CITY OF WESTMINSTER REGULARLY SCHEDULED MEETING
April 29, 2025 @ 4:00 PM
Westminster Fire Department
216 Emergency Lane, Westminster

Call to Order

Certification of Quorum

Invocation & Pledge of Allegiance

Public Comments:
The floor is now open for public comments. Citizens of Westminster or others who have registered for time with the Clerk can now address Council for any matters on tonight's agenda or other matters you wish to bring before the Council. Speakers are allowed up to 3 minutes and possibly longer if that Speaker is recognized in advance as representing a larger group with similar concerns. To preserve the decorum of this public meeting and to allow adequate time for discussion among the elected membership of City Council, this will be the only time we will receive unsolicited comments tonight from the public.

Comments from the Mayor and Council

Routine Business

None

Old Business

1. **Consideration of Second Reading of ORDINANCE NO. 04-29-2025-01 ~~2025-04-28-01~~ AUTHORIZING AN EQUIPMENT LEASE PURCHASE AGREEMENT IN THE AMOUNT OF NOT EXCEEDING $705,490 BETWEEN THE CITY OF WESTMINSTER, SOUTH CAROLINA, AND FIRST-CITIZENS BANK & TRUST COMPANY, TO DEFRAY THE COST OF ACQUIRING CERTAIN EQUIPMENT; AND OTHER MATTERS RELATING THERETO.**

   The ordinance number is corrected from First Reading **from 2025-04-28-01 to 04-29-2025-01.**

   The implementation of trade tariffs at the federal level threatens to drastically increase the price of rolling stock (equipment) the City intends to purchase as part of its FY2026 budget. At the March 11, 2025 City Council Budget Workshop staff provided a briefing of the situation along with a list of equipment which plan to be included in the next annual budget. Since that meeting some equipment changes were necessary due to the availability of the equipment. Additionally, the pricing provided at the March 11, 2025 Budget Workshop has been updated and included in the attached Ordinance and proposal from First Citizens Bank. The final pricing increased by $1,477. The cost for the 2025 Lease Purchase is:

Equipment	Estimated Cost
Police	
Dodge Charger	$ 51,442.00
Dodge Durango	$ 55,000.00
Dodge Durango (2) upfitted with lights	$117,226.00

Fire	
Crew Pickup Truck	$ 71,542.00
Sanitation	
Front Loader	$387,075.00
Legal Fees (not to Exceed)	$ 23,205.00
Total	**$705,490.00**

Staff recommends approval.

FY2026 Budget Workshop

1. Presentation by the City Administrator (the proposed budget will be provided at the workshop).

   Proposed Balanced FY 2026 Budget – All Funds

2. Discussion

Executive Session

None.

Adjourn

ORDINANCE NO. 04-29-2025-01 ~~2025-04-28-01~~

AUTHORIZING AN EQUIPMENT LEASE PURCHASE AGREEMENT IN THE AMOUNT OF NOT EXCEEDING $705,490 BETWEEN THE CITY OF WESTMINSTER, SOUTH CAROLINA, AND FIRST-CITIZENS BANK & TRUST COMPANY, TO DEFRAY THE COST OF ACQUIRING CERTAIN EQUIPMENT; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WESTMINSTER, SOUTH CAROLINA, AS FOLLOWS:

SECTION 1. Findings and Determinations. The City Council (the "Council") of the City of Westminster, South Carolina (the "City"), hereby finds and determines:

(a) The City is an incorporated municipality located in Oconee County, South Carolina, and as such possesses all powers granted to municipalities by the Constitution and the laws of the State of South Carolina (the "State").

(b) Section 5-7-40 of the Code of Laws of South Carolina, 1976, as amended (the "S.C. Code"), empowers all municipalities to own and possess real and personal property and such municipalities may lease any such property.

(c) The City desires to enter into a lease-purchase agreement (the "Lease Agreement") with First-Citizens Bank & Trust Company (the "Lessor"), in the amount of not exceeding $705,490 for the purpose of financing the acquisition of the equipment set forth on Exhibit A hereto (the "Equipment").

(d) The Lease Agreement will not constitute a "financing agreement" and the Equipment will not constitute an "asset" as such terms are defined in Section 11-27-110 of the S.C. Code. Thus, the amount of the Lease Agreement will not be included when calculating the City's constitutional debt limit under Article X, Section 14 of the Constitution of the State.

(e) The Lease Agreement will be subject to annual appropriation by the Council.

(f) It is in the best interest of the City to acquire the Equipment by entering into the Lease Agreement with the Lessor. The Lease Agreement will enable the City to purchase the Equipment which will provide services necessary or useful to the operations of the City government.

SECTION 2. Proposal of Lessor. Attached as Exhibit B is a proposal from Lessor to provide financing for the Lease Agreement. The City Administrator of the City is hereby authorized to accept such proposal on behalf of the City.

SECTION 3. Approval of Lease-Purchase Financing. The Council of the City does hereby approve leasing of the Equipment by the City from the Lessor pursuant to the Lease Agreement. The City Administrator is authorized to determine the quantity, type and cost of the items of Equipment financed with the Lease Agreement, provided the total amount of the Lease Agreement shall not exceed $705,490.

SECTION 4. Approval of Lease Agreement. Without further authorization, the City Administrator is hereby authorized to approve the form, terms and provisions of the Lease Agreement, including one or more repayment schedules, proposed by the Lessor. The City Administrator is hereby authorized, empowered and directed to execute, acknowledge and deliver the Lease Agreement in the name and on behalf of the City. The Lease Agreement is to be in the form as shall be approved by the City Administrator, the City Administrator's execution thereof to constitute conclusive evidence of such approval.

