors at any regular or special meeting.

Section 4. The Chair of the Board of Directors shall preside at all meetings of the Board of Directors as well as all meetings of the Executive Committee, shall execute all contracts authorized by the Board of Directors and shall perform such other duties as the incident to the office or properly required by the Board of Directors.

Section 5. The Vice Chair shall perform the duties of the Chair in the absence of the Chair or in the event of the inability of the Chair to act. In addition, the Vice-Chair shall have such powers and discharge such duties as may be properly assigned from time to time by the Board of Directors.

Section 6. The Treasurer shall also serve as Chair of the Budget and Finance Committee and shall have such other powers and perform such other duties as are incident to the office.

Section 7. In addition to the officers mentioned hereinabove, the Board of Directors shall hire an Executive Director who shall be the Chief Administrative Officer and who shall serve as Secretary to the Board and shall hold office at the pleasure of the Board of Directors. The Executive Director shall report directly to the Chair of the Board of Directors. The Executive Director shall receive an annual performance appraisal by the Executive Committee. The Executive Director shall have such powers and perform such duties as are incident to the office or properly required by the Board of Directors. At least annually, the Executive Director shall file with the Columbia City Council and Richland County Council and the Greater Columbia Chamber of Commerce a list of all members of the Council and Officers and Directors and an annual report of the activities of the Corporation for the preceding year, together with an audit of its financial affairs to be furnished by the Budget and Finance Committee, all of which shall be made a matter of public record. The Executive Director shall also maintain a list of interested citizens

Director shall also maintain a list of the
and agencies of Richland County and the City of Columbia who
shall be notified of all public meetings.

Section 8. The Executive Director shall keep a current record of all proceedings at the meetings of the Board of Directors and the meetings of the Executive Committee, shall attend to the giving of notices, have custody of the

-9-

corporate seal, and affix it to all instruments required to be executed under seal and authorized by the Board of Directors, shall have such other powers and perform such other duties as are incident of the office or properly required by the Board of Directors.

ARTICLE V

COMMITTEES

Section 1. There shall be the following standing committees:

- a. Executive Committee
- b. Budget and Finance Committee
- c. Annual Meeting Committee
- d. Nominating Committee
- e. Bylaws

Section 2. The Executive Committee shall be composed of the Chair of the Board of Directors, the Vice-Chair of the Board of Directors, the Treasurer, one appointee by the Chair and the immediate past Chair. In the event the term of the immediate past Chair has expired, the Chair shall appoint a member of the Board of Directors to serve. The Executive Committee shall evaluate the performance of the Executive Director on an annual basis. All actions of the Executive Committee must be ratified by the Board of Directors at the next meeting.

Section 3. The Treasurer shall serve as the Chair of the Budget and Finance Committee. Two other members from the Board of Directors shall be appointed annually by the Chair, with the consent and approval of the Board, to serve as additional members. The Budget and Finance Committee shall timely prepare or cause to be prepared, a proposed budget of estimated income and expenditures of the Council for the ensuing year. The proposed budget and subsequent revision shall be submitted to, considered by, and acted upon by the Board of Directors. As approved by the Board of Directors without modification, this budget shall be

Directors with or without the
the operating budget of the Council. The budget may be
revised at any time by majority vote of the Board. The
Budget and Finance Committee shall also cause the books and
the accounts of the Council to be audited annually by a
certified public accountant at the close of each fiscal
year. This audit report shall be submitted to the Board of
Directors for approval.

Section 4. Other committees consisting of Board
members, or consisting partially or wholly of non-Board
members, may be authorized from time to time by the Board.
The members of all such committees shall serve for such time
as may be determined by the Board of Directors. The Chair
of such committees shall serve on the Board of Directors.

-10-

ARTICLE VI

Contract and Disbursements

Section 1. All contracts, agreements, leases, and
official written documents of the corporation shall be
executed by the Chair of the Board of Directors and attested
by the Executive Director and the Corporate seal affixed.

Section 2. All disbursements of the Council shall be
made by check over the signatures of the Chair or Treasurer
and the Executive Director. All disbursements must be made
within the framework of established budgets and agreements
approved by the Board of Directors.

ARTICLE VII

Miscellaneous

Section 1. All officers and employees of the Council
shall be bonded at least to the limit of all funds handled
by their offices.

Section 2. The Council shall function on a fiscal
year, ending June 30th of each year.

ARTICLE VIII

Amendments

These bylaws may be amended by a majority of the full Board of Directors (as then constituted) at any meeting of the Board of Directors provided that the notice of such meeting clearly set forth the proposed changes which are to be considered.

ARTICLE IX

Procedure

The Council shall conduct its meetings in accordance with the procedure as set forth in Robert's Rules of Order Revised except where the bylaws or the laws of South Carolina provide otherwise.

Richland County Council Request of Action

Subject

If the number of applicants for a Richland County board or committee exceeds the number of available positions there will be no interviews of those applicants. The reason for this motion is that after the Rules & Appointments Committee takes the time to interview applicants and make recommendation to full council based on that interview, council members who supported someone else not chosen request an individual vote for political reasons rather than needs of the committee they applied for. It becomes a wast of the applicants time to be interviewed and the committee's time if this is the process preferred. [MALINOWSKI]

Richland County Council Request of Action

Subject

A Resolution to appoint and commission Michael Zaprzalka as a Code Enforcement Officer for the proper security, general welfare, and convenience of Richland County **[PAGES 218-219]**

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

**A RESOLUTION OF THE
RICHLAND COUNTY COUNCIL**

**A RESOLUTION TO APPOINT AND COMMISSION MICHAEL ZAPRZALKA
AS A CODE ENFORCEMENT OFFICER FOR THE PROPER SECURITY,
GENERAL WELFARE, AND CONVENIENCE OF RICHLAND COUNTY.**

WHEREAS, the Richland County Council, in the exercise of its general police power, is empowered to protect the health and safety of the residents of Richland County; and

WHEREAS, the Richland County Council is further authorized by Section 4-9-145 of the Code of Laws of South Carolina 1976, as amended, to appoint and commission as many code enforcement officers as may be necessary for the proper security, general welfare, and convenience of the County;

NOW, THEREFORE, BE IT RESOLVED THAT Michael Zaprzalka is hereby appointed and commissioned Code Enforcement Officer of Richland County for the purpose of providing for the proper security, general welfare, and convenience of the County, replete with all the powers and duties conferred by law upon constables, in addition to such duties as may be imposed upon him by the governing body of this County, including the enforcement of the County’s building regulations and the use of an ordinance summons, and with all the powers and duties conferred pursuant to the provisions of Section 4-9-145 of the Code of Laws of South Carolina 1976, as amended. Provided, however, Michael Zaprzalka shall not perform any custodial arrests in the exercise of his duties as code enforcement officer. This appointment shall remain in effect only until such time as the individual so appointed is no longer employed by Richland County as a code enforcement officer.

ADOPTED THIS THE 19th DAY OF FEBRUARY, 2013.

Kelvin Washington, Chair
Richland County Council

Attest: _____
Michelle Onley
Clerk of Council

Richland County Council Request of Action

Subject

H. 3290/S. 203 "Flow Control" Opposition Resolution [**PAGES 220-221**]

A RESOLUTION

URGING SOUTH CAROLINA GENERAL ASSEMBLY MEMBERS TO OPPOSE HOUSE BILL 3290 AND SENATE BILL 203 AND EXPRESSING THE RICHLAND COUNTY COUNCIL'S ONGOING OPPOSITION TO THIS SPECIAL INTEREST LEGISLATION PENDING IN THE SOUTH CAROLINA GENERAL ASSEMBLY WHICH THIS COUNCIL STRONGLY BELIEVES IS IN DIRECT CONFLICT WITH THE LONG TERM SOLID WASTE PLANS AND RESPONSIBILITIES WHICH SOUTH CAROLINA COUNTIES HAVE BEEN MANDATED TO COMPLY WITH ON BEHALF OF THE CITIZENS OF THESE COUNTIES.

