

**NEWBERRY COUNTY COUNCIL
MINUTES
JULY 3, 2019**

The Newberry County Council met on Wednesday, July 3, 2019, at 7:00 p.m. in Council Chambers at the Courthouse Annex, 1309 College Street, Newberry, South Carolina, for a regular scheduled meeting.

PRESENT: Henry H. Livingston, III, Chairman
Kirksey Koon, Vice-Chairman
Steve Stockman, Council Member
Scott Cain, Council Member
Travis Reeder, Council Member
Dr. Harriett Rucker, Council Member
Johnny Mack Scurry, Council Member
Wayne Adams, County Administrator
A.J. Tothacer, County Attorney
Debbie S. Cromer, Finance Director
Susan C. Fellers, Clerk to Council

MEDIA: Andrew Wigger, Newberry Observer

The meeting was duly advertised as required by law.

Mr. Livingston called the meeting to order at 7:00 p.m.

Mr. Cain had the invocation followed by the Pledge of Allegiance.

1. Additions, Deletions, and Adoption of Agenda.

There being no additions or deletions to the Agenda, Mr. Cain moved to adopt the agenda as presented; second by Mr. Stockman. Vote was unanimous.

2. Ordinance #05-07-19: An Ordinance to provide for the issuance and sale of General Obligation Bonds of Newberry County, South Carolina not exceeding \$2,000,000 in aggregate principal amount, to prescribe the purposes for which the proceeds of said bonds shall be expended, to provide for the payment of said bonds, and other matters relating thereto.

A. Third Reading

Mr. Adams explained that Council adopts this ordinance biennially for the purpose of making annual lease purchase payments each December 30th pertaining to emergency services rolling stock, public works equipment and other big ticket durable goods. This method of financing limits to annual amortizations vs total equipment costs the sum applicable to the County's bonded indebtedness limit calculation. This bond also pertains to financing of the public works building and animal shelter.

Motion to adopt third reading by Dr. Rucker; second by Mr. Reeder. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous.

3. Ordinance #06-08-19: An Ordinance authorizing the execution and delivery of a Fee-in-Lieu of *Ad Valorem* taxes agreement by and between Newberry County, South Carolina and Project DMZ to provide for payment of a Fee-in-Lieu of taxes; and other related matters.

A. Second Reading

Mr. Adams said Project DMZ refers to an existing industry expansion in which the company is committing to new investment of approximately \$3.7 million and the creation of 16 new full-time jobs. In turn, the County would agree to a 20-year Fee-in-Lieu of taxes schedule, a 6% assessment ratio, a locked taxation rate of 382 mills and certain Special Source Revenue Credits. These Special Source Revenue Credits would reduce scheduled fee payments by 35% for each of the first 10 years of the agreement term. The County has committed to apply to the S.C. Department of Commerce for a \$100,000 site enhancement grant.

Motion for second reading by Dr. Rucker; second by Mr. Reeder. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous.

4. Ordinance #07-09-19: An Ordinance authorizing (1) the execution and delivery of a Fee in Lieu of Tax and Incentive Agreement by and between Newberry County, South Carolina (the "County") and one or more related companies collectively identified for the time being as Project Sam, each acting for itself, one or more affiliates, and/or other project sponsors (collectively, the "Company"), pursuant to which the Company shall be entitled to certain negotiated Fees in Lieu of *Ad Valorem* taxes with respect to the establishment of certain facilities in the County (The "Project"); (2) The addition of the Project to a multi-county industrial or business park; (3) The provision of certain special source

revenue credits in connection with the Project; and (4) other matters relating thereto. (TITLE ONLY).

A. First Reading

Mr. Livingston recognized William Chang and Emily Zackon in connection with Project Sam.

Mr. Adams explained that Project Sam refers to a top-tier Samsung supplier, the first that would be locating in South Carolina. The Project is committing to the creation of at least 57 jobs and the investment of at least \$11.5 million. In turn, the County would agree to a 30-year Fee-in-Lieu-of-Taxes schedule, a 6% assessment ratio, a locked taxation rate of 382 mills and certain Special Source Revenue Credits. These Special Source Revenue Credits would reduce scheduled fee payments by 100% in the first year, by two-thirds (66%) in year two, and by 40% for the remainder of the agreement term; except that, if investment reaches \$12.5 million, the reduction for each year in the remainder of the term would be 50%. Additionally, the County is providing approximately 15 acres of property and a site grant of \$450,000, which is budgeted in the current fiscal year. Total site development costs are approximately \$1.5 million. Building investment is currently estimated at \$10 million.

Motion by Mr. Koon to adopt first reading; second by Mr. Stockman. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous.

5. Resolution #09-19: A Resolution committing to negotiate a Fee in Lieu of Tax and Incentive Agreement by and between Newberry County and one or more related companies collectively identified for the time being as Project Sam; identifying the project; and other matters related thereto.

Mr. Adams said South Carolina law requires the adoption of an inducement resolution formally identifying any project to which a Fee in Lieu of Taxes pertains, pursuant to Code Section 12-44-30 et seq. This resolution identifies Project Sam for this purpose.

Motion by Mr. Koon to adopt this resolution; second by Mr. Scurry. There being no discussion, Mr. Livingston called for the vote. Vote was unanimous.

6. Appointments.

No appointments.

7. Public Comments (by those who signed up at the meeting).

No public comments.

8. Executive Session (if needed).

No Executive Session needed.

9. Comments/Requests from County Administrator.

Mr. Adams had none.

10. Comments/Requests from Council Members.

Council wished everyone a safe July 4 holiday and announced the fire works by the Law Enforcement Association on July 4 at Newberry High School.

Mr. Koon expressed condolences to Larry DeHart on the death of his wife.

Mr. Livingston thanked representatives from Samsung for all they are doing for Newberry County. He also thanked Mr. Adams and Rick Farmer for all they do for economic development.

11. Future Meetings.

- A. Public Safety & Courts Committee 7/8/19 @ 5:00 p.m.**
- B. County Council 7/17/19 @ 7:00 p.m.**
- C. County Council 8/14/19 @ 7:00 p.m.**

County Council will not meet the first Wednesday in August.

12. Adjournment.

Motion to adjourn by Mr. Reeder; second by Mr. Stockman. There being no further business to come before Council, Mr. Livingston declared the meeting adjourned at 7:15 p.m.

NEWBERRY COUNTY COUNCIL

Henry H. Livingston, III, Chairman

Susan C. Fellers, Clerk to Council

APPROVED: _____