



REQUEST FOR COUNCIL ACTION

City of Greenville, South Carolina

Agenda Item No.

14c

TO: Honorable Mayor and Members of City Council

FROM: John F. McDonough, City Manager

Ordinance/First Reading Ordinance/Second & Final Reading Resolution/First & Final Reading Information Only

AGENDA DATE REQUESTED: February 28, 2022

ORDINANCE/RESOLUTION CAPTION:

A NINTH SUPPLEMENTAL ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF A NOT EXCEEDING \$7,700,000 CITY OF GREENVILLE, SOUTH CAROLINA, SEWER SYSTEM REVENUE BOND, SERIES 2022, IN ONE OR MORE SERIES; AND OTHER MATTERS RELATING THERETO

SUMMARY BACKGROUND:

From FY19-FY22, the City has included in the adopted budget and CIP annual plans to issue debt to reimburse the City for costs related to certain expenditures for improvements to the City's sewer system including, but not limited to, the rehabilitation of sanitary sewer pipe throughout portions of the system related to inflow and infiltration issues and providing increased sewer line capacity to allow future development. The rehabilitation work involves CCTV inspection, surveying, hydraulic modeling, System evaluation, slip lining, cured in place pipe and point repairs, pipe bursting, open trench line replacement, rehabilitation of manholes and right-of-way clearing.

The attached Ordinance authorizes the issuance of the Series 2022 Sewer System Revenue Bonds in an amount not exceeding \$7.7 million with a final maturity date not later than 2042 (approximately twenty years). There were 12 respondents to First Tryon's RFP on February 16, 2022, and JPMorgan Chase was the winning bidder at 1.95% percent for a 15-year term. The average annual debt service will be about \$598,000. The Wastewater Enterprise Fund contains \$383,600 to accommodate the initial year of debt service interest.

First Tryon Advisors is serving as the City's financial consultant. Haynsworth Sinkler Boyd is serving as the City's bond counsel. The bonds will close on March 15, 2022.

IMPACT IF DENIED:

If denied, the City will be unable to reimburse the expenses incurred in the above named projects.

FINANCIAL IMPACT:

The annual debt service in the Wastewater Enterprise Fund will increase by an estimated \$598,000 annually. Sufficient debt service coverage and revenue capacity is available in the Fund.

REQUIRED SIGNATURES

Department Director

DocuSigned by:

Matt Edgard

44928B1C67864BE...

OMB Director

City Attorney

DocuSigned by:

Leigh Paolletti

6CBFA0F32224F8...

City Manager

DocuSigned by:

John McDonough

FDC2RCT3090F440...

NINTH SUPPLEMENTAL ORDINANCE**A NINTH SUPPLEMENTAL ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF A NOT EXCEEDING \$7,700,000 CITY OF GREENVILLE, SOUTH CAROLINA, SEWER SYSTEM REVENUE BOND, SERIES 2022, IN ONE OR MORE SERIES; AND OTHER MATTERS RELATING THERETO**

BE IT ORDAINED by the City Council of the City of Greenville (the "**Council**"), the governing body of the City of Greenville, South Carolina (the "**City**");

Section 1. Findings of Fact.

As an incident to the enactment of this ordinance, and the issuance of the bond provided for herein, the Council finds that the facts set forth in this **Section 1** exist and the following statements are in all respects true and correct:

(a) On August 9, 1999, the Council enacted a General Bond Ordinance providing for the issuance of sewer system revenue bonds (the "**General Bond Ordinance**").

