



Minutes
Sumter County Council
Regular Meeting
Tuesday, April 24, 2018 -- Held at 6:00 p.m.
County Administration Building -- County Council Chambers
13 E. Canal Street, Sumter, SC

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COUNCIL MEMBERS PRESENT: James T. McCain, Chairman; James R. Byrd, Vice Chairman; Artie Baker, Eugene R. Baten, Charles T. Edens; Vivian Fleming McGhaney; and Chris Sumpter.

COUNCIL MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Gary Mixon, Lorraine Dennis, Johnathan W. Bryan, Mary W. Blanding, Allen Dailey, Joe Perry, and two Sheriff Deputies.

MEDIA PRESENT: The Item Newspaper, Adrienne Sarvis

PUBLIC IN ATTENDANCE:
Approximately six members of the public were in attendance.

CALL TO ORDER: The meeting of April 24, 2018, was called to order by the Chairman of Sumter County Council, the Honorable James T. McCain.

INVOCATION: The invocation was given by the Honorable Vivian Fleming McGhaney.

PLEDGE OF ALLEGIANCE: Everyone in attendance repeated the Pledge of Allegiance to the American Flag.

APPROVAL OF AGENDA: Chairman McCain asked the Clerk to Council if there were any changes to the Agenda. She stated that there were no changes. Therefore, the Chairman called for a motion to approve the agenda for Tuesday, April 24, 2018.

ACTION: MOTION was made by Councilman Baten, seconded by Councilman Sumpter, and unanimously carried by Council to grant approval of the agenda as presented.

APPROVAL OF MINUTES: Chairman McCain asked for a motion concerning approving the minutes of March 27, 2018.

ACTION: MOTION was made by Councilman Sumpter, seconded by Councilman Baker, and unanimously carried by Council to grant approval of the Minutes of Council's Regular Meeting held on March 27, 2018.

NOTE: Due to a lack of New Business or Old Business agenda items, County Council cancelled its meeting scheduled for Tuesday, April 10, 2018.

LAND USE MATTERS AND REZONING REQUESTS:
Planned Development/Rezoning Requests

1. None

OTHER PUBLIC HEARINGS:

1. None

NEW BUSINESS:

- (1) **R-18-01 - A Resolution Authorizing (1) The Execution And Delivery Of A Fee In Lieu Of Tax And Incentive Agreement By And Between Sumter County, South Carolina (The "County") And A Company Identified For The Time Being As Project Bulldog, Acting For Itself, One Or More Affiliates, And/Or Other Project Sponsors (Collectively, The "Company"), Pursuant To Which The County Shall Covenant To Accept Certain Negotiated Fees In Lieu Of Ad Valorem Taxes With Respect To The Establishment And/Or Expansion Of Certain Facilities In The County (The "Project"); (2) The Benefits Of A Multi-County Industrial Or Business Park To Be Made Available To The Company And The Project; (3) Certain Special Source Revenue Credits In Connection With The Project; And (4) Other Matters Relating Thereto.**

Mr. Bryan presented this proposed resolution to Sumter County Council. He stated that the Resolution authorizes the execution and delivery of a Fee In Lieu of Agreement and a Multi-County Industrial Park Agreement as well as certain Special Source Revenue Credits in with Project Bulldog. This would allow for an economic development expansion with a \$150,000,000 value, 125 new full-time jobs, a twenty-year Fee in Lieu of Tax Agreement (4% tax ratio) and a ten-year Special Source Revenue Credit.

After review of the resolution (see below), Council took action on its adoption.

ACTION: MOTION was made by Councilman Edens, seconded by Vice Chairman Byrd, and unanimously carried by Council to grant approval and adoption of this resolution and authorized the Chairman and the Clerk to execute and deliver this resolution on behalf of the County.

