

STATE OF SOUTH CAROLINA)
)
COUNTY OF NEWBERRY)

FILED
NEWBERRY COUNTY
ORDINANCE NO. 09-01-2024
2024 NOV -7 AM 9:34
ELIZABETH P FOLK
CLERK OF COURT

AN ORDINANCE APPROVING THE TERMS OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN NEWBERRY COUNTY AND NEWBERRY COUNTY WATER AND SEWER AUTHORITY

WHEREAS, Newberry County, South Carolina (the “County”), following a successful referendum held on November 3, 1998, imposed a Capital Project Sales Tax (“CPST”) within the County pursuant to the provisions of S.C. Code Ann. §4-10-300 *et seq.* (1976, as amended); and

WHEREAS, the CPST has been reimposed from time to time in the County following referendums successfully held in 2004, 2010, 2016, and 2022; and

WHEREAS, since its original imposition in the County, and continuing through the renewals thereof, the CPST has provided to both the County and the political subdivisions within the County funds to defray the cost of various capital improvements, thus avoiding the imposition of additional property taxes in the County and mitigating the need for increases in rates of public utilities in the County; and

WHEREAS, the Newberry County Water and Sewer Authority, a political subdivision and special purpose district of the State of South Carolina (the “Authority”) has been a beneficiary of the CPST in each iteration of its imposition; and

WHEREAS, in the most recent referendum for reimposition of the CPST, which was held on November 8, 2022 (the “2022 Referendum”), the capital projects approved therein (the “2022 Projects”) consist of 12 items with an aggregate cost, as shown on the 2022 Referendum ballot, of \$37,047,130; and

WHEREAS, the Council is advised that, as a consequence of inflation, the total estimated cost of all 2022 Projects has increased by \$9,687,751 since the 2022 Referendum, from \$37,047,130 to not less than \$46,734,881; and

WHEREAS, the 2022 Referendum ballot included the upgrade and expansion of the Authority’s Cannon’s Creek Wastewater Treatment Plant (the “WWTP”) at a cost of \$5,154,560; and

WHEREAS, the Council is advised by the Authority that estimated cost of the WWTP has increased by \$4,462,231 since the 2022 Referendum to \$9,616,791; and

WHEREAS, the County intends to proceed with the issuance of not exceeding \$35,250,000 general obligation bonds, as approved in the 2022 Referendum (the “CPST Bonds”) to defray a portion of the costs of the 2022 Projects; and

WHEREAS, the projected cost overrun on the WWTP shown above amounts to more than 50% of total projected overruns on the 2022 Projects; and

WHEREAS, if the actual cost overrun on the WWTP exceeds the present estimate thereof, the WWTP and other 2022 Projects may face delays and funding shortfalls; and

WHEREAS, the Authority desires to assist the County with its efforts to proceed with the issuance of the CPST Bonds and to facilitate the same such that construction of all 2022 Projects may be initiated, completed and their intended benefits made available to the citizens of the County; and

WHEREAS, the Authority has agreed, subject to agreement by the County, that it will initially seek cost overrun funding from CPST funds in the amount of \$3,055,766, which excludes estimated mobilization costs and contingencies; and

WHEREAS, the Authority has, by resolution duly adopted on October 24, 2024 (the “NCWSA Resolution”), determined that it will have no further need of cost overrun funding beyond that described above, and that it is committed to providing additional funding required for the WWTP, if any, from available funds of the Authority and from the proceeds of waterworks and sewer system revenue bonds or notes of the Authority, which it may issue on its motion and which it has a capacity to undertake within the constraints of its existing loan documents, and has provided the County Administrator of the County with a copy of the NCWSA Resolution, attached hereto as Exhibit A;

WHEREAS, the Authority has determined that it will seek CPST funding for additional cost overruns, including reimbursements for sums expended therefor by the Authority, only at such time as all other 2022 Projects have been fully funded, including all cost overruns of all other 2022 Projects;

NOW, THEREFORE BE IT ORDAINED by the County Council of the County of Newberry, in Council duly assembled this 6th day of November 2024 that Council hereby approves the terms of the NCWSA Resolution and agrees that such terms, hereby approved by this Ordinance, constitute an Intergovernmental Agreement between the County and the Authority.

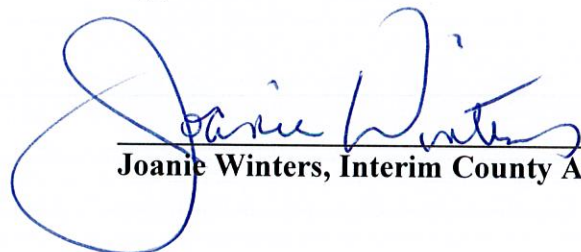
NEWBERRY COUNTY COUNCIL

BY: 
Todd Johnson, Chairman

(SEAL)

ATTEST: 
Andrew Wigger, Clerk to Council

Approved as to form:


Joanie Winters, Interim County Attorney


Jeff Shacker, County Administrator

1 st Reading:	September 18, 2024
2 nd Reading:	October 7, 2024
Public Hearing:	October 7, 2024
Public Hearing:	October 16, 2024
Public Hearing:	November 6, 2024
3 rd Reading:	November 6, 2024