

K. G. "Rusty" Smith, Jr.
District #1

Ken Ard
District #2

Alphonso Bradley
District #3

Mitchell Kirby
District #4

Johnnie D. Rodgers, Jr.
District #5

Russell W. Culberson
District #6

Waymon Mumford
District #7

James T. Schofield
District #8

H. Morris Anderson
District #9

AGENDA
FLORENCE COUNTY COUNCIL
SPECIAL CALLED MEETING
COUNTY COUNCIL CHAMBERS, ROOM 803
180 NORTH IRBY STREET
FLORENCE, SOUTH CAROLINA
THURSDAY, OCTOBER 14, 2010
9:00 A. M.

I. **CALL TO ORDER:** K. G. RUSTY SMITH, JR., CHAIRMAN

II. **INVOCATION:** H. MORRIS ANDERSON, SECRETARY/CHAPLAIN

III. **PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG:**
WAYMON MUMFORD, VICE CHAIRMAN

IV. **WELCOME:** K. G. RUSTY SMITH, JR., CHAIRMAN

V. **PUBLIC HEARING:** [1]

Council will hold public hearing on the following:

ORDINANCE NO. 08-2010/11

An Ordinance Approving The Delivery By The Florence County Public Facilities Corporation Of Refunding Certificates Of Participation (Law Enforcement Center And Civic Center Projects), Series 2010, In The Principal Amount Of Not Exceeding \$23,000,000 In Order To Achieve An Estimated Debt Service Savings Of Approximately \$500,000 Net Of All Costs Of Issuing Said Refunding Certificates Of Participation; Authorizing The Execution And Delivery Of Certain Instruments Relating To Said Refunding Certificates Of Participation, Including An Amended And Restated Ground Lease Agreement And An Amended And Restated Lease Agreement, Both Between The Florence County Public Facilities Corporation And Florence County, A Certificate Purchase Agreement Among The Florence County Public Facilities Corporation, Florence County And The Underwriter Of The Refunding Certificates; Approving The Delivery Of An Assignment Of Lessor's Interest In Lease By The Florence County Public Facilities Corporation To The Certificate Trustee, A Trust

Agreement Between Florence County Public Facilities Corporation And The Certificate Trustee, And A Preliminary Official Statement And Official Statement With Respect To The Sale Of The Refunding Certificates Of Participation; Authorizing The Proposed Refinancing To Be Effected By Means Of A Refunding Lease-Purchase Financing Directly Between The County And A Financial Institution Or A Modification Of The Existing Lease-Purchase Financing Between The County And Branch Banking And Trust Company In Lieu Of The Issuance Of The Refunding Certificates Of Participation; And Approving Other Matters Relating To The Foregoing.

VI. ORDINANCES IN POSITION:

SECOND READING

ORDINANCE NO. 08-2010/11

[2]

An Ordinance Approving The Delivery By The Florence County Public Facilities Corporation Of Refunding Certificates Of Participation (Law Enforcement Center And Civic Center Projects), Series 2010, In The Principal Amount Of Not Exceeding \$23,000,000 In Order To Achieve An Estimated Debt Service Savings Of Approximately \$500,000 Net Of All Costs Of Issuing Said Refunding Certificates Of Participation; Authorizing The Execution And Delivery Of Certain Instruments Relating To Said Refunding Certificates Of Participation, Including An Amended And Restated Ground Lease Agreement And An Amended And Restated Lease Agreement, Both Between The Florence County Public Facilities Corporation And Florence County, A Certificate Purchase Agreement Among The Florence County Public Facilities Corporation, Florence County And The Underwriter Of The Refunding Certificates; Approving The Delivery Of An Assignment Of Lessor's Interest In Lease By The Florence County Public Facilities Corporation To The Certificate Trustee, A Trust Agreement Between Florence County Public Facilities Corporation And The Certificate Trustee, And A Preliminary Official Statement And Official Statement With Respect To The Sale Of The Refunding Certificates Of Participation; Authorizing The Proposed Refinancing To Be Effected By Means Of A Refunding Lease-Purchase Financing Directly Between The County And A Financial Institution Or A Modification Of The Existing Lease-Purchase Financing Between The County And Branch Banking And Trust Company In Lieu Of The Issuance Of The Refunding Certificates Of Participation; And Approving Other Matters Relating To The Foregoing.