WHEREAS, Section 44-55-1210, Code of Laws of South Carolina 1976, as amended, states that "The governing body of any county may by ordinance or resolution provide that the county shall engage in the collection and disposal of solid waste."; and

WHEREAS, Section 44-96-80, Code of Laws of South Carolina 1976, as amended, states that "The governing body of a county has the responsibility and authority to provide for the operation of solid waste management facilities to meet the needs of all incorporated or unincorporated areas of the county."; and

WHEREAS, South Carolina Counties experience an annual net cost of over \$55 million in order to meet the aforementioned mandate; and

WHEREAS, many counties have by ordinance either directed or caused to be directed solid waste or recyclables to a particular facility in order to protect public health and safety; and

WHEREAS, some of these counties require the direction of materials by ordinance to these taxpayer-funded facilities in order to pay for their construction, operation and post closure expenses; and

WHEREAS, the legal validity of uniform service charges necessary to fund mandated solid waste or recycling services depends significantly upon the uniform benefit to citizens of recycling or solid waste collection and disposal, which may be directed by ordinance; and

WHEREAS, H. 3290 and S. 203 have been introduced in the South Carolina General Assembly in January 2013 as a direct attack on ordinances directing the flow of solid waste or recyclable materials; and

WHEREAS, it is well known that an expected, demanded and mandated function of local government is the provision and responsibility for solid waste and recycling services to citizens; and

NOW, THEREFORE, BE IT RESOLVED, that the Council of Richland County hereby expresses its unwavering opposition to H. 3290 and S. 203 and requests its legislative delegation and other members of the South Carolina General Assembly to immediately take all necessary measures to defeat H. 3290, S. 203 and any similar legislation.

Richland County Council Request of Action

Subject

Resolution in support of the issuance by the South Carolina Jobs-Economic Development Authority of its hospital facilities revenue bonds (The Lutheran Homes of South Carolina, Inc.) Series 2013, pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended, in the aggregate principal amount of not exceeding \$42,000,000 [**PAGES 222-224**]

RESOLUTION

IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS HOSPITAL FACILITIES REVENUE BONDS (THE LUTHERAN HOMES OF SOUTH CAROLINA, INC.) SERIES 2013, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$42,000,000.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the “*Authority*”) is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended (the “*Act*”), to utilize any of its program funds to establish loan programs for the purpose of reducing the cost of capital to business enterprises which meet the eligibility requirements of Section 41-43-150 of the Act and for other purposes described in Section 41-43-160 of the Act and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State of South Carolina; and

WHEREAS, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues to defray the cost of medical facilities where such assistance will help relieve a shortage of doctors, specialists or medical services in the area where the project is located; and

WHEREAS, the Authority and The Lutheran Homes of South Carolina, Inc. (the “*Institution*”) entered into a Resolution and Inducement Agreement on January 7, 2013 (the “*Inducement Agreement*”), pursuant to which and in order to implement the public purposes enumerated in the Act, and in furtherance thereof to comply with the undertakings of the Authority pursuant to the Inducement Agreement, the Authority proposes, subject to such approval by the State Budget and Control Board of South Carolina, Aiken County, Charleston County, and Richland County, South Carolina, as may be required by law, to issue not exceeding \$42,000,000 aggregate principal amount of Hospital Facilities Revenue Bonds (The Lutheran Homes of South Carolina, Inc.) Series 2013 (the “*Series 2013 Bonds*”), under and pursuant to Section 41-43-110 of the Act, for the purpose of (i) financing the acquisition, by construction and purchase, of land, a building or buildings, and necessary furnishings and equipment to construct a 44-bed skilled nursing facility on the Rice Estate campus in northeast Columbia, SC and renovations at the existing Heritage at Lowman campus in White Rock, SC (the “*2013 Project*”), both owned by the Institution; (ii) refunding the \$47,420,000 South Carolina Jobs-Economic Development Authority First Mortgage Health Facilities Revenue Refunding Bonds (The Lutheran Homes of South Carolina, Inc.) Series 1998 (the “*Prior Bonds*”), currently outstanding in the principal amount of \$22,570,000, the proceeds of which were used to refinance the acquisition, construction, furnishing, equipping, and/or improvement of (a) a 176-bed nursing care facility, a 48-bed Alzheimer addition, and related improvements in Richland County, South Carolina, located in White Rock, South Carolina, and a 100-bed continuing care retirement community in Richland County located on Powell Road near the intersection of Farrow Road and Interstate 77 (the “*Richland Project*”); (b) a 136-bed continuing care retirement facility in Charleston County, South Carolina, located at 1885 Rifle Range Road in Mt. Pleasant, South Carolina (the “*Charleston Project*”), and (c) a 76-unit continuing care retirement facility in Aiken County, South Carolina, located at 213 Laurens Street in Aiken, South Carolina (the “*Aiken Project*” and together with the 2013 Project, the Richland Project, and the Charleston Project, the “*Projects*”); and (iii) funding reserves and paying costs of issuance of the Series 2013 Bonds; and

WHEREAS, the Institution is projecting that the assistance of the Authority by the issuance of the Series 2013 Bonds will result in the creation or maintenance of employment of those engaged in the construction of the 2013 Project by maintaining permanent employment (both direct and indirect) for

approximately 1,108 people and providing additional employment for approximately 29 people within 12 months and a total of 46 people within 24 months after the 2013 Project is placed in full operation and will stimulate the economy of Richland County by increased payrolls, capital investment and tax revenues; and

WHEREAS, the County Council of Richland County and the Authority have on this date jointly held a public hearing, duly noticed by publication in *The State* on January 29, 2013, a newspaper having general circulation in Richland County, not less than 15 days prior to the date hereof, at which all interested persons have been given a reasonable opportunity to express their views.

NOW THEREFORE, BE IT RESOLVED by the County Council of Richland County, South Carolina, as follows:

Section 1. It is hereby found, determined and declared that (a) the 2013 Project and the refunding of the Prior Bonds will subserve the purposes of the Act; (b) the 2013 Project and the refunding of the Prior Bonds are anticipated to benefit the general public welfare of Richland County by providing services, employment, recreation or other public benefits not otherwise provided locally; (c) the 2013 Project and the refunding of the Prior Bonds will give rise to no pecuniary liability of Richland County or a charge against its general credit or taxing powers; (d) the amount of Series 2013 Bonds required for the purposes described herein is not exceeding \$42,000,000; and (e) the documents to be delivered by the Institution and the Authority with respect to the Series 2013 Bonds will provide, among other things, (i) for the amount necessary in each year to pay the principal of and interest on the Series 2013 Bonds, (ii) whether reserve funds of any nature will be established with respect to the retirement of the Series 2013 Bonds and the maintenance of the Projects (and, if any such reserve funds are to be so established, the amount necessary to be paid each year into such funds), and (iii) that the Institution shall maintain the Projects and carry all proper insurance with respect thereto.

Section 2. The County Council of Richland County supports the Authority in its determination to issue the Series 2013 Bonds to defray the costs related to the 2013 Project and the refunding of the Prior Bonds.

Section 3. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its adoption.

Adopted this 19th day of February, 2013.

**RICHLAND COUNTY,
SOUTH CAROLINA**

By: _____
Chairman, County Council

ATTEST:

Clerk to County Council

Richland County Council Request of Action

Subject

Application for locating a Community Residential Group Home in an Unincorporated Area of Richland County: 4824 Smallwood Road, Columbia, SC 29223 [**PAGES 225-230**]

9. How many resident clients will be housed in this proposed group home?

Nine or less Ten or more

10. Will the proposed group home serve mentally or physically handicapped persons and provide care on a 24 hour basis?

yes

11. Group homes must be licensed by the South Carolina Department of Health and Environmental Control (SCDHEC) Division of Health Licensing* (Telephone: 803-545-4370). Please provide us with the name and title of the individual from SCDHEC's Division of Health Licensing who you have contacted regarding licensure of your proposed home.