(b) The following Series of Bonds are the only Outstanding Bonds of the City issued by the Council under the terms and conditions of and secured by the provisions of the General Bond Ordinance:

(i) the \$1,990,000 Sewer System Revenue Bond, Series 2008 (the "**Series 2008 Bond**") dated April 22, 2008 which is currently Outstanding in the principal amount of \$935,000;

(ii) the \$5,612,000 Sewer System Revenue Refunding Bond, Series 2011 (the "**Series 2011 Bond**") dated February 23, 2011 which is currently Outstanding in the principal amount of \$588,000;

(iii) the \$1,811,773 Sewer System Revenue Bond (South Carolina Water Pollution Control Revolving Fund Loan) Series 2012 (the "**Series 2012 Bond**") dated March 13, 2012 which is currently Outstanding in the principal amount of \$1,051,754.34;

(iv) the \$4,330,000 Sewer System Revenue Bond, Series 2015 (the "**Series 2015 Bond**") dated May 13, 2015 which is currently Outstanding in the principal amount of \$3,028,000;

(v) the \$2,055,000 Sewer System Revenue Bond, Series 2017 (the "**Series 2017 Bond**") dated June 13, 2017 which is currently Outstanding in the principal amount of \$1,644,000; and

(vi) the \$4,063,000 Sewer System Revenue Bond, Series 2018 (the "**Series 2018 Bond**") dated June 28, 2018 which is currently Outstanding in the principal amount of \$3,452,000.

(c) The Council has determined that it is in the best interest of the City to issue an additional Series of Bonds for the purposes of (i) undertaking improvements to the System, including but not limited to, improvements to reduce inflow and infiltration, installation of cured-in-place pipe lining, point repairs, sewer lateral replacement and pipe bursting to rehabilitate sanitary sewer mains owned and maintained by the City (collectively, the "**Project**") and (ii) paying Costs of Issuance.

Section 2. Definitions. The terms defined above and in this **Section 2** and all words and terms defined in the General Bond Ordinance (the General Bond Ordinance, as from time to time amended or supplemented by Supplemental Ordinances, being defined as the “**Ordinance**”) (except as herein otherwise expressly provided or unless the context otherwise requires), shall for all purposes of this Ninth Supplemental Ordinance have the respective meanings given to them in the Ordinance and in this **Section 2**.

“**2022 Construction Fund**” shall mean the Construction Fund established pursuant to **Section 5** hereof.

“**Completion Date**” shall be that date established pursuant to **Section 6** hereof.

“**Interest Payment Date**” shall mean, with respect to the Series 2022 Bond, October 1, 2022, and any April 1 or October 1 thereafter, or such other dates as may be determined by the Director of the Office of Management and Budget (until the principal of the Series 2022 Bond has been paid in full).

“**Series 2022 Bond**” shall mean the City’s Sewer System Revenue Bond, Series 2022, in the aggregate principal amount of not exceeding \$7,700,000 authorized to be issued hereunder in one or more Series.

“**State**” shall mean the State of South Carolina.

“**Trustee**” shall mean U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, its successors or assigns.

Section 3. Authorization of Series 2022 Bond, Maturities and Interest Rate.

(a) There is hereby authorized to be issued one or more Series of Bonds designated “Sewer System Revenue Bond, Series 2022” (the “**Series 2022 Bond**”) in the total principal amount of not exceeding Seven Million Seven Hundred Thousand Dollars (\$7,700,000) for the purpose of providing funds for (i) paying the Costs of the Project and (ii) paying the Costs of Issuance.

(b) The Series 2022 Bond shall be issued in one or more Series each as a single fully-registered Bond in the aggregate denomination of \$7,700,000 or such lesser amount as is actually issued. If more than one Series of Bonds is issued hereunder, the Series designation will reflect such multiple Series as deemed appropriate by the Director of the Office of Management and Budget by naming such subsequent Series “Series 2022A Bond” and so forth. The Series 2022 Bond shall be dated as of its date of delivery, shall mature on April 1 in the years and in the principal amounts or such other dates all as approved by the Director of the Office of Management and Budget, upon advice of the Municipal Advisor, provided that the aggregate principal amount may not exceed \$7,700,000 and the final maturity date shall not be later than April 1, 2042. The Series 2022 Bond shall bear interest at such rate or rates, including an adjustable rate, as named by the successful purchaser thereof at the sale thereof; provided that the net interest rate shall not exceed 5.0% per annum. The Series 2022 Bond shall be numbered R-1 or such other numbers as approved by the Director of the Office of Management and Budget.