VII. ADJOURN:

**FLORENCE COUNTY COUNCIL
SPECIAL CALLED MEETING**

October 21, 2010

AGENDA ITEM: Public Hearings

DEPARTMENT: County Council

ISSUE UNDER CONSIDERATION:

Council will hold public hearing to receive public comment with regard to the following:

ORDINANCE NO. 08-2010/11

An Ordinance Approving The Delivery By The Florence County Public Facilities Corporation Of Refunding Certificates Of Participation (Law Enforcement Center And Civic Center Projects), Series 2010, In The Principal Amount Of Not Exceeding \$23,000,000 In Order To Achieve An Estimated Debt Service Savings Of Approximately \$500,000 Net Of All Costs Of Issuing Said Refunding Certificates Of Participation; Authorizing The Execution And Delivery Of Certain Instruments Relating To Said Refunding Certificates Of Participation, Including An Amended And Restated Ground Lease Agreement And An Amended And Restated Lease Agreement, Both Between The Florence County Public Facilities Corporation And Florence County, A Certificate Purchase Agreement Among The Florence County Public Facilities Corporation, Florence County And The Underwriter Of The Refunding Certificates; Approving The Delivery Of An Assignment Of Lessor's Interest In Lease By The Florence County Public Facilities Corporation To The Certificate Trustee, A Trust Agreement Between Florence County Public Facilities Corporation And The Certificate Trustee, And A Preliminary Official Statement And Official Statement With Respect To The Sale Of The Refunding Certificates Of Participation; Authorizing The Proposed Refinancing To Be Effected By Means Of A Refunding Lease-Purchase Financing Directly Between The County And A Financial Institution Or A Modification Of The Existing Lease-Purchase Financing Between The County And Branch Banking And Trust Company In Lieu Of The Issuance Of The Refunding Certificates Of Participation; And Approving Other Matters Relating To The Foregoing.

**FLORENCE COUNTY COUNCIL
SPECIAL CALLED MEETING**

October 14, 2010

AGENDA ITEM: Second Reading of Ordinance No. 08-2010/11

DEPARTMENT: Administration
Finance

ISSUE UNDER CONSIDERATION:

Approving The Delivery By The Florence County Public Facilities Corporation Of Refunding Certificates Of Participation (Law Enforcement Center And Civic Center Projects), Series 2010, In The Principal Amount Of Not Exceeding \$23,000,000 In Order To Achieve An Estimated Debt Service Savings Of Approximately \$500,000 Net Of All Costs Of Issuing Said Refunding Certificates Of Participation; Authorizing The Execution And Delivery Of Certain Instruments Relating To Said Refunding Certificates Of Participation, Including A Ground Lease Agreement And A Lease Agreement, Both Between The Florence County Public Facilities Corporation And Florence County, A Certificate Purchase Agreement Among The Florence County Public Facilities Corporation, Florence County, And The Underwriter Of The Refunding Certificates; Approving The Delivery Of An Assignment Of Lessor's Interest In Lease By The Florence County Public Facilities Corporation To The Certificate Trustee, A Trust Agreement Between The Florence County Public Facilities Corporation And The Certificate Trustee, And A Preliminary Official Statement And Official Statement With Respect To The Sale Of The Refunding Certificates Of Participation; Authorizing The Proposed Refinancing To Be Effected By Means Of A Refunding Lease-Purchase Financing Directly Between The County And A Financial Institution Or A Modification Of The Existing Lease-Purchase Financing Between The County And Branch Banking And Trust Company In Lieu Of The Issuance Of The Refunding Certificates Of Participation; And Approving Other Matters Relating To The Foregoing.

POINTS TO CONSIDER:

1. Ordinance No. 08-2010/11 is an ordinance to refund the existing certificates of participation (COPs) used to finance the jail and the civic center by the issuance of new certificates of participation.
2. This bond will be paid by the County-wide debt service millage currently being levied.
3. The interest rate for the existing COPs is 3.52% and the estimated average interest rate for the new COPs is 2.25%, resulting in estimated savings in excess of \$600,000.