Mr. Everett Williams 803 545-4371

SCDHEC Contact person name Title Phone #

*(SC Code of Laws Chapter 29, Title 6, Section 6-29-770)

12. How many full-time and part-time staff will care for the resident clients of the proposed group home?

Full-Time 1 Part-Time 1

13. How many total persons will occupy the proposed group home during the night? (include resident clients, staff, staff family, applicant, applicant's family, etc, as applicable) Total Persons 4

14. Do you currently operate any other group homes in Richland County?

YES NO

If you do, list the location, year licensed, and number of resident clients for each home:

Street Address Year Licensed # of Residents

Street Address Year Licensed # of Residents

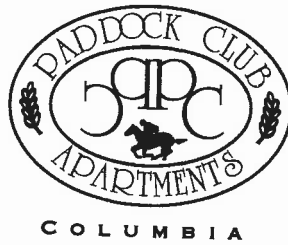
I hereby certify that if granted approval from Richland County Council to locate a group home as described above, I will fully comply with all regulations of the appropriate local and state licensing and regulatory agency or agencies, which apply to group homes in establishing and obtaining licensing for my group home.

I also certify that all of the above information is correct to the best of my knowledge.

Darnita Thomas
Signature of Applicant

8/30/12
Date

Definition of a Group Home: A home serving nine or fewer mentally or physically handicapped persons which provides care on a twenty-four hour basis and is approved or licensed by a state agency or department or under contract with the agency or department for that purpose is exempt from the requirements of a local zoning ordinance. The law provides that such a home is constructed as natural family as if related by blood or marriage (SC Code of Laws Section 6-29-770 (E))



To whom it may concern:

The Paddock Club has been made aware that Darnita Thomas will be adding two occupants that she will be caring for in her home located at 4824 Smallwood Rd., Apt #139.

The management asks that the added occupants are placed on the lease as "occupants" and a background check is completed on each occupant.

In addition, all occupants that reside at The Paddock Club must adhere to the Community Rules and Regulations.

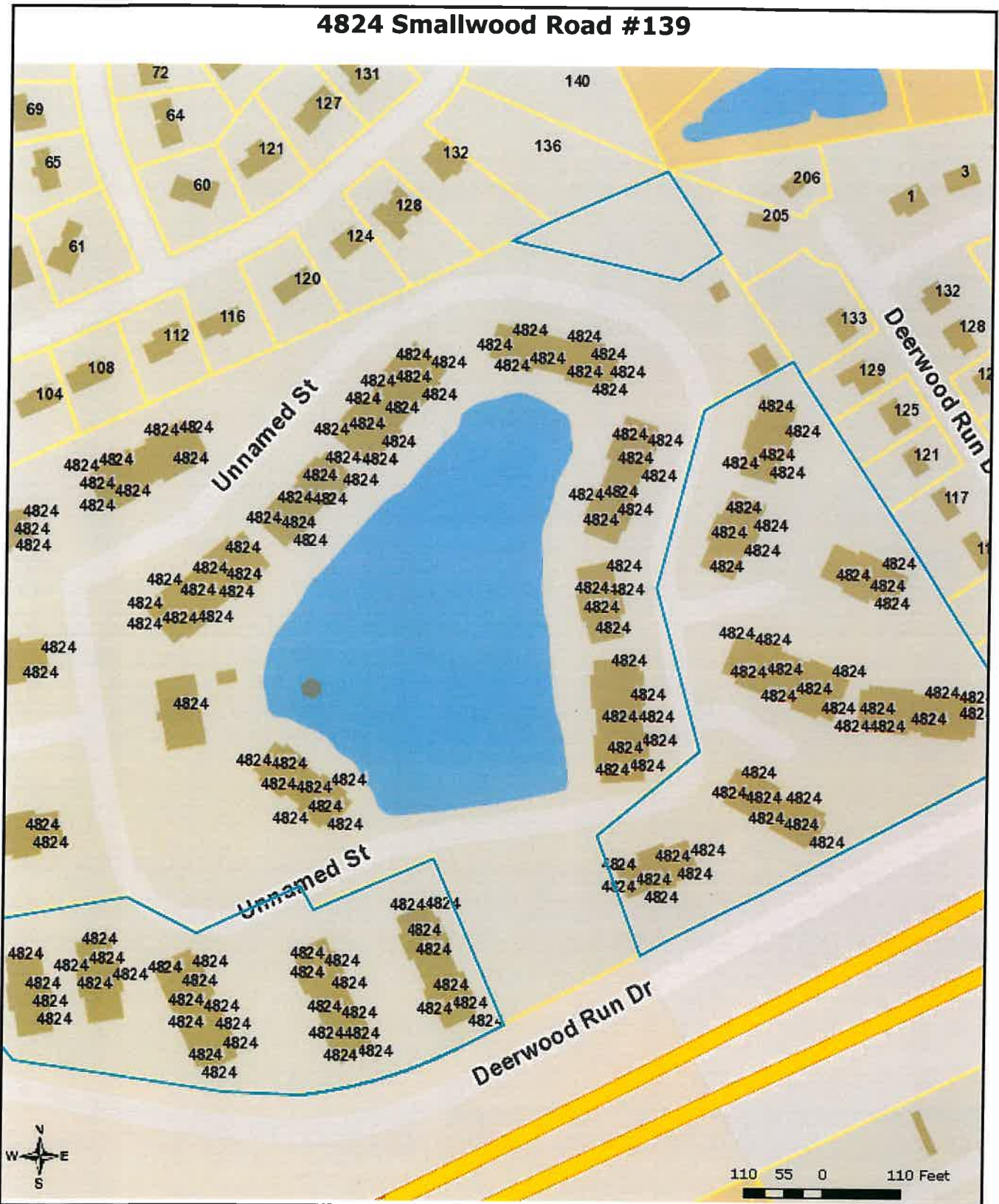
Please notify our office if you have any questions.

Sincerely,

Kerrie Nethercutt
Community Leader

4824 Smallwood Rd.
Columbia, SC 29223
(803) 736-9999
FAX (803) 788-6462
tpc.columbia@maac.net
www.maac.net

4824 Smallwood Road #139



Page 230 of 257



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Richland County Council Request of Action

Subject

USDA Rural Development Resolution and Letter of Conditions [**PAGES 231-255**]



United States Department of Agriculture
Rural Development
State Office
Columbia, South Carolina

DRAFT

Richland County
Mr. Kelvin Washington, Chairman
2020 Hampton Street
Columbia, SC 29202

Dear Mr. Washington:

This letter will establish conditions which you must understand and agree to before further consideration may be given to your application. The State and Area staff of USDA, Rural Development (RD) will administer the loan and grant on behalf of the Rural Utilities Service (RUS). You must report any changes in project cost, source of funds, scope of services, or any other significant changes in the project to USDA, Rural Development for review and approval. A written amendment to this letter will be prepared for any changes approved. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application.

The scope of the project consists of the Lower Richland County Sewer System Project Phase I. This Phase includes providing sewer service to the Lower Richland neighborhood, Hopkins Middle School, and Hopkins Elementary School, Franklin Park Subdivision, as well as the acquisitions of existing customers on Garners Ferry Road. Wastewater will be transported for treatment at the County's Wateree WWTF.

This letter is not to be considered as loan approval or as representation to the availability of funds. The RD proposed funding is not to exceed \$9,359,000 of loan funds and \$2,279,800 of grant funds.

You may be required to refinance (graduate) the unpaid balance of its RD loan, in whole or in part, upon the request of RD if at any time it shall be determined the authority is able to obtain a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time.