(c) Principal of and premium, if any, on the Series 2022 Bond when due, shall be payable without presentation or surrender to the Holder by the Trustee as paying agent, from its designated trust office. Interest on the Series 2022 Bond shall be payable from the date of initial issuance of the Series 2022 Bond. No accrued interest shall be due. Interest on the Series 2022 Bond (calculated on the basis of a 360-day year of twelve 30-day months) shall be payable on each Interest Payment Date, in each case to the Holders as of the immediately preceding Record Date, interest to be paid by the Trustee by check or draft mailed to each

Holder at his address as it appears on the Books of Registry maintained at the designated trust office of the Trustee, in the City of St. Paul, Minnesota; provided that payment to a Holder of \$1,000,000 or more may be made by wire transfer to an account within the continental United States in accordance with written instructions filed with the Trustee no later than the Record Date.

(d) The Series 2022 Bond shall be executed by the Mayor or the City Manager, acting jointly or individually, and shall be in substantially the form attached hereto as *Exhibit A*, with any necessary or appropriate variations, omissions, and insertions as are incidental to the series, numbers, denominations, maturities, interest rate or rates, redemption provisions, the purpose of issuance, and other details thereof or as are otherwise permitted or required by law or by the Ordinance, including this Ninth Supplemental Ordinance.

Section 4. Optional Redemption of the Series 2022 Bond.

The Series 2022 Bond shall be subject to redemption prior to maturity upon the terms directed by the Director of the Office of Management and Budget, upon advice of the City's Municipal Advisor, and agreed to by the successful purchaser, together, in each case, with the interest accrued on the principal amount to the date fixed for redemption.

Section 5. 2022 Construction Fund.

(a) There is hereby created and established the 2022 Construction Fund which shall be held by the Trustee.

(b) Withdrawals from the 2022 Construction Fund shall be made only upon written certificate of the Authorized Representative the form of which is attached hereto as *Exhibit B*. The City hereby authorizes the Trustee to disburse the moneys in the 2022 Construction Fund to the persons entitled thereto in accordance with instruction of the Authorized Representative in the form attached as *Exhibit B*, only for the purpose of paying Costs of the Project and Costs of Issuance.

(c) In making any payment from the 2022 Construction Fund, the Trustee may rely on directions, requisitions, and certifications delivered to it pursuant to this **Section 5** and the Trustee shall not have any liability with respect to making payments in accordance with directions, requisitions, and certifications for any liability with respect to the proper application hereof by the City. The Trustee shall be liable only for its own negligent and willful misconduct.

(d) Promptly after the Completion Date, the Authorized Representative shall instruct the Trustee in writing to transfer any moneys held in the 2022 Construction Fund and not needed to pay Costs of the Project or Costs of Issuance to the Debt Service Fund to be applied to pay the principal of, premium, if any, and interest on the Outstanding Series 2022 Bond or to other authorized Project Costs.

Section 6. Establishment of Completion Date. The Completion Date shall be evidenced to the Trustee by a certificate signed by the Authorized Representative stating that except for amounts retained by the Trustee for Costs of the Project incurred but not then due and payable, the Project has been completed in accordance with the approved plans and specifications therefor and all labor, services, materials, and supplies used in construction and improvement have been paid for, all other facilities necessary in connection with the Project have been constructed, acquired, and installed in accordance with the specifications therefor, and all costs and expenses incurred in connection therewith have been paid, and any other approvals or permits required by any government authority, for the use of the Project for its intended purposes have been obtained, including but not limited to, certificates that the construction and intended use of the Project are in compliance with all applicable zoning and building codes. Notwithstanding the foregoing, the certificate shall

state that it is given without prejudice to any rights against third parties which exist at the date of the certificate or which may subsequently come into being. It is the duty of the City to cause the certificate contemplated by this **Section 6** to be furnished as soon as the Project shall have been completed.