FUNDING FACTORS:

NONE

OPTIONS:

1. *(Recommended)* Approve Second Reading of Ordinance No. 08-2010/2011.
2. Provide An Alternate Directive.

ATTACHMENTS:

Ordinance No. 08-2010/11

Sponsor(s) : County Council
 First Reading : September 16, 2010
 Committee Referral : N/A
 Committee Consideration Date : N/A
 Committee Recommendation : N/A
 Second Reading : October 14, 2010
 Public Hearing : October 14, 2010
 Third Reading : October 21, 2010
 Effective Date : October 21, 2010

I, _____,
 Council Clerk, certify that this
 Ordinance was advertised for
 Public Hearing on _____.

ORDINANCE NO. 08-2010/11

COUNCIL-ADMINISTRATOR FORM OF GOVERNMENT FOR FLORENCE COUNTY

AN ORDINANCE

APPROVING THE DELIVERY BY THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION OF REFUNDING CERTIFICATES OF PARTICIPATION (LAW ENFORCEMENT CENTER AND CIVIC CENTER PROJECTS), SERIES 2010, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$23,000,000 IN ORDER TO ACHIEVE AN ESTIMATED DEBT SERVICE SAVINGS OF APPROXIMATELY \$500,000 NET OF ALL COSTS OF ISSUING SAID REFUNDING CERTIFICATES OF PARTICIPATION; AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN INSTRUMENTS RELATING TO SAID REFUNDING CERTIFICATES OF PARTICIPATION, INCLUDING A GROUND LEASE AGREEMENT AND A LEASE AGREEMENT, BOTH BETWEEN THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION AND FLORENCE COUNTY, A CERTIFICATE PURCHASE AGREEMENT AMONG THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION, FLORENCE COUNTY, AND THE UNDERWRITER OF THE REFUNDING CERTIFICATES; APPROVING THE DELIVERY OF AN ASSIGNMENT OF LESSOR'S INTEREST IN LEASE BY THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION TO THE CERTIFICATE TRUSTEE, A TRUST AGREEMENT BETWEEN THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION AND THE CERTIFICATE TRUSTEE, AND A PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL STATEMENT WITH RESPECT TO THE SALE OF THE REFUNDING CERTIFICATES OF PARTICIPATION; AUTHORIZING THE PROPOSED REFINANCING TO BE EFFECTED BY MEANS OF A REFUNDING LEASE-PURCHASE FINANCING DIRECTLY BETWEEN THE COUNTY AND A FINANCIAL INSTITUTION OR A MODIFICATION OF THE EXISTING LEASE-PURCHASE FINANCING BETWEEN THE COUNTY AND BRANCH BANKING AND TRUST COMPANY IN LIEU OF THE ISSUANCE OF THE REFUNDING CERTIFICATES OF PARTICIPATION; AND APPROVING OTHER MATTERS RELATING TO THE FOREGOING.

WHEREAS, the Florence County Council (the "County Council"), the governing body of Florence County, South Carolina (the "County") previously determined that a need existed for (a) the acquisition and construction in the County of a County Law Enforcement Center, including a jail, sheriff's offices and emergency operations center with radio operations (collectively, the "Law Enforcement Center"), and a regional sports, entertainment and exhibition facility (the "Civic Center"), and (b) the acquisition of certain equipment to be utilized for various County purposes (the "Equipment") (the Law Enforcement Center and the Civic Center are hereinafter collectively referred to as the "Projects"); and

WHEREAS, pursuant to the authority contained in Section 4-9-30, Code of Laws of South Carolina 1976, as amended, providing for the power of counties to lease real and personal property, the County determined to finance the acquisition and construction of the Projects through a lease-purchase transaction; and

WHEREAS, in order to accomplish said lease-purchase transaction, the County entered into a Ground Lease Agreement dated as of October 1, 1990 with The Florence County Public Facilities Corporation, a South Carolina nonprofit corporation (the "Corporation"), whereby the real property upon which the Projects were to be constructed was leased by the County to the Corporation (the "Ground Lease"), and, in connection therewith, the Corporation leased such real property back to the County pursuant to a Lease Agreement dated as of October 1, 1990 between the Corporation, as lessor, and the County, as lessee (the "Lease Agreement"), whereby the County agreed to make payments of rent and payment of all costs and expenses of any kind incurred by the Corporation in connection with the leased property and the maintenance thereof; and