Extra copies of this letter are being provided for use by your engineer, attorney, bond counsel and accountant. All parties may access our web-site located at www.usda.gov/rus/water/ for the following:

- a. RD Instruction 1780
- b. RUS Bulletin 1780-13, "Agreement Between Owner and Contractor"
- c. RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Standard Documents on Water and Waste Projects with RUS Financial Assistance"

Strom Thurmond Federal Building • 1835 Assembly Street • Suite 1007 • Columbia, SC 29201
Phone: (803) 765-5163 • Fax: (803) 765-5633 • TDD: (803) 765-5697 • Web: <http://www.rurdev.usda.gov/sc>

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."
To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).

- d. RUS Bulletin 1780-30, "Water Programs Audit Guide and Compliance Supplement"
- e. RUS Bulletin 1780-31, "Water Programs Compliance Supplement For OMB Circular A-133 Audits"

The enclosures listed below are attached to your copy of this letter as noted. Enclosed are the following:

Form RD 442-7 - "Operating Budget"
Government Auditing Standards (Revision 2007) available on line at
<http://www.gao.gov/govaud/ybk01.htm>
Form RD 442-3, "Balance Sheet"
Form RD 442-2, "Statement of Budget, Income and Equity" (Accountant
Copy for all three of these attachments)

The conditions referred to above are as follows:

1. **Project Budget** – Funding from all sources has been budgeted for the estimated expenditures as follows:

Project Costs:

Construction	\$9,481,700
Legal Fees	25,000
Basic	\$587,900
Insp.	\$275,000
Engineering Fees (Total)	862,900
Land & Rights	92,000
City of Columbia Fees	845,600
Interest	682,300
Project Contingency	948,200
TOTALS	\$12,937,700

2. **Project Funds** - The project funding is planned in the form of a loan and grant from the following sources and amounts:

<u>Project Funding Source:</u>	<u>Funding Amount:</u>
RD Loan	\$9,359,000
RD Grant	\$2,279,800
Tap Fee/Applicant Contribution	\$ 723,900
Other Fund(SRF Loan)	\$ 575,000
<i>Total Project Funding (All Sources):</i>	<i>\$12,937,700</i>

Any changes in funding sources following obligation of RD funds must be reported to the processing official. You must assure that all project funds are

expended only for the eligible items included in the project budget of this letter of conditions or as amended by RD in writing at a later date.

Any applicant contribution shall be considered as the first funds expended, unless other funding are not available at the start of project construction, other funds can be prorated and/or used when funding becomes available during the construction period. After providing for all authorized costs, any remaining RD project funds will be considered to be RD grant funds and refunded to RD. If the amount of unused RD project funds exceeds the RD grant, that part would be RD loan funds and applied as an extra payment.

Prior to advertisement for construction bids, you must provide evidence of applicant contributions and approval of the other funds. This evidence should include a copy of any other funds awarded. An agreement should be reached with all funding sources on how funds are to be disbursed before the start of construction.

3. **Disbursement of Funds** - The RD funds or interim financing will be advanced as they are needed in the amount(s) necessary to cover the RD proportionate share of any disbursements required of your entity, over 30 day periods. Funds will be disbursed by electronic transfer of funds. Interim financing will be used for the RD loan if it is available at reasonable rates and terms. You must provide RD with a copy of the tentative agreement reached in connection with interim financing for review and approval.

You must establish a separate fund, to be known and hereafter referred to as the Construction Account, with a participating 31 CFR Part 202 collateral depository, federal agency, or Federal Reserve Bank acting as a fiscal agent in the United States. All project funds will be deposited into this account. The account shall be used solely for the purpose of paying authorized costs of the project as outlined in the project budget. Once the funds are deposited into the construction account, they become your responsibility. Financial institutions or depositories accepting deposits of public funds and providing other financial agency services to the Federal Government are required to pledge adequate, acceptable securities as collateral. General requirements for designating depositories and regulations governing the pledging of collateral are identified in 31 CFR Part 202 (“Depositaries and Financial Agents of the Federal Government”). Treasury’s current acceptability and valuation requirements are identified in 31 CFR Part 380 (“Collateral Acceptability and Valuation”) and specific eligibility and valuation guidance is provided in Treasury’s procedural instructions and on Treasury’s Bureau of the Public Debt website at www.publicdebt.treas.gov. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the Construction Account at any one time.

Any RD grant funds not disbursed immediately upon receipt must be deposited in an interest bearing account except as follows:

- a. Federal grant awards (includes all federal funding sources) are less than \$120,000 per year.
- b. The best available interest bearing account would not be expected to earn in excess of the following:

Public Bodies

Interest earned on grant funds in excess of \$100 per year will be submitted to RD at least quarterly as required in 7CFR3016.

- c. The depository would require a minimum balance so high that it would not be feasible.

4. **Security** – (Revenue Bonds - Public Body) The loan will be evidenced by a waterworks and Sewer System Improvement Bond secured by a pledge of revenue and a statutory lien on the waterworks and sewer system. The pledge of water and sewer revenue and the statutory lien on the waterworks and sewer system will be on parity with the bonds previously issued to Rural Development.

A pledge of the system's revenues and other agreements between you and RD as set forth in the bond ordinance. Additional security requirements are contained in RUS Bulletin 1780-12 and RUS Bulletin 1780-27 which are mentioned later.

The services of a recognized bond counsel are required. The bond counsel will prepare the form of ordinance to be used, in accordance with Subpart D of RUS Instruction 1780. You should immediately provide your bond counsel with a copy of this letter of conditions and its enclosures.

5. **Loan Repayment** – (Monthly Installments) The loan will be scheduled for repayment over a period of 40 years. The payments due the first 2 year(s) will consist of interest only. Payments for the remaining 38 years will be equal amortized monthly installments. For planning purposes use a 2.50% interest rate and a monthly amortization factor of 3.40, which provides for a monthly payment of \$31,821.

The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing, whichever is less, unless you choose otherwise. Should the interest rate be reduced, the payment will be recalculated to the lower amount. The payment due date will be established as the day that the loan closes, but no later than the 28th of each month. Interest only payments during the 24 month deferral period will be advanced to you from the RD loan project funds as agreed to by RD.

You will be required to complete SF-5510, Authorization Agreement for Preauthorized Payments, if you participate for all new and existing indebtedness to RD. It will allow for your payment to be electronically debited from your account on the day your payment is due.

6. **Reserves** – Reserves must be properly budgeted to maintain the financial viability of any operation. Reserves are important to fund unanticipated emergency maintenance and repairs, and assist with debt service should the need arise. Reserves can also be established and maintained for the anticipated and expected expenses including but not limited to operation and maintenance, customer deposits, and depreciation of short-lived assets.

It has been determined as part of this funding proposal that you have sufficient funds to establish reserves for the following purposes and amounts:

Operation and Maintenance	\$ 82,181
---------------------------	-----------

As a part of this RD loan proposal you must establish and fund monthly a debt service reserve fund equal to 10% of the monthly payment each month over the life of the loan until you accumulate one annual installment. This reserve is required to establish an emergency fund for maintenance and repairs and debt repayment should the need arise. Ten percent of the proposed loan installment would equal \$3,183.00 per month.

7. **Users** – This letter of conditions is based upon you providing evidence or a certification that there will be at least 1,197 bona fide residential equivalent users (REUs) on the existing system when construction has been completed. If a number less than 1,197 is certified, Richland County shall adjust user rates to provide an equivalent revenue to match that which would be provided by 1,197 REUs at the initial user rate as established in the proposed rate schedule below. Evidence or certification must be provided on the final number of bona fide REUs and the associated final user fee when construction is complete.

Before RD can agree to the project being advertised for construction bids, you must provide evidence or a certification of the total number of bona fide users are currently using the system or signed up to use the system. You must provide evidence or a certification to show those users will actually be connected to the system when the project is completed and that the monthly sewage volume projected for each by the engineer is reasonable. In the event any of the large volume users discontinue the offered service, you must obtain enough additional revenue (i.e., increase in user rates, sign up of an adequate number of other users, reduction in project scope to reduce debt service and O&M, etc.) to make up the projected income that would be lost by not having those users on the system.