Section 7. Use and Disposition of Series 2022 Bond Proceeds. Upon the delivery of the Series 2022 Bond and receipt of the proceeds thereof, such proceeds shall be deposited into the 2022 Construction Fund to be utilized to pay Project Costs and Costs of Issuance of the Series 2022 Bond. Such proceeds shall be invested at the direction of the City in investments authorized for political subdivisions under State law.

Section 8. Certain Findings and Determinations. The City finds and determines:

(a) This Ninth Supplemental Ordinance supplements the Ordinance, constitutes and is a “Supplemental Ordinance” within the meaning of the quoted term as defined and used in the Ordinance, and is enacted under and pursuant to the Ordinance.

(b) The Series 2022 Bond constitutes and is a “Bond” within the meaning of the quoted word as defined and used in the Ordinance.

(c) The Revenues pledged under the Ordinance are not encumbered by any pledge thereof, other than the pledge thereof created by the General Bond Ordinance, as amended and supplemented, providing for payment and security of the Bonds.

(d) As of the date hereof, (i) the Series 2008 Bond; (ii) the Series 2011 Bond; (iii) the Series 2012 Bond; (iv) the Series 2015 Bond; (v) the Series 2017 Bond; and (vi) the Series 2018 Bond are Outstanding and constitute the only Outstanding obligations of the City secured by the Revenues, and the Series 2022 Bond has been authorized to be issued pursuant to the Ordinance and this Ninth Supplemental Ordinance.

(e) There does not exist an Event of Default, nor does there exist any condition which, after the passage of time or the giving of notice, or both, would constitute an Event of Default under the Ordinance.

(f) The period of usefulness of the System is in excess of forty (40) years.

(g) The estimated Costs of the Project to be financed with the Series 2022 Bond are at least \$7,600,000.

(h) There is no Debt Service Reserve Requirement for the Series 2022 Bond.

Section 9. Continuing Disclosure. Pursuant to Section 11-1-85 of the Code of Laws of South Carolina, 1976, as amended, the City has covenanted to file with a central repository for availability in the secondary bond market, when requested, an annual independent audit, within 30 days of its receipt of the audit; and event specific information within 30 days of an event adversely affecting more than five (5%) percent of its revenue or tax base. The only remedy for failure by the City to comply with the covenant in this **Section 9** shall be an action for specific performance of this covenant. The City specifically reserves the right to amend or eliminate this covenant to reflect any change in (or repeal of) Section 11-1-85, without the consent of any Bondholder.

Section 10. Sale and Award of Series 2022 Bond.

(a) The Director of the Office of Management and Budget is hereby authorized and directed (i) to distribute a request for proposals to one or more banks, (ii) to determine the final principal amount and

maturity date of the Series 2022 Bond and (iii) to accept the proposal from such bank that provides the best overall deal to the City, provided that the aggregate principal amount does not exceed \$7,700,000, the interest rate does not exceed 5.00% and the final maturity does not extend beyond April 1, 2042, without further action required of the Council. The Director of the Office of Management and Budget, on behalf of the City, is hereby authorized to execute the commitment letter from the successful purchaser, which terms thereof are consistent herewith.

(b) A copy of this Ninth Supplemental Ordinance shall be filed with the minutes of this meeting.

(c) The Council hereby authorizes and directs all of the officers and employees of the City to carry out or cause to be carried out all obligations of the City under the Ordinance and to perform all other actions as they shall consider necessary or advisable in connection with the issuance, sale, and delivery of the Series 2022 Bond.

Section 11. Tax Exemption of Series 2022 Bond.