WHEREAS, in order to finance the acquisition and construction of the Projects and the acquisition of the Equipment, the Corporation delivered its \$42,545,000 original principal amount Certificates of Participation (Law Enforcement Center Project, Civic Center Project and Equipment), Series 1990, dated October 1, 1990 (the "1990 Certificates"), the primary payment source of which was the payment of rent by the County pursuant to the Lease Agreement; and

WHEREAS, (a) the Projects have since been acquired and constructed and are in use by the County for their intended purposes, and (b) the Equipment has since been acquired and, ultimately, released from the Ground Lease and the Lease Agreement; and

WHEREAS, the County and the Corporation determined in 1992 that a savings in debt service under the 1990 Certificates could be achieved through an advance refunding and defeasance of the 1990 Certificates through the delivery by the Corporation of \$45,880,000 original principal amount Refunding Certificates of Participation (Law Enforcement Center Project, Civic Center Project and Equipment), Series 1992, dated December 1, 1992 (the "1992 Certificates"); and

WHEREAS, the County and the Corporation determined in 2003 that a savings in debt service under the 1992 Certificates could be achieved through a refunding of the 1992 Certificates through the delivery by the Corporation of \$29,515,000 original principal amount Refunding Certificates of Participation (Law Enforcement Center Project, Civic Center Project and Equipment), Series 2003, dated March 3, 2003 (the "2003 Certificates"); and

WHEREAS, the County and the Corporation determined in 2008 that a savings in debt service under the 2003 Certificates could be achieved through a refunding of the 2003 Certificates through the entry by the Corporation into a \$25,000,000 original principal amount Capital Facilities Refunding and

Improvement Lease-Purchase Financing, Series 2008, dated April 30, 2008 (the "2008 Lease-Purchase Financing"); and

WHEREAS, in connection with the delivery of the 1992 Certificates, the 2003 Certificates, and the 2008 Lease-Purchase Financing, the County and/or the Corporation entered into new or amended Ground Leases and Leases with respect to the same property, with the current Ground Lease being that dated April 30, 2008 between the County, as lessor, and Branch Banking and Trust Company (the "Bank"), as lessee (the "2008 Ground Lease"), and the current Lease being that Lease Agreement dated April 30, 2008 between the Bank, as lessor, and the County, as lessee (the "2008 Lease"); and

WHEREAS, in accordance with the above, and in order to achieve a savings in total debt service payments with respect to the 2008 Lease-Purchase Financing, the County Council has determined to approve a refunding at this time of the outstanding principal amount of the 2008 Lease-Purchase Financing through the delivery by the Corporation of not exceeding \$23,000,000 Refunding Certificates of Participation (Law Enforcement Center and Civic Center Projects), Series 2010 (the "Certificates") at a fixed interest rate, to authorize or approve of the delivery of the various instruments necessary to accomplish such refunding, including amendments to or restatements or replacements of the 2008 Ground Lease and the 2008 Lease, and related documents; and

WHEREAS, mindful of changing conditions in financial markets, County Council intends to allow the refinancing of the 2008 Lease-Purchase Financing to be effected by means of a refunding lease-purchase financing directly between the County and a financial institution or a modification of the existing 2008 Lease-Purchase Financing in lieu of issuing the certificates for such purpose; and

WHEREAS, pursuant to the provisions of Section 4-9-130 of the Code of Laws of South Carolina, 1976, as amended, County Council held a public hearing, after giving reasonable notice, with respect to this Ordinance at a special meeting of Council held on October 14, 2010.

NOW, THEREFORE, BE IT ORDAINED by the County Council of Florence County, South Carolina, in meeting duly assembled, as follows:

ARTICLE I

DEFINITIONS

The terms defined in this Article I (except as otherwise expressly provided for or unless the context otherwise requires) for all purposes of this Ordinance shall have the respective meanings set forth in this Article I.