8. Proposed Rate Schedule:

Users and Rate Schedule: Before the loan and grant can be closed, you must provide that Richland County has 1,197 REUs signed up for connection to the system when construction is complete or that action has been taken to adjust the monthly user fee to produce an equivalent revenue with a lesser number of REUs. The users are as follows:

	Residential	Commercial	Bulk
Sewer	1187	8	2

With 1,197 REUs signed up, the initial monthly user fee shall be established at \$37.60 per REU. If a number less than 1,197 is certified, Richland County shall adjust user rates to provide equivalent revenue to match that which would be provided by 1,197 REUs at the initial monthly user fee rate of \$37.60. The County must always maintain a rate schedule that provides adequate revenue to meet the requirements of operation and maintenance, debt service, reserves, short lived assets and fund contingency and depreciation accounts.

9. **Income Available** – You must maintain a rate schedule that provides adequate income to meet the minimum requirements for operation and maintenance, debt service, and reserves.

10. **Delayed Payment Penalty**

An enforceable use agreement with a penalty clause and reconnection charges are required except for users presently receiving service or where mandatory use of the system is required. RUS Bulletin 1780-9 can be used.

11. **Operation and Maintenance Expenses** – O&M expenses must be properly budgeted to determine the financial viability of any operation. For planning purposes, we have projected O&M expenses based on the information provided in the preliminary engineering report and other financial information provided which should be representative of a typical year. This information is utilized to determine loan repayment and is reflected in the operating budget. It is expected that O&M will change over each successive year and user rates will need to be adjusted for the need.

12. **Proposed Operating Budget and User Rate Structure** - You will be required to submit a copy of your proposed annual operating budget and rate analysis to this office which supports the proposed loan repayment prior to loan approval and updated to current status prior to this agency giving you written authorization to proceed with the bidding phase. The operating budget should be based on a typical year cash flow subject to completion of this project in the first full year of operation. The rate analysis will be required to show the number of users, their

average consumption based on a twelve month consecutive average, and rate structure to support the necessary revenue to make the operating budget cash flow. Form RD 442-7 - "Operating Budget", or similar form may be utilized for this purpose. Separate budgets should be prepared for your water and sewer systems.

13. **Insurance and Bonding Requirements** - Prior to loan closing or start of construction, whichever occurs first, you must acquire the types of insurance and bond coverage shown below. The use of deductibles may be allowed providing you have the financial resources to cover potential claims requiring payment of the deductible. RD strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of RD to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained.
- a. General Liability Insurance – Include vehicular coverage.
 - b. Workers' Compensation - In accordance with appropriate State laws.
 - c. Position Fidelity Bond(s) - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. You should have each position bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The minimum coverage acceptable to RD will be for each position to be bonded for an amount at least equal to one annual installment on your loan(s). The coverage may be increased during construction of this project based on the anticipated monthly advances. The amount of coverage should be discussed and approved by RD.
 - d. National Flood Insurance - In addition to meeting the requirements for the type of assistance requested, the following requirements must be met for financial assistance for acquisition and/or construction in designated special flood or mudslide prone areas:
 - (1) If flood insurance is available, you must purchase a flood insurance policy at the time of loan closing.
 - (2) Applicants whose buildings, machinery or equipment are to be located in a community which has been notified as having special flood or mudslide prone areas will not receive financial assistance where flood insurance is not available.
 - e. Real Property Insurance – Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines and other structures if such structures are not normally insured and subsurface lift stations except for the value of electrical and pumping equipment. Prior to the acceptance of the

facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.

- 14. Accounting Services** - If you have both water and sewer facilities you should maintain accounting records in such a manner that will allow the operation of each to be reported separately. You may be required to obtain the services of an independent licensed Certified Public Accountant (CPA). When permitted by state statutes or with the approval of RD, a state or Federal auditor may perform the audit in lieu of a CPA. A CPA will be considered independent if the CPA:
- a. Meets the standards for independence contained in the American Institute of Certified Public Accountants (AICPA) Code of Professional Conduct in effect at the time the CPA's independence is under review;
 - b. Does not have any direct financial interest or any material indirect financial interest in the borrower during the period covered by the audit; and
 - c. Is not, during the period of the audit, connected with the borrower as a promoter, underwriter, trustee, director, officer or employee.

Audit Agreement: You must enter into a written audit agreement with the auditor and submit a copy to RD prior to advertisement of bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the following:

1. A statement that the auditor will perform and document the audit work in accordance with Generally Accepted Government Auditing Standards, (GAGAS), as outlined in the attached booklet, "Government Auditing Standards (Revised 1994)", and the professional standards of the AICPA;
2. A statement that the auditor will submit the completed audit and accompanying letters to your governing body 30 days prior to the date the audit is due to RD;
3. A statement that the auditor will make all audit-related documents, including work papers, available to RD or its representatives, upon request; and
4. A statement that the auditor will immediately report, in writing, all irregularities and illegal acts to your governing body and the Agency.

Prior to the advertisement for bids, your accountant must certify to you and RD that the accounts and records as required by your bond [resolution] [ordinance] have been established and are operational.

Quality Review Requirement: As required by GAGAS, the auditor must belong to and participate in an external quality review program and provide you with a copy of the most recent quality review report. These reviews are performed every 3 years by an independent organization to determine if the auditor is following established audit procedures and applicable auditing standards.

Audit Requirements: The following management data will be required from you on an annual basis and be submitted to RD as specified below:

1. A borrower that expends \$500,000 or more in Federal financial assistance per fiscal year shall submit an audit performed in accordance with the requirements of OMB Circular A-133. As described above, the total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Projects financed with interim financing are considered federal expenditures. OMB Circular A-133 audits shall be submitted no later than 9 months after the end of the fiscal year. In addition to submitting two (2) copies of the audit report to RD, the borrower is also required to submit copies of OMB Circular A-133 audits, accompanying audit letters (the “reporting package”), and the Data Collection Form to the Federal clearinghouse designated by OMB to retain as an archival copy. The Federal clearinghouse address is: Federal Audit Clearinghouse, Bureau of the Census, 1201 E. 10th Street, Jeffersonville, Indiana 47132. RUS Bulletin 1780-31, outlines the requirements of OMB Circular A-133 audits.
2. A borrower that expends less than \$500,000 in Federal financial assistance per fiscal year and an outstanding RUS loan balance of \$1,000,000 or more, shall submit an audit performed in accordance with Water and Waste audit requirements (i.e., a GAGAS audit). These audits shall be submitted to RD no later than 150 days after the end of the fiscal year. Two (2) copies of the audit report are required by RD. An audit performed in accordance with Water and Waste audit requirements should not be submitted to the Federal clearinghouse. RUS Bulletin 1780-30, outlines the requirements for Water Programs Audits.
3. A borrower that expends less than \$500,000 in Federal financial assistance per fiscal year and has an outstanding RD loan balance of less than \$1,000,000 may submit a management report in lieu of an audit report unless notified by RD otherwise. Management reports shall be submitted to RD no later than 60 days after the end of the fiscal year. A year-end management report shall consist of: Form RD 442-3, “Balance Sheet”, and Form RD 442-2, “Statement of Budget, Income and Equity”, or forms that provide the information in a similar format. Form RD 442-2 should have Schedule 1, all Columns completed on page 1, and page 2. Schedule 2 is not required for year end reports. An annual audit report must be submitted in lieu of Forms RD 442-2 and 442-3. The audit report must be submitted no later than 150 days after the end of the borrower’s fiscal year.

Compensation for preparation of the A-133 audit or your annual audit is not included in project funds and should be paid from the operational revenues generated from your system operation.

Annual Budget and Projected Cash Flow: Thirty days prior to the beginning of each fiscal year, you will be required to submit an annual budget and projected

cash flow to this office. You should submit two copies of Form RD 442-2, Statement of Budget, Income and Equity, Schedule 1, page 1; and Schedule 2, Projected Cash Flow. The only data required at this time on Schedule 1, page 1, is Columns 2 & 3. All of Schedule 1, page 2 and Schedule 2, Projected Cash Flow will be required. With the submission of the annual budget, you will be required to provide a current rate schedule, a current listing of the Board or Counsel members and terms.