Resolution R-18-01

WHEREAS, Sumter County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, and, by incorporation Section 4-29-68 of the Code, the "Special Source Act", and, together with the Negotiated FILOT Act, the "Act") and by Article VIII, Section 13(D) of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of ad valorem tax ("FILOT") payments, including, but not limited to, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements");

and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, a company identified for the time being as Project Bulldog, acting for itself, one or more affiliates, and/or other project sponsors (collectively, the “Company”) proposes to establish and/or expand certain facilities at one or more locations in the County (the “Project”); and

WHEREAS, the Company anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least \$150,000,000, in the aggregate, in the Project and will create, or cause to be created, at least 125 new, full-time jobs, in the aggregate, within the County; and

WHEREAS, on the basis of the information supplied to it by the Company, the County has determined, inter alia, that the Project would promote the purposes of the Act and would be directly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the investment to be made, or caused to be made, and the jobs to be created, or caused to be created, by the Company, all of which contribute to the tax base and the economic welfare of the County, and, accordingly, the County wishes to induce the Company to undertake the Project by offering certain negotiated FILOT and multi-county industrial or business park benefits, as well as the benefits of certain Special Source Credits as set forth herein, and all of which shall be further described and documented in a Fee in Lieu of Tax and Incentive Agreement to be entered into by the County and the Company (the “Incentive Agreement”).

NOW, THEREFORE, BE IT RESOLVED by the Council, as follows:

Section 1. As contemplated by Section 12-44-40(I) of the Negotiated FILOT Act, the County makes the following findings and determinations:

(a) The Project will constitute a “project” within the meaning of the Negotiated FILOT Act; and

(b) The Project, and the County’s actions herein, will subserve the purposes of the Negotiated FILOT Act; and

(c) The Project is anticipated to benefit the general public welfare of the State and the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; and

(d) The Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against its general credit or taxing power; and

(e) *The purposes to be accomplished by the Project are proper governmental and public purposes; and*

(f) *The benefits of the Project are greater than the costs.*

Section 2.

(a) *The County hereby agrees to enter into the Incentive Agreement with the Company, whereby the Company will agree to satisfy, or cause to be satisfied, certain investment requirements with respect to the Project within certain prescribed time periods in accordance with the Negotiated FILOT Act and the County, under certain conditions to be set forth in the Incentive Agreement, will agree to accept negotiated fee in lieu of ad valorem tax (“Negotiated FILOT”) payments with respect to the Project.*

(b) (i) *The Negotiated FILOT shall be determined using: (1) an assessment ratio of 4%; provided, that, in the event that the Expansion Project fails to qualify as an “enhanced investment” under Section 12-44-30(7) of the Negotiated FILOT Act but nevertheless qualifies for a Negotiated FILOT under the Negotiated FILOT Act, an assessment ratio of 6% shall be applied retroactively and prospectively; (2) the lowest initial millage rate or millage rates allowed with respect to the Project pursuant to Section 12-44-50(A)(1)(d) of the Negotiated FILOT Act, which the parties presently believe to be [362.2] mills, and which millage rate or millage rates shall adjust every five years pursuant to Section 12-44-50(A)(1)(b)(ii) of the Negotiated FILOT Act for the full term of the Negotiated FILOT; (3) the fair market value of the Project, determined in accordance with the Negotiated FILOT Act; and (4) such other terms and conditions as will be specified in the Incentive Agreement, including, without limitation, that the Company, in its sole discretion, may dispose of property and replace property subject to Negotiated FILOT payments to the maximum extent permitted by the Negotiated FILOT Act.*

(ii) *The Negotiated FILOT shall be calculated as provided in this Section 2(b) for that portion of the Project consisting of “economic development property” under the Negotiated FILOT Act. For each annual increment of investment in such economic development property, the annual Negotiated FILOT payments shall be payable for a payment period of twenty (20) years, all in accordance with the Negotiated FILOT Act. Accordingly, if such economic development property is placed in service during more than one year, each year’s investment shall be subject to the Negotiated FILOT for a payment period of twenty (20) years.*

Section 3. *The County will use its best efforts to ensure that the Project will be included, if not already included, and will remain, within the boundaries of a multi-county industrial or business park pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13(D) of the State Constitution on terms which allow the Company to seek from the State any additional jobs creation tax credits for the Project*

afforded by the laws of the State for projects located within multi-county industrial parks and on terms, and for a duration, which facilitate, the County's provision, and the Company's receipt, of the Special Source Credits referenced in Section 4 hereof.