"2008 Lease-Purchase Financing" means the principal amount of the \$25,000,000 original principal amount Capital Facilities Refunding and Improvement Lease-Purchase Financing, Series 2008, dated April 30, 2008.

"Administrator" means the County Administrator of the County.

"Assignment" means the Assignment of Lessor's Interest in Lease, to be dated as of the first day of the month of original delivery of the Series 2010 Certificates, between the Corporation and the Trustee.

“Certificate Purchase Agreement” means the Certificate Purchase Agreement among the Underwriter, the County and the Corporation, relating to the Series 2010 Certificates.

“Certificate Trustee” means the Certificate Trustee chosen by the Administrator pursuant to Section 4.01 of this Ordinance, its successors and assigns.

“Chairman” means the Chairman of County Council, or in his absence for any reason, the Vice-Chairman or acting Chairman of County Council.

“Clerk” means the Clerk of County Council, or in her absence for any reason, the acting Clerk of County Council.

“Code” means the Internal Revenue Code of 1986, as amended, and applicable U.S. Treasury Regulations thereunder.

“Corporation” means the Florence County Public Facilities Corporation, a South Carolina nonprofit corporation, its successors and assigns.

“County” means Florence County, South Carolina, its successors and assigns.

“County Council” means Florence County Council, the governing body of the County and any successor body.

“Facilities” means the land and the improvements thereon, including the Projects, as are subject to and more particularly described in the Lease Agreement.

“Lease Agreement” means the Amended and Restated Lease Agreement, to be dated as of the first day of the month of original delivery of the Series 2010 Certificates, between the Corporation and the County, with respect to the Facilities.

“Ordinance” means this Ordinance of the County Council.

“Projects” means the Law Enforcement Center and the Civic Center, as such terms are defined in the recitals to this Ordinance.

“Series 2010 Certificates” means the not exceeding \$23,000,000 original principal amount Refunding Certificates of Participation (Law Enforcement Center and Civic Center Projects), Series 2010, of the Corporation, to be dated the date of their original delivery, to be issued for the purpose of refunding and defeasing the 2008 Lease-Purchase Financing.

“Trust Agreement” means the Trust Agreement, to be dated as of the first day of the month of original delivery of the Series 2010 Certificates, between the Corporation and the Trustee, pursuant to which the Series 2010 Certificates will be issued.

“Underwriter” means the underwriter of the Certificates selected in conformity with Section 3.01 hereof.

ARTICLE II

AUTHORIZATION OF AND CONSENT TO TRANSACTION AND FINANCING DOCUMENTS

Section 2.01 Approval of Transaction.

The County Council does hereby approve of the refinancing of the 2008 Lease-Purchase Financing through the delivery of the Series 2010 Certificates and the execution and delivery of the Ground Lease and the Lease Agreement in connection therewith; provided, however that such refinancing shall result in a net debt service savings as shall be certified by the County's financial advisor. The 2008 Lease-Purchase Financing shall be prepaid at the first practicable date occurring on or after the date of original delivery of the Series 2010 Certificates (the "Prepayment Date"). In this regard, the County hereby authorizes, and hereby ratifies and confirms to the extent already delivered, the delivery of the requisite conditional notice of the prepayment of the 2008 Lease-Purchase Financing.

Section 2.02 Ground Lease and Lease Agreement.

The forms, terms and provisions of the Ground Lease and the Lease Agreement presented to this meeting are hereby approved and all of the terms and provisions thereof are hereby incorporated herein by reference as if the Ground Lease and the Lease Agreement were set out in this Ordinance in their entirety. The Chairman and the County Administrator, or either one of them, and the Clerk are hereby authorized, empowered and directed to execute, acknowledge and deliver the Ground Lease and the Lease Agreement to the Corporation. The Ground Lease and the Lease Agreement are to be in substantially the forms now before this meeting and hereby approved, or with such changes therein as may be deemed necessary by the persons executing the same, upon advice of counsel, to accomplish the purposes of the transaction contemplated therein and in this Ordinance and as shall not be inconsistent with or contrary to such purposes. The execution by such persons of the Ground Lease and the Lease Agreement shall constitute conclusive evidence of their approval of any and all such changes.