15. **Legal Services** – You must obtain a legal services agreement with your attorney for providing legal services for your project. It is suggested that Rural Development guides be used in preparing this agreement. It is also suggested that ten percent of the cost be retained until the loan is closed and construction of the project is complete. This agreement is subject to the approval of the Rural Development Community Programs Director.

Prior to loan and grant closing, the attorney must provide this office with a certification as to judgments and/or litigation of the County. A similar certification must also be furnished Rural Development for each advance of loan funds from the Finance Office and before loan and grant closing instructions can be issued.

The closing instructions for this loan and grant will be issued by the approving official and the Office of the General Counsel of the Department of Agriculture. A determination that loan and grant closing instructions can be met must be made prior to loan and grant closing or the issuance of a commitment for interim financing.

A preliminary title search shall be made by your attorney to determine that the County will have fee simple title to properties on which its sewer system is located. After the loan and grant are closed, a final title opinion shall be prepared by your attorney indicating that the County does have fee simple title to these properties. These opinions are to be recorded on Forms RD 1927-9 and 1927-10.

Your documents concerning the creation and legal existence of your entity are administratively acceptable; however, the documents will be reviewed further by our Office of the General Counsel at the time your file is forwarded for closing instructions. Any changes required by our Office of the General Counsel will be included in the closing instructions.

16. **Property Rights** - Prior to advertisement for construction bids, you must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Relocation and Real Property Acquisition Act. Such evidence must be in the following form:

- a. Evidence of adequate, continuous, and valid rights-of-way must be provided as follows:
 1. Form RD 442-21, "Right-of-Way Certificate," with two copies of right-of-way map attached.
 2. Form RD 442-22, "Opinion of Counsel Relative to Right-of-Way."
 3. A right-of-way map showing the location of all structures, pipelines, ditches, etc. The map should show that rights-of-way are continuous, and any rights-of-way acquired by use or adverse possession will be shown by some distinctive color. This map will bear the written signatures of the "Applicant's representative" and "Applicant's engineer."
- b. Preliminary Title Work - A copy of deeds, contracts or options for any lands needed other than rights-of-way, along with a preliminary title opinion covering such lands. A separate Form RD 1927-9, "Preliminary Title Opinion" may be used for each property to be acquired.

In the case of your existing system or where you have already acquired real property (land or facilities), a preliminary title opinion(s) concerning all such property(s) will be provided.

A narrative opinion from your attorney concerning all permits, certificates, licenses and other items necessary to show that all legal requirements can be met and stating how they will be met.

- c. Final Title Work - On the day of loan closing, your attorney must furnish a separate final title opinion on all existing land(s) and those to be acquired on the day of loan closing. Form RD 1927-10, "Final Title Opinion" Form RD 442-21 "Right-of-Way Certification" should be used with two copies of the right of way map attached.

A certification and legal opinion relative to title to rights-of-way and easements. Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way," should be used. This form must be provided showing no exceptions.

17. **Engineering Services** – RD must approve any agreements or modifications to agreements for professional design services.
18. **Resident Inspector** – Resident inspection is required for this project in accordance with the RD approved engineering agreement. This service is to be provided by the consulting engineer or other arrangements as approved by RD. Prior to the pre-construction conference, a resume of qualifications of the resident inspector(s) will be submitted to the owner and RD for review and approval. The owner will provide a letter of acceptance for all proposed inspectors to the

engineer and RD. The resident inspector(s) must also attend the pre-construction conference.

19. Environmental Requirements

- a. Mitigation - At the conclusion of the proposal's environmental review process, specific actions were negotiated with environmental regulatory officials to avoid or minimize adverse environmental impacts. The following list of action(s) are required for successful completion of the project and must be adhered to during project design and construction:

Mitigation for Land Use/Important Farmlands/Formally Classified Lands

Land Use / Important Farmland. The gravity sewers and force mains will be buried immediately upon completion of installation. Every effort will be made to complete the installation of the facilities in a timely manner to minimize the temporary impacts during installation. Construction of the facilities along the roadway rights-of-way will require Encroachment Permits from the South Carolina Department of Transportation (SCDOT) and the Richland County Roads Department. The encroachment permits should have conditions and restrictions that will lessen temporary impacts. This will be required in and enforced through the contractor's contract documents.

Richland County Planning and Development Services Department has in place a land development review process to ensure the zoning regulations are complied with. No building or other structure shall be erected, moved, added to, or structurally altered without a land development permit being issued by the County. In addition, a land development permit is also required for expansions of existing uses as well as for a change of use. Therefore any potential indirect and cumulative impacts discussed above will be addressed. Portions of the Richland County Land Development Code which address zoning are included in the Maps/Exhibits Section. Included are copies of the zoning maps with the project highlighted, "Article V. Zoning Districts and District Standards," Sec. 26-86. RU Rural District, and "Table 26-V-2 Table of Permitted Uses, Permitted Uses with Special Requirements, and Special Exceptions."

Formally classified lands. Installations under streams will be installed by boring and other best management practices will be utilized during construction to minimize possible erosion and sedimentation that has the potential to impact Congaree National Park. These practices include, but are not limited to, utilizing silt fencing and straw bales to prevent siltation, backfilling trenches with the topsoil originally removed from the trenched area, returning the elevation to the pre-existing grade, and re-establishing vegetation as quickly as is feasible after construction. Every effort will be made to complete the installations of the sewers and force mains in a timely manner to minimize the impact. This will be required in and enforced through the contractor's contract documents.

Richland County Planning and Development Services Department has in place a land development review process to ensure the zoning regulations are complied with.

Wild and Scenic Rivers / Nationwide Rivers Inventory

The increased volume of effluent discharge to the Wateree River will require revision of the current NPDES permit; a process overseen by the South Carolina Department of Health and Environmental Control (SCDHEC). The National Park Service staff at the Congaree National Park must be provided the opportunity to view the environmental document and they reserve the option/right to comment on the NPDES permit through SCDHEC. When environmental assessment is reviewed and a Notice of Availability issued, Congaree National Park must be contacted regarding the availability.

The expansion of the treatment facility will be designed to meet regulatory requirements and will also have to be permitted by SCDHEC prior to construction. Once in operation the effluent will be monitored by SCDHEC which will also conduct annual inspections of the facility. Any violations of limits will be addressed through the existing SCDHEC enforcement program to ensure that any and all problems are corrected.

The replacement of the various existing discharges and malfunctioning septic tanks with a newly upgraded treatment facility designed to meet current requirements will improve the overall water quality in the region. Mitigation should not be required because the discharge will result in a net improvement of water quality in the region.

Richland County Planning and Development Services Department has in place a land development review process to ensure the zoning regulations are complied with.

Mitigation for Floodplains

To prevent possible erosion and sedimentation during construction, best management practices will be utilized to minimize temporary impacts. These practices include but are not limited to, utilizing silt fencing and straw bales to prevent siltation, backfilling trenches with the topsoil originally removed from the trenched area, returning the elevation to the pre-existing grade, and re-establishing vegetation as quickly as is feasible after construction. Every effort will be made to complete the installations of the sewers and force mains in a timely manner to minimize the impact. These practices and actions will be required in and enforced through the contractor's contract documents.

Richland County Planning and Development Services Department has in place a land development review process to ensure the regulations are complied with. No building or other structure shall be erected, moved, added to, or structurally altered without a land development permit being issued by the County. In addition, a land development permit is also required for expansions of existing uses as well as for a change of use. Therefore any potential indirect and cumulative impacts discussed above will be addressed. The Land Development Code requires that a floodplain development permit be requested for any development activities in the FP Overlay District to ensure compliance with all regulations concerning floodplain development. The County flood coordinator reviews all applications for floodplain development permits for danger to life, damage to property, safe access, among other considerations. A land disturbance permit will be required for all development and will not be issued until an approved SWPPP for the work is in place.