Section 4. *As an additional incentive to induce the Company to undertake the Project, and as reimbursement for investment in Special Source Improvements, and subject to the requirements of the Special Source Act and the terms and conditions of the Incentive Agreement, the County does hereby agree that the Company shall be entitled to receive, and the County shall provide, Special Source Credits against each FILOT payment, including, but not limited to, each Negotiated FILOT payment, due with respect to the Project for a period of ten (10) consecutive tax years, commencing with the tax year for which the initial Negotiated FILOT payment is due with respect to the Project, in an annual amount equal to twenty-five percent (25%) of such FILOT payment, all as shall be set forth in greater detail in the Incentive Agreement. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project.*

Section 5. *The provisions, terms, and conditions of the Incentive Agreement shall be subject to approval by subsequent Ordinance of the Council. The Incentive Agreement is to be in substantially the form customarily used by the County for similar transactions with such changes therein as shall be approved by said Ordinance.*

Section 6. *The Chairman of the Council, the County Administrator, and the Clerk to the Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to this Resolution.*

Section 7. *The execution and delivery of the Incentive Agreement is subject to the enactment by the Council of an ordinance authorizing the same and, in conjunction therewith, compliance with the provisions of the Home Rule Act regarding the procedural requirements for enacting ordinances.*

Section 8. *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 upon adoption by the Council.*

- (2) **18-885 -- First Reading – An Ordinance Authorizing (1) The Execution And Delivery Of A Fee In Lieu Of Tax And Incentive Agreement By And Between Sumter County, South Carolina (The “County”) And A Company Identified For The Time Being As Project Bulldog, Acting For Itself, One Or More Affiliates, And/Or Other Project Sponsors (Collectively, The “Company”), Pursuant To Which The County Shall Covenant To Accept Certain Negotiated Fees In Lieu Of Ad Valorem Taxes With Respect To The Establishment And/Or Expansion Of Certain Facilities In The County (The “Project”); (2) The Benefits Of A Multi-County Industrial Or Business Park To Be Made Available To The Company And The Project; (3) Certain Special Source Revenue Credits In Connection With The Project; And (4) Other Matters Relating Thereto. (Title Only)**

Mr. Bryan stated that this ordinance (#18-885) is in connection with Project Bulldog as outlined in Resolution R-18-01. There will be more details about the ordinance at second reading. After Mr. Bryan's presentation, Council took action on first reading.

ACTION: MOTION was made by Vice Chairman Byrd, seconded by Councilman Sumpter, and unanimously carried by Council to grant first reading approval by Title Only.

- (3) **18-886 -- First Reading - An Ordinance (1) Amending The Master Agreement Governing The Sumter-Lee Industrial Park Dated December 31, 2012 Between Lee County, South Carolina And Sumter County, South Carolina So As To Enlarge The Boundaries Of The Park To Include Certain Property Owned And/Or Operated By A Company Identified For The Time Being As Project Bulldog; And (2) Authorizing Other Matters Related Thereto. (Title Only)**

Mr. Bryan introduced this ordinance and said that it is in connection with Project Bulldog as outlined in Resolution R-18-01. This ordinance will allow for Project Bulldog to be placed in a Multi County Industrial Park with Lee County. There will be more details about the ordinance at second reading. After Mr. Bryan's presentation, Council took action on first reading.

ACTION: MOTION was made by Councilman Baker, seconded by Vice Chairman Byrd, and unanimously carried by Council to grant first reading approval by Title Only.

- (4) **18-887 -- First Reading -- An Ordinance Authorizing The Lease Of Property To FTC Communications, LLC. (Title Only)**

The County Attorney, Johnathan Bryan, reminded Council members that FTC Communications, LLC requested to place a Tower on the property owned by the County at the back of Patriot Park Sportsplex. The lease of the property to FTC is for \$400 per month, with an increase of fifty cents per year, thereafter. After all comments, Council took action on first reading.