Section 2.03 Consent to Assignment and Trust Agreement.

The County Council hereby consents to the form of the Assignment and the Trust Agreement now before this meeting, with such changes as may be hereafter made as shall be in furtherance of the transactions contemplated therein and in this Ordinance and as shall not be inconsistent with or contrary to the matters contemplated herein. The County Council hereby further consents to the execution and delivery of the Assignment and the Trust Agreement by the parties thereto. The County hereby covenants to observe and comply with all provisions pertaining to it in the Trust Agreement, including without limitation provisions concerning the use of proceeds of the Series 2010 Certificates and any investment limitations therein.

Section 2.04 Consent to Series 2010 Certificates.

The County Council hereby consents to the execution and delivery of the Series 2010 Certificates in the aggregate principal amount not to exceed \$23,000,000. It is hereby acknowledged that interest on the Series 2010 Certificates will be payable on the dates provided therein and in the Trust Agreement, that interest will accrue thereon, at such rates as shall be approved by the County Administrator, subject to the net debt service savings requirement set forth in Section 2.01 above, and that principal components of the Series 2010 Certificates shall be payable as provided in the Trust Agreement, with the last principal component thereon to be payable no later than May 1, 2018.

Section 2.05 Escrow Agreement.

Should it be determined by the County Administrator, upon the advice of counsel, that the delivery by the County of an escrow deposit agreement providing for the prepayment of the 2008 Lease-Purchase Financing (an "Escrow Agreement") will be necessary to provide for the defeasance of the 2008 Lease-Purchase Financing and the prepayment of the same on the Prepayment Date, the County shall execute and deliver such an agreement, in form customarily used by South Carolina political subdivisions for transactions of this nature. The Chairman and the County Administrator, or either one of them, is authorized to execute and deliver any such Escrow Agreement on behalf of the County.

Section 2.06 Use of Proceeds of the Series 2010 Certificates.

The proceeds of the Series 2010 Certificates shall be applied, as provided in the Trust Agreement, to (i) fund such account (whether pursuant to the Trust Agreement or the Escrow Agreement) as shall be necessary to provide for the prepayment of the 2008 Lease-Purchase Financing in the manner herein contemplated and (ii) pay costs of issuance of the Series 2010 Certificates.

Section 2.07 Other Financing Documents.

The Chairman and the County Administrator, or either one of them, are hereby authorized and fully empowered, for and on behalf of the County, to take such further action and to execute any and all additional documents, instruments, certificates or other papers as they deem necessary and appropriate, with the advice of counsel, to accomplish the transactions contemplated by this Ordinance.

Section 2.08 Public Hearing.

Pursuant to the provisions of Section 4-9-130 of the Code of Laws of South Carolina, 1976, County Council held a public hearing, after giving reasonable notice, with respect to the adoption of this Ordinance by County Council. The notice was published in the *Morning News* on September 28, 2010 in the form set forth as Exhibit A attached hereto. The form of such Notice and the publication thereof is hereby ratified.

ARTICLE III

CONSENT TO SALE OF THE SERIES 2010 CERTIFICATES

Section 3.01 Certificate Purchase Agreement.

The Chairman and the County Administrator, or either one of them, is hereby authorized, in consultation with the County's Finance Director, to select an underwriter for the Certificates that is determined to offer to purchase the Certificates on terms most favorable to the County, and to execute and deliver, on behalf of the County, the acknowledgment and acceptance of a Certificate Purchase Agreement in such form as shall be agreed to by such executing officer upon the advice of counsel. Such execution and delivery of the Certificate Purchase Agreement shall signify the County's acceptance of the award of sale of the Series 2010 Certificates to the Underwriter under the terms and conditions set forth therein. The execution and delivery of the Certificate Purchase Agreement by such official shall constitute conclusive evidence of his or her approval of such document, including without limitation the establishment of the principal components of the Series 2010 Certificates in conformance with Article II hereof.

Section 3.02 Preliminary Official Statement; Final Official Statement.