(a) The Series 2022 Bond and the interest thereon shall be exempt from all State, county, municipal, school district, and all other taxes or assessments in the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, or transfer taxes.

(b) The City shall not take any action or permit or suffer any action to be taken if the result would be to cause the Series 2022 Bond to be “federally guaranteed” within the meaning of Section 149(b) of the Code.

(c) The City shall not take, or permit or suffer to be taken, any action with respect to the gross proceeds of the Series 2022 Bond which would cause the Series 2022 Bond to be an “arbitrage bond” within the meaning of Section 148(a) of the Code.

Section 12. Additional Restrictions on Defeasance. For purposes of Article VIII of the General Bond Ordinance, all moneys used for purposes of a defeasance shall be held in (i) cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in clause (ii) herein), (ii) invested in direct obligations of (including obligations issued or held in book-entry form on the books of) the Department of the Treasury of the United States of America; or (iii) such other investments as are authorized under the laws of the State for such purposes.

Section 13. Interested Parties. Nothing in the Ordinance expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the City, the Trustee and the Registered Holders of the Series 2022 Bond, any right, remedy or claim under or by reason of the Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in the Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Trustee and the Registered Holders of the Series 2022 Bond.

Section 14. Additional Provisions. As supplemented herein, the General Ordinance remains in full force and effect and shall govern the issuance of the Series 2022 Bond.

Section 15. Additional Documents. The Mayor, the City Manager, the Director of the Office of Management and Budget, the City Attorney and the City Clerk, acting jointly or individually, are each fully authorized and empowered to take any further action and to execute and deliver any closing documents as may be necessary and proper to effect the issuance and delivery of the Series 2022 Bond in accordance with the terms and conditions hereinabove set forth, and the action of the officers or any one or more of them in

executing and delivering any documents, in the form as he, she, or they shall approve, is hereby fully authorized.

Section 16. Section Headings; Table of Contents. The headings and titles of the several sections hereof, and any Table of Contents appended hereto or to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction, interpretation, or effect of this Ninth Supplemental Ordinance.

Section 17. Notices.

(a) All notices, certificates, or other communications hereunder or under the Ordinance shall be sufficiently given and shall be deemed given when mailed by registered mail, postage prepaid, addressed as follows:

If to the City:

City of Greenville
206 South Main Street, 10th Floor (29601)
P. O. Box 2207 (29602)
Greenville, South Carolina
Attention: Director of the Office of Management and Budget

If to the Trustee:

U.S. Bank Trust Company, National Association
1441 Main Street, Suite 775
Mail Code: EX-SC-WMSC
Columbia, South Carolina 29201
Attention: Corporate Trust Services

(b) The City and the Trustee may, by notice given to the other party, designate any further or different addresses to which subsequent notice, certificates, or other communications shall be sent.

Section 18. Effective Date. This Ninth Supplemental Ordinance shall become effective immediately upon its enactment.

DONE, RATIFIED AND PASSED THIS THE ____ DAY OF _____, 2022.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

REVIEWED:

