STATE OF SOUTH CAROLINA )
) COUNTY OF MCCORMICK )

ORDINANCE 16-05

AN ORDINANCE ENACTED PURSUANT TO THE CAPITAL PROJECT SALES TAX ACT TO IMPOSE A ONE PERCENT (1%) SALES AND USE TAX ("THE TAX") WITHIN MCCORMICK COUNTY FOR A PERIOD OF NOT MORE THAN EIGHT (8) YEARS; TO CALL FOR AND ORDER A REFERENDUM ON THE QUESTION OF IMPOSING THE TAX; TO PRESCRIBE THE CONTENTS OF THE BALLOT QUESTION; TO SPECIFY THE PURPOSES FOR WHICH THE PROCEEDS FROM THE TAX ARE TO BE USED AND THE MAXIMUM TIME FOR THE IMPOSITION OF THE TAX; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

WHEREAS, counties are authorized by the Capital Project Sales Tax Act (S.C. Code Sections 4-10-300, et seq.) ("the Enabling Act"); subject to approval by a majority of the votes cast in a referendum, to impose county-wide a one percent (1%) sales and use tax ("the Tax") for the purpose of generating funds to pay for certain capital improvements; and

WHEREAS, the Enabling Act establishes a procedure for imposing the Tax, including the passage of an enacting ordinance ("the Enacting Ordinance") and the creation of a commission for the purpose of considering proposals for funding capital projects and formulating the Referendum question that is to appear on the ballot; and

WHEREAS, by passage of Resolution 10-15 adopted on May 17, 2016, McCormick County Council created a capital project sales and use tax commission ("CPST Commission"); and

WHEREAS, the CPST Commission has as its responsibilities considering proposals for funding capital projects, formulating a referendum question that is to appear on the 2016 general election ballot and submitting it to McCormick County Council to consider placing the referendum question on the November 8, 2016 general election ballot; and

WHEREAS, the purpose of this ordinance is to serve as the Enacting Ordinance in accordance with the Enabling Act.

NOW, THEREFORE, BE IT ORDAINED by the County Council of McCormick County, South Carolina as follows:

SECTION 1: Imposition of Sales and Use Tax.

There is hereby imposed in the County a one percent sales and use tax (the "Tax") in accordance with and pursuant to the Enabling Act; provided, however, that, a majority of the votes cast in
the referendum provided for herein are in favor of imposing the Tax. If approved in the referendum, the Tax is imposed on the first of May following the date of the referendum.

SECTION 2: Referendum; Ballot Question.

(a) There is hereby ordered a referendum to be held in the County on November 8, 2016 ("Referendum"), at which there shall be submitted to all electors qualified to vote under the Constitution and laws of the State of South Carolina, the question set forth in Section 2(b) hereof. The McCormick County Board of Elections and Voter Registration (the "Board") shall supervise and conduct the referendum.

(b) As formulated by the CPST Commission, the referendum question to be on the ballot is:

Must a special one percent sales and use tax be imposed in McCormick County for not more than eight (8) years to raise the amounts specified for the following purposes:

The cost of acquiring (including, in certain instances, the acquisition of real property), constructing, furnishing, and equipping the following projects in the priority as listed:

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>1. Public Safety Emergency Radio System</td>
<td>$ 697,735</td>
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<tr>
<td>2. Emergency Operations Center</td>
<td>$1,384,026</td>
</tr>
<tr>
<td>3. EMS Northern Substation</td>
<td>$ 75,000</td>
</tr>
<tr>
<td>4. Willington Historic Buildings Awnings</td>
<td>$ 6,000</td>
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<tr>
<td>5. Volunteer Firefighters Gear (Turnout and SCBA Packs)</td>
<td>$ 350,000</td>
</tr>
<tr>
<td>6. Mims Multi-Purpose Sports and Conference Center (Life Safety Renovation)</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>7. Town of McCormick Public Safety Office Renovations</td>
<td>$ 12,500</td>
</tr>
<tr>
<td>8. McCormick County Arts Council (Life Safety Renovations)</td>
<td>$ 50,739</td>
</tr>
</tbody>
</table>

TOTAL AMOUNT FOR ALL LISTED PROJECTS                                      | $3,576,000 |
and must the County Council of McCormick County be authorized to issue not exceeding $3,576,000 principal amount of general obligation bonds of McCormick County; provided that the proceeds of such bonds shall be applied to defray the costs of the designated projects, plus issuance costs, and provided further that in the event the sales and use tax to be imposed as stated herein is inadequate for the payment of such bonds, the bonds shall be payable from ad valorem taxes imposed on all taxable property in McCormick County?

Yes [ ] No [ ]

(c) All qualified electors desiring to vote in favor of imposing the tax for the stated purposes shall vote "yes" and all qualified electors opposed to levying the tax shall vote "no". If a majority of the votes cast are in favor of imposing the tax, then the tax is imposed as in this enacting ordinance.

SECTION 3: Required Information.

The Enabling Act requires the Enacting Ordinance to specify certain information. The following information is provided to satisfy the content requirements:

(a) Use of Proceeds: The proceeds of the Tax are to be used to pay the costs of the projects set forth in the referendum question provided in Section 2 hereof.

(b) Maximum Time: The Tax will be imposed for a period not to exceed eight (8) years from the date of imposition of the Tax.

(c) Maximum Amount of Bonds: The maximum amount of general obligation bonds of the County to be issued pursuant to the Referendum, in one or more series, to pay the costs of the projects is $3,576,000. The proceeds of the Tax are to be pledged to the payment of bonds issued to pay the costs of the projects. The bonds shall be additionally secured by a pledge of the full faith, credit, and taxing power of the County.

(d) Sources of Funds to Pay for Projects: Revenue generated from the Tax shall be used and expended to defray the costs of the projects. The County anticipates that other sources of funds may also pay a portion of the costs of some of the projects, including, but not limited to, the United States Department of Agriculture (USDA), the South Carolina Department of Natural Resources (SCDNR), the South Carolina Department of Commerce Rural Infrastructure Fund, the Community Development Block Grant Program of the U.S. Department of Housing and Urban Development (CDBG), the South Carolina Rural Infrastructure Authority (RIA), the South Carolina Department of Transportation (SCDOT) Transportation Enhancement Funds and other available fund sources.
(e) **Maximum Amount of Project Costs to Be Funded from the Tax:** The maximum amount of the costs of each project to be funded from the Tax are the respective amounts set forth in section 2(b) above with respect to each project.

(f) **Priority of Projects:** The priority of funding of the projects shall be the numerical order set forth in section 2(b) above. McCormick County Council cannot alter or change the projects, or the established priority, listed in the referendum question submitted by the CPST Commission.

**SECTION 4: Ordinance to Election Commission.**

The Clerk to Council shall send a certified copy of this ordinance to the McCormick County Board of Elections and Voter Registration no later than 12:00 PM (noon) on August 15, 2016.

**SECTION 5:**

This Ordinance shall become effective upon adoption after three (3) readings and any required public hearing.

**APPROVED AND ADOPTED this 5th day of August, 2016.**

**MCCORMICK COUNTY COUNCIL**

By: [Signature]

Charles Jennings, Chairman

**ATTEST:**

Crystal B. Barnes, Clerk to Council

1st Reading: July 11, 2016
2nd Reading: July 21, 2016
3rd Reading: August 5, 2016
Public Hearing: August 5, 2016