Mitigation for Wetlands

To avoid direct impacts on wetlands, the pipelines will be bored under the stream crossings and wetlands adjacent to existing roadways. Determination of the limits of the

wetlands will be accomplished and drawings showing the locations of bore entrance and exit points will be provided to the USACE to allow a final determination of the necessity of permitting to be made. A complete Jurisdictional Determination package will be submitted to the USACE during design.

To prevent possible erosion and sedimentation during construction, best management practices will be utilized to minimize impacts. These practices include but are not limited to, utilizing silt fencing and straw bales to prevent siltation, backfilling trenches with the topsoil originally removed from the trenched area, returning the elevation to the pre-existing grade, and re-establishing vegetation as quickly as is feasible after construction. Every effort will be made to complete the installations of the force mains in a timely manner to minimize the impact. These practices and actions will be required in and enforced through the contractor's contract documents.

Richland County Planning and Development Services Department has in place a land development review process to ensure the regulations are complied with. No building or other structure shall be erected, moved, added to, or structurally altered without a land development permit being issued by the County. In addition, a land development permit is also required for expansions of existing uses as well as for a change of use. Therefore any potential indirect and cumulative impacts discussed above will be addressed. The Land Development Code requires that all submissions for SWPPP approval include wetlands maps and that all sediment and erosion control plans show locations of all waters of the U.S. and State (including wetlands). The County reviews all submittals to ensure requirements are met before approval. A land disturbance permit will be required for all development and will not be issued until an approved SWPPP for the work is in place.

Mitigation for Cultural Resources

The contracts will specify that if any previously unknown cultural and/or historical resources are located during construction, all construction activities in the immediate and adjacent areas will cease immediately and the proper authorities will be notified. The authorities to be notified will be the SHPO, Rural Development, all three Tribal Contacts, and Richland County. Construction in the area will not resume until concurrence is obtained from these entities.

Mitigation for Water Quality Issues

To prevent possible erosion and siltation during construction, Best Management Practices will be utilized to minimize impacts. These practices include but are not limited to, utilizing silt fencing and straw bales to prevent siltation, backfilling trenches with the topsoil originally removed from the trenched area, returning the elevation to the pre-existing grade, and re-establishing vegetation as quickly as is feasible after construction. Every effort will be made to complete the installations of the facilities in a timely manner to minimize impacts. These practices and actions will be required in and enforced through the contractor's contract documents.

Mitigation for Air Quality

There may be temporary impacts due to the emissions of heavy equipment during construction. Every effort will be made to complete construction in a timely manner to minimize these impacts. Fugitive dust may be controlled by application of water from appropriate spray devices. Contractors will be required to control fugitive dust if construction occurs during dry periods. Construction and installation of the force mains along the roadway rights-of-way will require encroachment permits from the South Carolina Department of Transportation (SCDOT) and Richland County. The encroachment permits should have conditions and restrictions that should address safety issues from dust clouds. Compliance with these conditions and restrictions will be required in and enforced through the contractor's contract documents.

Mitigation for Solid and Hazardous Waste

Contractors will be required to dispose of solid waste in a manner that meets all state and federal requirements. This will be required in and enforced through the contractor's contract documents.

Mitigation for Transportation

Installation of the sewers and force mains will be conducted in as quick and as efficient a manner as possible to minimize the time of impact to transportation. Construction and installation of the facilities along the roadway rights-of-way will require encroachment permits from the South Carolina Department of Transportation (SCDOT) and Richland County. The encroachment permits should have conditions and restrictions that should address issues such as obstruction of traffic.

Mitigation for Noise

Construction and installation of the gravity sewers and force mains along the roadway rights-of-way will require encroachment permits from the South Carolina Department of Transportation (SCDOT) and Richland County. The encroachment permits should have conditions and restrictions that address issues such as noise. Such restrictions could include limiting construction to daylight hours, limiting construction to weekdays, and using appropriate sound reduction devices such as mufflers on all equipment for which such devices are intended to be used. Other mitigation will not be required because impacts will be minimal and temporary. Compliance with these conditions and restrictions will be required in and enforced through the contractor's contract documents.

- b. Project Modifications – The project as proposed has been evaluated to be consistent with all applicable environmental requirements. If the project or any project element deviates from or is modified from the original approved project, additional environmental review may be required.

**20. Vulnerability Assessment and Emergency Response Plans
Requirements serving populations less than 3300:**

The Public Health Security and Bioterrorism Preparedness and Response Act of 2002, Public Law 107-188 (Bioterrorism Act) amended the Safe Drinking Water Act (SDWA) to require all medium-sized and large-sized community water systems (serving populations greater than 3300) to assess vulnerability to terrorist attack and develop emergency plans for and response to such attacks. The Environmental Protection Agency (EPA) maintains responsibility for vulnerability assessments (VAs) and emergency response plans (ERPs) under the Bioterrorism Act. Rural Development (RD) and EPA share the objective of ensuring safe, reliable and affordable drinking water and wastewater for residents of rural areas. Protection of rural America's water and wastewater systems will be enhanced through the implementation of the RD Water and Environmental Program Homeland Security Initiative. RD will assist systems, especially those servicing populations of less than 3300, in completing VAs and ERPs. The County will provide Rural Development with the certifications on VA and ERP or other documentation that the system has taken appropriate steps to ensure public safety. The VA and ERP should not be offered and will not be accepted by Rural Development.

21. **Civil Rights & Equal Opportunity** - You should be aware of and will be required to comply with other federal statute requirements including but not limited to:

Section 504 of the Rehabilitation Act of 1973 – Under section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving RD financial assistance.

Civil Rights Act of 1964 – All borrowers are subject to, and facilities must be operated in accordance with, title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*) and subpart E of part 1901 of this title, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by paragraph 1901.202(e) of this title.

Prior to the closing of the loan and grant or the beginning of construction, whichever occurs first, it will be necessary that our Rural Development Area Office conduct a user certification and compliance review. The user Certification will include the review of the user agreements, collected tap fees and service declination statements. Your office's full cooperation will be necessary in accomplishing this certification and review. At the time of the review, it will be necessary for your office to furnish to the representative of the Rural Development Area Office evidence that the County has the users and has adopted the rate schedules required in item #8 of this letter. During the review, the representative of the Rural Development Area Office will complete and execute Form RD 400-8, "Compliance Review." So as to assist the Rural Development

Area Office with the Compliance Review, you will need to have available a **numerical breakdown** of your required users into the following categories:

- | | |
|---|---|
| <p>RESIDENTIAL USERS
<u>Ethnicity:</u>
<input type="checkbox"/> Hispanic or Latino
<input type="checkbox"/> Not Hispanic or Latino
<u>Race:</u>
<input type="checkbox"/> White
<input type="checkbox"/> Black or African American
<input type="checkbox"/> American Indian or Alaskan Native
<input type="checkbox"/> Native Hawaiian or Other Pacific Islander
<input type="checkbox"/> Asian</p> | <p><input type="checkbox"/> COMMERCIAL USERS</p> <p><input type="checkbox"/> INDUSTRIAL USERS</p> |
|---|---|

The same breakdown data will be needed for applications of persons wishing to become users and for the County's water/sewer employees and Board.

The nondiscrimination poster, "And Justice For All," is to be displayed at your offices and facilities.

The Americans with Disabilities Act (ADA) of 1990 – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications. Title II of the Act applies to facilities operated by State and local public entities which provides services, programs and activities. Title III of the Act applies to facilities owned, leased, or operated by private entities which accommodate the public.

Age Discrimination Act of 1975 – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

RD financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap.

22. **Permits** - Copies of all permits needed for the project must be provided for review prior to advertisement for construction bids. Such permits may include but are not limited to the following:
 - SC Department of Health and Environmental Control
 - Corps of Engineers

23. **Contract Documents, Final Plans and Specifications**
 - a. The contract documents should consist of the EJCDC Construction Documents as indicated in RUS Bulletin 1780-26 or other approved form of

agreement.