CITY MANAGER

First Reading: February 14, 2022
Second Reading: February 28, 2022

EXHIBIT A

FORM OF BOND

**UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
CITY OF GREENVILLE
SEWER SYSTEM REVENUE BOND
SERIES 2022**

NO. R-1 \$ _____

INTEREST RATE **MATURITY DATE** **ORIGINAL DATE OF ISSUE**

REGISTERED HOLDER: _____

PRINCIPAL SUM: _____ **and no/100 (\$ _____) Dollars**

KNOW ALL MEN BY THESE PRESENTS, that the City of Greenville, South Carolina (the “*City*”), a body politic and corporate and a municipal corporation organized and existing under the laws of the State of South Carolina (the “*State*”), is justly indebted, and, for value received, hereby promises to pay, but only from the Net Revenues (as hereinafter defined) pledged to the payment hereof, to the Registered Holder, or registered assigns, hereof on the Maturity Date set forth above, the Principal Sum set forth above, subject to the principal maturity schedule set forth below (unless this bond be subject to redemption and shall have been duly called for previous redemption and payment of the redemption price made or provided for), and to pay interest on the Principal Sum from the date hereof or from the April 1 or October 1 next preceding the date of authentication to which interest shall have been paid, unless the date of authentication is an April 1 or October 1 to which interest shall have been paid, in which case from that date, interest being payable to the maturity hereof on April 1 and October 1 of each year (those dates being hereinafter referred to as the “*Interest Payment Dates*”), commencing October 1, 2022, at the Interest Rate per annum specified above (calculated on the basis of a 360-day year of twelve 30-day months), until payment of the Principal Sum.

Principal of this Bond is payable on April 1 in each of the years and in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
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The interest so payable and to be punctually paid or duly provided for on any Interest Payment Date will be paid to the person in whose name this bond is registered at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the Interest Payment Date (the “*Record Date*”), mailed to the Registered Holder hereof by U.S. Bank Trust Company, National Association, as

successor in interest to U.S. Bank National Association (the “*Trustee*”) at his address as it appears on the registration books (the “*Books of Registry*”) of the Trustee or at any other address as is furnished in writing by the Registered Holder to the Trustee; provided that payment to any Registered Holder of \$1,000,000 or more of the Series 2022 Bond (as hereinafter defined) may be made by wire transfer to an account in the continental United States. The principal of and premium, if any, of this bond, when due, shall be payable without presentation or surrender. Both the principal of and interest on this bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

THIS BOND HAS BEEN ISSUED UNDER THE PROVISIONS OF TITLE 6, CHAPTER 21 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED (THE “*ENABLING STATUTE*”), AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN ANY STATE CONSTITUTIONAL PROVISIONS (OTHER THAN ARTICLE X, SECTION 14, PARAGRAPH 10 OF THE CONSTITUTION OF THE STATE OF SOUTH CAROLINA, 1895, AS AMENDED, AUTHORIZING OBLIGATIONS PAYABLE SOLELY FROM SPECIAL SOURCES NOT INVOLVING REVENUES FROM ANY TAX OR LICENSE) OR STATUTORY LIMITATION AND SHALL NEVER CONSTITUTE NOR GIVE RISE TO A PECUNIARY LIABILITY OF THE CITY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWERS OF THE CITY ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND.

This bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments of the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except estate, transfer or certain franchise taxes.

It is hereby certified and recited that all acts, conditions, and things required by the Constitution and laws of the State to exist, to happen, and to be performed precedent to or in the issuance of this bond exist, have happened, and have been done and performed in regular and due time, form, and manner, and that the amount of this bond does not exceed any constitutional or statutory limitation thereon.

This bond shall not be entitled to any benefit under the Ordinance (as hereinafter defined) or become valid or obligatory for any purpose until it shall have been authenticated by the execution of the Certificate of Authentication which appears hereon by the signature of an authorized officer of the Trustee as Bond Registrar.

This bond is issuable only as a single fully registered bond in the principal amount of _____ (\$_____) (the “*Series 2022 Bond*”) and is issued pursuant to a General Bond Ordinance enacted by the City Council of the City (the “*Council*”) on August 9, 1999, and a Ninth Supplemental Ordinance enacted by the Council on February 28, 2022 (collectively, the “*Ordinance*”), and under and in full compliance with the Constitution and statutes of the State, including particularly Section 14, Paragraph 10 of Article X of the Constitution of the State of South Carolina, 1895, as amended, and the Enabling Statute, to obtain funds to (i) defray the Cost of the Project and (ii) pay Costs of Issuance (all as defined in the Ordinance).

[The Series 2022 Bond shall be subject to redemption prior to maturity, at the option of the City, at any time, as a whole [or in part], at the redemption price of ____% of the principal amount to be redeemed, together, in each case, with the interest accrued on the principal amount to the date fixed for redemption.]