The Chairman or the County Administrator, or either one of them, upon receipt of appropriate advice of counsel, is hereby delegated the authority to prepare and cause a Preliminary Official Statement with respect to the 2010 Certificates to be "deemed final," within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, as of the date so indicated by the Chairman. In this connection, the distribution of the final Official Statement, with such changes from the Preliminary Official Statement as are contemplated by said Rule 15c2-12, and the execution of the same by the Chairman or the County Administrator, as the case may be, are hereby approved.

ARTICLE IV

CERTIFICATE TRUSTEE, REGISTRAR AND PAYING AGENT

Section 4.01 Consent to Appointment of Certificate Trustee, Registrar and Paying Agent.

The Administrator is hereby authorized to select a Certificate Trustee, Registrar and Paying Agent with respect to the Series 2010 Certificates under the terms and conditions provided in the Trust Agreement.

ARTICLE V

COMPLIANCE WITH REQUIREMENTS OF THE CODE

Section 5.01 General Covenant.

The County will comply with all requirements of the Code in order to preserve the tax-exempt status of the Series 2010 Certificates, including without limitation, the requirements to (i) timely file information report Form 8038-G with the Internal Revenue Service, and (ii) rebate certain arbitrage earnings to the United States Government pursuant to Section 148(f) of the Code. In this connection, the County covenants to execute any and all agreements or other documentation as it may be advised by Special Counsel as will enable it to comply with this Section.

Section 5.02 Tax Representations and Covenants.

The County hereby further represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause the interest component of the Series 2010 Certificates to become includable in the gross income of the holders thereof for federal income tax purposes pursuant to the provisions of the Code and applicable regulations promulgated thereunder. Without limiting the generality of the foregoing, the County represents and covenants that:

(A) The Projects will be leased by the County pursuant to the Lease Agreement or owned by the County in accordance with the rules governing the ownership of property for federal income tax purposes.

(B) The County shall not permit the proceeds of the Series 2010 Certificates, or the Projects or any portion thereof, to be used in any manner that would result in (a) ten percent (10%) or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any natural person or in any activity carried on by a person other than a natural person other than a

governmental unit as provided in Section 141(b) of the Code, or five percent (5%) or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code.

(C) The County is not a party to nor will it enter into any contracts with any person for the use or management of any of the Projects that do not conform to the guidelines set forth in U.S. Treasury Rev. Proc. 97-13.

(D) Except with respect to the Ground Lease and the Lease Agreement and the rights therein, the County will not sell or lease the Projects or any portion thereof to any person unless it obtains the opinion of nationally recognized special tax counsel that such lease or sale will not affect the tax exemption of the Series 2010 Certificates.

(E) The Series 2010 Certificates will not be federally guaranteed within the meaning of Section 149(b) of the Code. The County shall not enter into any leases or sales or service contracts with any federal government agency with respect to the Projects unless it obtains the opinion of nationally recognized special tax counsel that such action will not affect the tax exemption of the Series 2010 Certificates.

ARTICLE VI

REFUNDING OF 2008 LEASE-PURCHASE FINANCING BY MEANS OF 2010 REFUNDING LEASE-PURCHASE FINANCING OR MODIFICATION OF 2008 LEASE-PURCHASE FINANCING

Section 6.01 2010 Refunding Lease-Purchase Financing.

In the event the Administrator determines it is in the best interests of the County to refund the 2008 Lease-Purchase Financing by means of a refunding lease-purchase financing directly between the County and a lending institution (the "2010 Lease-Purchase Financing"), such refunding may be undertaken by the County in lieu of the 2010 Certificates, and each of the Chairman and the Administrator are authorized to execute and deliver such documents as may be required in connection with such 2010 Lease-Purchase Financing, including without limitation a ground lease and a lease, with the execution and delivery thereof and taking of such actions by such officers constituting approval thereof by the County pursuant to this Ordinance.

Section 6.02 Modification of 2008 Lease-Purchase Financing.

In addition to the alternative method of refunding the 2008 Lease-Purchase Financing set forth in Section 6.01 of this Ordinance, the Administrator is further authorized, if he determines that such action is in the best interests of the County, to approve such refunding by means of necessary modifications to the documents relating to the 2008 Lease-Purchase Financing, including without limitation replacement of Exhibit B to the Lease Agreement between the County and Branch Banking & Trust Company dated April 30, 2008, and each of the Chairman and Administrator are authorized to execute and deliver any such documents required to effect such modifications and to take any other actions relating thereto, the execution and delivery of such documents and taking of such actions by such officers constituting approval thereof by the County pursuant to this Ordinance.