- b. The contract documents and final plans and specifications must be submitted to RD for approval.
 - c. The project must be designed in compliance with Section 504 of the Rehabilitation Act of 1973.
24. **Bid Authorization** - Once all the conditions outlined in this letter have been met, RD may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide RD with (a) bid tabulation, and (b) your engineer's evaluation of bids and recommendations for contract awards. If RD agrees that the construction bids received are acceptable, adequate funds are available to cover the total project costs, and all the administrative conditions of loan approval have been satisfied, loan closing instructions will be issued to you setting forth any further requirements that must be met before the loan can be closed. Obligated loan and grant funds not needed to complete the proposed project will be deobligated prior to construction. Any reductions will be applied to grant funds first.

When all parties agree that the closing requirements can be met, a mutually acceptable date for the loan closing will be scheduled.

25. **The Central Contractor Registration (CCR)**

Beginning October 1, 2010 financial assistance grant recipients must have a Dun and Bradstreet Data Universal Numbering System (DUNS) numbers and maintain current registrations in the Central Contractor Registration (CCR) database. The CCR requirement will also apply to loans obligated after October 1, 2011. The CCR requirement is new for grants effective October 1, 2010 (and loans and loan guarantees starting on October 1, 2011). Completing the CCR registration process takes up to five business days.

The CCR registration must remain active, with current information, at all times during which an entity has an application under consideration by an agency or has an active Federal Award. To remain registered in the CCR database after the initial registration, **you are required to review and update on an annual basis from the date of initial registration or subsequent updates in the CCR database to ensure it is current, accurate and complete. You will have an expiration date and it is your responsibility to ensure that you keep the CCR registration current.**

Central Contracting Registration (CCR) is now using the new System for Award Management (SAM), Phase 1.

What Does SAM Include?

SAM Phase 1 includes the capabilities previously included in the following

“legacy” systems: Central Contractor Registration (CCR), Federal Agency Registration (FedReg), Online Representations and Certifications Application (ORCA), and the Excluded Parties List System

Where Can I Find SAM?

SAM is online at <http://sam.gov>. The legacy systems will redirect users to this address.

Where Can I Get Help?

SAM.gov contains quick start guides, webinars, a User Guide and other materials that provide all the information you need to get started using SAM. For other questions, beginning Monday, July 30, the help desk for SAM will be the Federal Service Desk (FSD). You can reach them at <http://fsd.gov>.

You as the recipient must maintain the currency of your information in the CCR. This requires that you review and update the information at least annually after the initial registration.

26. **Cost Overruns** – Cost overruns must be due to high bids or unexpected construction problems that cannot be reduced by negotiations, redesign, use of bid alternatives, rebidding or other means prior to consideration by Rural Development for subsequent funding. Such requests will be contingent on the availability of funds. Cost overruns exceeding 20% of the development cost at time of loan or grant approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date.
27. **Use of Remaining Funds** – Applicant contributions, in the form of waived tap fees for LMI homes, will be considered the first funds expended in the project. Tap fees collected by the applicant must be contributed towards the project but will not be required until the system is operational and the tap fee has been paid by the customer. Remaining funds may be considered in direct proportion to the amounts obtained from each source and handled as follows:
- Remaining funds may be used for eligible loan and grant purposes, provided the use will not result in major changes to the original scope of work, the request is made within 60 days of project completions, and the purpose of the loan and grant must remain the same.
 - RD loan funds that are not needed will be applied as an extra payment on the RD indebtedness unless other disposition is required by the bond ordinance, resolution, or State statute.
 - Grant funds not approved for authorized purposes will be cancelled within 60 days of project completion. Prior to actual cancellation, you and your attorney and engineer will be notified of RD’s intent to cancel the remaining funds and given appropriate appeal rights.
28. **Processing Forms** - At a properly called meeting, you must adopt and properly

Execute the following forms, and minutes showing the adoption must be provided:

RD Binding Covenant

Form RD 400-1 - "Equal Opportunity Agreement"

Form RD 400-4 - "Assurance Agreement"

Form AD 1047 - "Certification Regarding Debarment, Suspension and other Responsibility Matters"

Form AD 1049 - "Certification Regarding Drug-Free Workplace Requirements"

Form RD 1910-11 - "Applicant Certification, Federal Collection Policies"

RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans"

Standard Form LLL - "Disclosure of Lobbying Activities" (If Applicable)

RUS Bulletin 1780-22, "Eligibility Certification"

RUS Bulletin 1780-27 - "Loan Resolution (Public Bodies)"

RUS Bulletin 1780-12 - "Water or Waste System Grant Agreement"

Form RD 1940-1 - "Request for Obligation of Funds"

Please complete and return the enclosed Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire further consideration be given your application.

The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you.

Attached is a copy of RUS Bulletin 1780-12, "Water and Waste System Grant Agreement," for your review. You will be required to execute a completed form at the time of grant closing.

29. Special Requirements

Any public information events are to be coordinated in advance with Rural Development through our Public Information Coordinator in our State Office. These events are to be planned in order for the public to be aware of this project and Rural Development's participation in the project.

If the conditions set forth in this letter are not met within 12 months from the date of this letter, RD reserves the right to discontinue processing of the application. In the event the project has not advanced to the point of loan closing within 12 months and it is determined the applicant still wishes to proceed, it may be necessary to review the conditions outlined in this letter. If during that review, it is determined the conditions outlined are no longer adequate, RD reserves the right to require that the letter of conditions be revised or replaced.

We believe the information in this letter clearly sets forth the conditions which must be complied with; however, this letter does not relieve you from meeting the requirements of RD Instruction 1780. If you have any questions, please do not hesitate to contact me.

Mr. Kelvin Washington, Chairman
Richland County

21

Sincerely,

MICHELE J. CARDWELL
Acting Community Programs Director

Attachments

LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE _____ **County Council** _____

OF THE _____ **Richland County** _____

AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS **Sewer** _____

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the _____ **Richland County** _____
(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

NINE MILLION THREE HUNDRED FIFTY-NINE THOUSAND AND XX / 100 DOLLARS (9,359,000.00)

pursuant to the provisions of _____ **Revenue Bond Act for Utilities as amended** _____ ; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, to Department of Agriculture, Clearance Officer, OIRM, Room 404-W, Washington, DC 20250; and to the Office of Management and Budget, Paperwork Reduction Project (OMB No. 0575-0015), Washington, DC 20503.

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the Richland County

hereby certify that the County Council of such Association is composed of _____ members, of whom _____ constituting a quorum, were present at a meeting thereof duly called and held on the _____ day of _____, _____ that the foregoing resolution was adopted at such meeting by the vote shown above. I further certify that as of _____, the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been rescinded or amended in any way.

Dated, this _____ day of _____.

of Richland County

Richland County Council Request of Action

Subject

- a. I hereby move to direct staff to seek the closing of all sexually oriented businesses operating in violation of the Richland County sexually oriented business ordinance by any and all legal means necessary for swift and permanent compliance. This will require the present and future assistance of Richland County law enforcement. [ROSE]
- b. Council create an ad hoc committee to study the procurement evaluation process [MANNING]
- c. I move that all businesses operating without license and proper license for their businesses be closed. The Business Center should have a list and coordinate with the Sheriff's Department to not just impose a fine but order them closed. Businesses are operating without license, liquor, beer and wine and without the proper license to avoid paying their fare share and be in compliance. [JACKSON]
- d. Due to the fact that by law SOB's shall exist, I move to close all SOB's that are in violation and develop a new criteria that will allow them to exist without hardship causing frivolous lawsuits to the County. Suggestions on the new criteria will follow with input from the Legal Department [JACKSON]

Richland County Council Request of Action

Subject

Must Pertain to Items Not on the Agenda