In the event any portion or all of the Series 2022 Bond shall be called for redemption, notice of redemption shall be given by first-class mail, not less than thirty (30) days and not more than sixty (60) days prior to the redemption date, to the Registered Holder of the Series 2022 Bond to be redeemed in whole or in part at the address shown on the Books of Registry. Interest on the Series 2022 Bond or portion thereof to be redeemed shall cease to accrue from and after the redemption date specified in the notice, unless the City defaults in making due provisions for the payment of the redemption price thereof.

All principal, interest, or other amounts due hereunder shall be payable only to the Registered Holder hereof. The City designates the Trustee as Bond Registrar and directs the Trustee as Bond Registrar to maintain the Books of Registry for the registration or transfer of this bond. This bond may not be transferred except by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee as Bond Registrar duly executed by the Registered Holder of this bond or his duly authorized attorney. Any purported assignment in contravention of the foregoing requirements shall be, as to the City, absolutely null and void. The person in whose name this bond shall be registered shall be deemed and regarded as the absolute owner hereof for all purposes, and payment of the principal of and interest on this bond shall be made only to or upon the order of the Registered Holder or his legal representative. All payments made in this manner shall be valid and effective to satisfy and discharge the liability of the City upon this bond to the extent of the sum or sums paid. No person other than the Registered Holder shall have any right to receive payments, pursue remedies, enforce obligations, or exercise or enjoy any other rights under this bond against the City. Notwithstanding the foregoing, nothing herein shall limit the rights of a person having a beneficial interest in this bond as against a person (including the Registered Holder) other than the City, as in the case where the Registered Holder is a trustee or nominee for two or more beneficial owners of an interest in this bond.

Neither the City nor the Trustee as Bond Registrar shall be required (a) to exchange or transfer the Series 2022 Bond (i) from the Record Date to the next succeeding Interest Payment Date or (ii) for a period of fifteen (15) days following any selection of the Series 2022 Bond to be redeemed or thereafter until after the first publication or mailing of any notice of redemption or (b) to transfer the Series 2022 Bond called for redemption.

The principal of, premium, if any, and interest on the Series 2022 Bond are payable solely from the Revenues (as defined in the Ordinance) derived from the operation of the City's sewer system (the "**System**") after deducting Current Expenses (as defined in the Ordinance) (the "**Net Revenues**"). The pledge of Net Revenues and the statutory lien on the System made to secure the payment of the Series 2022 Bond have priority over all other pledges of Net Revenues and statutory liens on the System except the pledge and lien in favor of Bonds (as defined in the Ordinance) issued or to be issued under the Ordinance on a parity with the Series 2022 Bond.

No recourse shall be had for the payment of the principal of, premium, if any, and interest on the Series 2022 Bond against the several funds of the City, except in the manner and to the extent provided in the Ordinance, nor shall the credit or taxing power of the City be deemed to be pledged to the payment of the Series 2022 Bond. The Series 2022 Bond shall not be a charge, lien, or encumbrance, legal or equitable, upon any property of the City or upon any income, receipts, or revenues of the City, other than the Net Revenues that have been pledged to the payment thereof, and this bond is payable solely from the Net Revenues pledged to the payment thereof, and the City is not obligated to pay the same except from the Net Revenues.

Whenever the terms of this bond require any action be taken on a Saturday, Sunday, or legal holiday or bank holiday in the State or in any state where the corporate trust office of the Trustee is located, the action shall be taken on the first business day occurring thereafter.

The Ordinance contains provisions defining terms; sets forth the terms and conditions upon which the covenants, agreements, and other obligations of the City made therein may be discharged at or prior to the maturity of this bond with provisions for the payment thereof in the manner set forth in the Ordinance; and sets forth the terms and conditions under which the Ordinance may be amended or modified with or without the consent of the Registered Holder of this bond. Reference is hereby made to the Ordinance, to all the provisions of which any Registered Holder of this bond by the acceptance hereof thereby assents.