Section 6.03 Requirements and References to Conform.

In the event that the County determines to avail itself of either of the refinancing structures provided for in Section 6.01 and 6.02 hereof, all requirements and references contained in this Ordinance, including without limitation the establishment of the principal amount of the refunding obligation, selection of a financial institution (if any) with whom the County shall enter into such arrangement, and all covenants relating to compliance with the Code, shall conform to such structures.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Severability.

The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

Section 7.02 Repeal of Conflicting Ordinances and Resolutions.

All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage.

Section 7.03 Effective Date.

This Ordinance shall become effective upon receiving approval on third reading by Council.

FLORENCE COUNTY COUNCIL

ATTEST:

SIGNED:

Connie Y. Haselden, Council Clerk

K. G. Rusty Smith, Jr., Chairman

Approved as to Form
James C. Rushton, III, County Attorney

COUNCIL VOTE:
OPPOSED:
ABSENT:

(SEAL)

DRAFT

Exhibit A

NOTICE OF A PUBLIC HEARING PRIOR TO FINAL ACTION BY THE COUNTY COUNCIL OF FLORENCE COUNTY TO ENTER INTO AN ORDINANCE.

Notice is hereby given by the Florence County Council (the "County Council") that a public hearing for the below referenced Ordinance will be held in County Council Chambers, located on the 8th Floor, Room 803 in the City/County Complex at 180 North Irby Street, Florence, South Carolina at 9:00 a.m. on October 14, 2010 in conjunction with a special called meeting of County Council. Such Ordinance is titled as follows: **Ordinance No. 08-2010/11: AN ORDINANCE APPROVING THE DELIVERY BY THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION OF REFUNDING CERTIFICATES OF PARTICIPATION (LAW ENFORCEMENT CENTER AND CIVIC CENTER PROJECTS), SERIES 2010, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING \$23,000,000 IN ORDER TO ACHIEVE AN ESTIMATED DEBT SERVICE SAVINGS OF APPROXIMATELY \$500,000 NET OF ALL COSTS OF ISSUING SAID REFUNDING CERTIFICATES OF PARTICIPATION; AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN INSTRUMENTS RELATING TO SAID REFUNDING CERTIFICATES OF PARTICIPATION, INCLUDING AN AMENDED AND RESTATED GROUND LEASE AGREEMENT AND AN AMENDED AND RESTATED LEASE AGREEMENT, BOTH BETWEEN THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION AND FLORENCE COUNTY, A CERTIFICATE PURCHASE AGREEMENT AMONG THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION, FLORENCE COUNTY, AND THE UNDERWRITER OF THE REFUNDING CERTIFICATES; APPROVING THE DELIVERY OF AN ASSIGNMENT OF LESSOR'S INTEREST IN LEASE BY THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION TO THE CERTIFICATE TRUSTEE, A TRUST AGREEMENT BETWEEN THE FLORENCE COUNTY PUBLIC FACILITIES CORPORATION AND THE CERTIFICATE TRUSTEE, AND A PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL STATEMENT WITH RESPECT TO THE SALE OF THE REFUNDING CERTIFICATES OF PARTICIPATION; AUTHORIZING THE PROPOSED REFINANCING TO BE EFFECTED BY MEANS OF A REFUNDING LEASE-PURCHASE FINANCING DIRECTLY BETWEEN THE COUNTY AND A FINANCIAL INSTITUTION OR A MODIFICATION OF THE EXISTING LEASE-PURCHASE FINANCING BETWEEN THE COUNTY AND BRANCH BANKING AND TRUST COMPANY IN LIEU OF THE ISSUANCE OF THE REFUNDING CERTIFICATES OF PARTICIPATION; AND APPROVING OTHER MATTERS RELATING TO THE FOREGOING.**

Subject to the normal rules of County Council regarding appearances, members of the public are invited to attend and make comment concerning the proposed Ordinance.

Connie Y. Haselden
Clerk to Council