ACTION: MOTION was made by Vice Chairman Byrd, seconded by Councilman Baker, and unanimously carried by Council to grant first reading approval by Title Only.

- (5) **It May Be Necessary To Hold An Executive Session To Discuss An Economic Development Matter Or A Personnel Matter, Receive A Legal Briefing, Discuss A Contractual Matter, Or Other Matter Pertaining To An Executive Session, And Take Appropriate Actions Thereafter If Required.**

None

OLD BUSINESS:

None

COMMITTEE REPORTS:

- (1) **Fiscal, Tax, and Property Committee Meeting To Be Held On Tuesday, April 24, 2018, At 5:15 p.m. In County Council Conference Room.**

Chairman McCain, the Chairman for the Fiscal, Tax, and Property (FTP) Committee, stated that the Committee met in executive session to discuss Project Bulldog and in open session, the FTP

Committee received budget information for the 2018-2019 budget. The report on that discussion will be given by the County Administrator during the County Administrator's Report.

- (2) **Report From Council Members** On Other Meetings, Trainings, And/Or Conferences; And Any Other Council Comments.
- Councilman Baten stated that his report is that the State General Assembly will not grant the counties additional funding during this upcoming year. The State has decided that the County will not receive an increase in the Local Government Fund. Councilman Baten further stated that he is looking forward to the report from the County Administrator about how Florence County handles its tax bills as it relates to the Local Government Fund. It was also stated by Councilman Baten that funding the 2018-2019 budget should not be funded on the backs of the taxpayers because of Counties not receiving the property allocations through the Local Government Fund.

MONTHLY REPORTS

- 1) Sumter County Sheriff's Office Two Reports
 - A. March 2018 SCSO Monthly Report
 - B. March 2018 Detention Center Monthly Report
- 2) FEMA Information
- 3) Brewington Road Bridge Repair – July 30, 2018
- 4) Mayor's Prayer Breakfast
- 5) Sumter County Sheriff's and City Police Chief's Prayer Breakfast - May 15, 2018
- 6) Sumter County Museum's Shrimp Festival
- 7) 2018-2019 Budget Calendar Schedule

COUNTY ADMINISTRATOR'S REPORT

The County Administrator gave the following report:

- May 1, 2018 - Budget Workshop - 5:00 p.m.
- May 8, 2018 - First Reading of the Budget
- May 22, 2018 - Public Hearing and Second Reading
- June 12, 2018 - Third and Final Reading

The information presented to Council during the Fiscal, Tax, and Property Committee meeting included the following:

- Revenue -- \$52,430,074
- Expenditures -- \$52,573,199
- Capital requests over \$6,000,000
- Other Agencies - Budgeted \$2,802,663 in 2017-2018 and this year the request is up at a cost of \$2,872,629

PUBLIC COMMENT:

The Chairman asked if anyone wished to speak to Council during public comment. No one spoke during public comment.

ADJOURNMENT

After all business and the public comment, the meeting of Sumter County Council was adjourned after a motion by Councilman Edens, and seconded by Councilman Sumpter at 6:18 p.m.

Respectfully submitted,

James T. McCain, Jr.
Chairman or Vice Chairman
Sumter County Council

Mary W. Blanding
Clerk to County Council
Sumter County Council

Approved: May 8, 2018



I certify that public and media notification of the above-mentioned meeting was given prior thereto as follows:

Public Notified: Yes

Manner Notified: Agendas posted on bulletin board on third floor of the Administration Building and was emailed to media, department heads, and certain citizens.

Date Posted: April 23, 2018

Media Notified: Yes

Manner Notified: Agenda Information is listed on Sumter County's Home Page, and E-mailed to The Item, The Chamber, WIS-TV, WBTW, and Time Warner Cable.

Date Notified: April 20, 2018

Respectfully submitted,

Mary W. Blanding

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