IN WITNESS WHEREOF, THE CITY OF GREENVILLE, SOUTH CAROLINA, has caused this bond to be signed in its name by the City Manager, and attested by the City Clerk, under the Seal of the City, impressed or reproduced hereon.

CITY OF GREENVILLE, SOUTH CAROLINA

(SEAL)

City Manager

ATTEST:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is the Bond designated herein and issued under the provisions of the within-mentioned Ordinance.

**U.S. BANK NATIONAL ASSOCIATION,
as Bond Registrar**

Agent

Date of Authentication: _____

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants in entireties
JT TEN - as joint tenants with right of survivorship
and not as tenants in common

UNIF GIFT MIN ACT - _____
(Cust)

Custodian _____
(Minor)

under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used, though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ (Social Security No. or other Identifying Number of Assignee _____) the within Bond of the CITY OF GREENVILLE, SOUTH CAROLINA, and does hereby irrevocably constitute and appoint _____ to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

DATED: _____

Signature Guaranteed: _____

NOTICE: Signature must be guaranteed by an institution who is a participant in the Securities Transfer Agent Medallion Program (“**STAMP**”) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

EXHIBIT B
FORM OF REQUISITION

§ _____
City of Greenville, South Carolina
Sewer System Revenue Bond
Series 2022

Requisition No.: _____

Total Requisition Amount: \$ _____

With regard to the General Bond Ordinance enacted on August 9, 1999, and the Ninth Supplemental Ordinance enacted on February 28, 2022 by the City Council of the City of Greenville (collectively, the **“Bond Ordinance”**), authorizing the issuance of \$ _____ Sewer System Revenue Bond, Series 2022, of the City of Greenville, South Carolina (the **“City”**), the following information is submitted with respect to the Costs of the Project or the Costs of Issuance (as defined in the Bond Ordinance):

- (a) The amount to be paid: \$ _____
- (b) The nature or purpose of the obligation for which this payment is requested is:

- (c) The name and address of the person, firm or corporation to whom such obligation is owed or to whom a reimbursable advance has been made and the manner of payment of such obligation or reimbursable advance:

- (d) This obligation has been properly incurred and is a proper charge against the 2022 Construction Fund and has not been the basis of any previous withdrawal.
- (e) The City has not received notice of any mechanic’s, materialmen’s or other liens or right to liens or other obligations (other than those being contested in good faith) which should be satisfied or discharged before payment of such obligation is made.
- (f) This payment does not include any amount which is currently entitled to be retained under any holdbacks or retainages provided for in any agreement.

With respect to a Cost of the Project, this obligation was incurred for work, material or supplies in connection with the acquisition, construction or installation of the Project (as defined in the Bond Ordinance); and such work was actually performed in a satisfactory manner and such materials or supplies were actually used in or for such acquisition, construction or installation or delivered to the Project for that purpose in accordance with the approved plans and specifications.

Attached is the written bill, invoice or statement for all expenses for which the disbursement is requested from the party providing the items or services for which payment is to be made.

CITY OF GREENVILLE, SOUTH CAROLINA

By: _____
Authorized Representative

Dated: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

CERTIFIED COPY OF ORDINANCE

I, the undersigned City Clerk of the City of Greenville, South Carolina (the *“City”*), do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given two readings on two separate days, with an interval of at least six days between the readings, and received approval, by the City Council of the City (the *“Council”*) at its meetings of February 14, 2022 and February 28, 2022, at which meetings a quorum of members of the Council were present and voted, and an original of which ordinance is filed in the permanent records of the Council.

IN WITNESS WHEREOF, I have hereunto set my Hand, this 28th day of February, 2022.

CITY OF GREENVILLE, SOUTH CAROLINA

City Clerk

First reading: February 14, 2022
Second reading: February 28, 2022