

Resolution #
2020-11-577

A RESOLUTION

AUTHORIZING THE PROPORTIONATE DISTRIBUTION OF \$1,627,397 OF CAPITAL PROJECT SALES TAX PROCEEDS TO BE EXPENDED BY THE COUNTY AND MUNICIPALITIES ON A PAY-AS-YOU-GO BASIS FOR THE PURPOSES AND PROJECTS HEREIN STATED; AND OTHER MATTERS RELATED THERETO.

WHEREAS, pursuant to the Capital Projects Sales Tax Act, codified at Title 4, Chapter 10, of the Code of Laws of South Carolina 1976, as amended, Barnwell County, South Carolina ("County") held a referendum on November 8, 2016 ("Referendum"), wherein the following question was posed to voters of the County:

Shall a special, one-percent capital projects sales and use tax be imposed in Barnwell County from May 1, 2017, through April 30, 2025, and shall Barnwell County be permitted to issue general obligation bonds, in one or more series, in an amount not to exceed the aggregate of \$13,971,328, which Barnwell County intends to repay from the sales and use tax, the proceeds of which shall be distributed proportionally, as received, among the following jurisdictions in the following percentages: Barnwell County (49.57%), the City of Barnwell (21.00%), the Town of Williston (13.88%), the Town of Blackville (10.64%), the Town of Hilda (1.98%), the Town of Snelling (1.21%), the Town of Kline (0.87%), and the Town of Elko (0.85%) to be used as follows:

A. To be used for Barnwell County projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

1. Transfer station renovation	\$200,000
2. Courthouse repairs	\$3,600,000
3. Water/ sewer system improvements (Sewage line to SCAT Park/ water line from Barnwell to Hwy 78 down Reynolds Road	\$2,000,000
4. Purchase/ repair SCA Building	\$1,000,000
5. Repair/ replace landfill scale house	\$125,000

B. To be used for the City of Barnwell projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

1. Public safety building (Phase 1)	\$1,800,000
2. Fuller Park splash pad and playground equipment	\$350,000
3. Sewer system improvements	\$650,000
4. Fuller Park restrooms	\$133,979

C. To be used for the Town of Williston projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

1. Backhoe	\$35,000
2. Acquire/ upgrade town parks	\$375,000
3. Water system improvements	\$1,429,220
4. Water/ sewer system right-of-way improvements	\$100,000

D. To be used for the Town of Blackville projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

1. Water/ sewer system improvements	\$900,000
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- 2. Remediate blighted areas \$500,000
- 3. Police substation and crime prevention equipment \$75,000

E. To be used for the Town of Hilda projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

- 1. Town shed and related equipment \$30,000
- 2. Repair/ renovate Railroad depot \$45,000
- 3. Repair/ renovate town hall \$40,000

F. To be used for the Town of Snelling projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

- 1. Construct/ purchase picnic shelter \$100,000
- 2. Town park improvements \$60,000

G. To be used for the Town of Kline projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

- 1. Construct/ purchase town hall/ community center \$180,000

H. To be used for the Town of Elko projects listed in the following priority with the estimated cost to be paid from the sales and use tax or bond proceeds:

- 1. Water system improvements \$44,000
- 2. Fire hydrant \$12,000
- 3. Construct/ purchase farmers' market structure \$28,000

CONDITIONS AND RESTRICTIONS ON THE USE OF THE SALES AND USE TAX REVENUE COLLECTED UNDER THE CAPITAL PROJECT SALES TAX ACT:

The capital projects sales and use tax shall be used for acquiring an interest in, paying debt service for previously issued bonds related to, or procurement, design, architectural, engineering, surveying, soil testing, construction, improvement, or similar type uses related to the projects listed above, or any combination related to the foregoing that are related to the acquisition, construction, or rehabilitation of a project. Net proceeds of the sales and use tax must be expended for the purposes stated, in the priority listed above. The completion of the each project funded by the sales and use tax is governed by the Capital Project Sales Tax Act (S.C. Code Ann. §4-10-300, *et seq.*) and subject to acquisition of property and right-of-way, design and engineering considerations, funding of projects from other sources, bids in excess of project estimates, qualifications of bidders, cost overruns, financing costs, exhaustion of net sales and use tax revenues prior to the completion of each project in the order and priority stated above and other unforeseen circumstances and conditions, which, if any of these circumstances are encountered, the governmental entity receiving funds may move to the next priority project and continue through the priority list until completed, then may return to any project passed over.

INSTRUCTIONS TO VOTERS.

All qualified electors desiring to vote in favor of imposing the tax for the stated purposes shall vote "YES." All qualified electors opposed to levying the tax shall vote "NO."

YES _____

NO _____ ; and

WHEREAS, the voters approved the Referendum and in 2017 the County issued an \$8,790,000 General Obligation Bond (“2017 Bond”), with annual debt service payments of approximately \$1.2 million, to pay for a portion of the Capital Project Sales Tax projects (“Projects”); and

WHEREAS, the County’s most recent three financial quarters of Capital Project Sales Tax (“CPST”) revenue collections have been strong and have exceeded previous collection estimates and amounts necessary to make the 2017 Bond debt service payments; and

WHEREAS, the County’s Finance Committee (“Committee”) recommends releasing excess CPST revenue collections in an amount of \$1,627,397 and distributing the funds proportionately to the County and municipalities as described herein; and

WHEREAS, the Committee reasonably believes that releasing the excess CPST revenue collections will allow the Projects to be completed more efficiently without jeopardizing the County’s ability to meet its debt service payment obligations on the 2017 Bond.

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF BARNWELL COUNTY, SOUTH CAROLINA, AS FOLLOWS:

Section 1. \$1,627,397 of CPST revenue collections shall be released and proportionately distributed to the County and municipalities accordingly and expended on a pay-as-you-go basis:

Distribution by Municipality			
Barnwell County	49.57%	\$	806,701
City of Barnwell	21.00%	\$	341,753
Williston	13.88%	\$	225,883
Blackville	10.64%	\$	173,155
Hilda	1.98%	\$	32,222
Snelling	1.21%	\$	19,692
Kline	0.87%	\$	14,158
Elko	0.85%	\$	13,833

Section 2. The County Council hereby authorizes the County Administrator to take such steps as are necessary to effectuate the distributions approved pursuant to this Resolution.


Section 3. 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 Barnwell County Council.

Done this 10th day of November, 2020.



(SEAL)

ATTEST:


Clerk to Council, Barnwell County Council

BARNWELL COUNTY, SOUTH CAROLINA


Chairman, Barnwell County Council