SECTION 5. Execution of Documents. The Mayor, Mayor Pro-Tempore, City Administrator and City Clerk are fully empowered and authorized to take such further action and to execute and deliver such additional documents as may be reasonably requested by the Lessor to effect the delivery of the Lease Agreement, including any project fund or acquisition fund agreement, in accordance with the terms and conditions therein set forth, and the transactions contemplated hereby and thereby, and the action of such officers in executing and delivering any of such documents, in such form as the Mayor, Mayor Pro-Tempore, City Administrator and City Clerk shall approve, is hereby fully authorized.

SECTION 6. Federal Tax Covenant and Other Tax Matters. The City, as lessee, agrees and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest components of the payments to be made under the Lease Agreement to become includable in the gross income of the Lessor or its successors or assignees for federal income tax purposes pursuant to the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and regulations promulgated thereunder in effect on the date of original issuance of the Lease Agreement, and that it will comply with all applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder, to maintain the exclusion from gross income for federal income tax purposes of the interest portion of the payments to be made under the Lease Agreement; and to that end the City shall:

(a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as the Lease Agreement is outstanding;

(b) establish such funds, make such calculations and pay such amounts in the manner and at the times required in order to comply with the requirements of the Code relating to required rebates of certain amounts to the United States; and

(c) make such reports of such information at the times and places required by the Code.

The City Administrator is hereby authorized to adopt written procedures to ensure the City's compliance with federal tax matters relating to the Lease Agreement.

The City Administrator is hereby authorized to determine whether the Lease Agreement shall be designated as a "qualified tax-exempt obligation" for purposes of Section 265 of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes interest expense that is allocable to carrying and acquiring tax-exempt obligations.

The City will timely file Form 8038-G in accordance with the applicable regulations of the Internal Revenue Service.

SECTION 7. Filings with Central Repository. In compliance with Section S.C. Code Ann. § 11-1-85, the City covenants that it will file or cause to be filed with a central repository for further availability in the secondary bond market when requested: (a) a copy of the annual audit of the City within thirty (30) days of the City's receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which, in the opinion of the City, adversely affects more than five (5%) of the City's revenue or its tax base.

SECTION 8. Severability. All ordinances, orders, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the execution of the Lease Agreement are, to the extent of such conflict, hereby repealed.

SECTION 9. Effective Date; Binding. This Ordinance shall be effective upon its enactment by the City Council of the City, and shall be binding on the City Council of the City of Westminster, South Carolina, and its successors.

[Execution page follows]

This Ordinance shall be effective upon its enactment on April 29, 2025.

CITY COUNCIL OF THE CITY OF
WESTMINSTER, SOUTH CAROLINA

(SEAL)

_____
Mayor

ATTEST:

_____
City Clerk

First Reading: April 8, 2025
Second Reading: April 29, 2025

[Execution page]

Exhibit A

Equipment

Equipment	Estimated Cost
Police	
Dodge Charger	$51,442.00
Dodge Durango	55,000.00
Dodge Durango (2) upfitted with lights	117,226.00
Fire	
Crew Pickup Truck	71,542.00
Sanitation	
Front Loader	387,075.00
TOTAL ESTIMATED COST	$682,285.00

Exhibit B

Copy of Proposal of First-Citizens Bank & Trust Company

[See attached]

March 28, 2025

To: Kevin Bronson, City of Administrator
CC: Mike Burns, Bond Counsel, Burr & Forman LLP

Re: Proposal for 2025 Lease Purchase, City of Westminster, South Carolina

Following is our offer for the financing requested in the amount of $705,490 (prepayable in whole):

Interest Rate	Final Maturity	Proposed Payment Structure
4.38% BQ	7 Years	Annual principal and interest payments

This transaction can be closed using draft documents provided by First-Citizens Bank & Trust Company or Bond Counsel. There will be no closing costs or ongoing fees due to the Bank. In addition to executed transaction documents in form satisfactory to the Bank, you must provide an opinion of your attorney addressing certain matters, including, but not limited to:

1. The Lease Purchase is valid, legal, binding, and enforceable;
2. The tax-exempt status of the interest component of payments due under the financing. The attorney's opinion must state that the borrowing is designated as a "qualified tax-exempt obligation" under Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

The borrowing entity must also designate the obligation as a "qualified tax-exempt obligation" prior to closing. It is recommended that this designation be included or recited in the borrowing ordinance/resolution. You or your advisors will be responsible for preparing and filing any IRS required documents.

The rate contained in this proposal is subject to change unless the loan is closed within 45 days of the date hereof. If you have any questions, please contact Courtney Dunlap at 803-931-1721 or me at 803-931-1723.

Thank you for the opportunity to submit this proposal.

First-Citizens Bank & Trust Company

Steve Groth

By: Steve Groth
Director of Government Lending

The foregoing proposal is accepted and approval of rate and funding is requested:

City of Westminster, South Carolina

By: _____

Title:_____

Date: _____

City of Westminster 2025 LP

Computation Interval: Annual

Nominal Annual Rate: 4.380%

Cash Flow Data - Loans and Payments

	Event	Date	Amount	Number	Period	End Date
1	Loan	05/07/2025	705,490.00	1		
2	Payment	05/07/2026	119,197.47	6	Annual	05/07/2031
3	Payment	05/07/2032	119,197.48	1		

TValue Amortization Schedule - U.S. Rule, 30E3/360

	Date	Payment	Interest	Principal	Balance
Loan	05/07/2025				705,490.00
2025 Totals		**0.00**	**0.00**	**0.00**	
1	05/07/2026	119,197.47	30,900.46	88,297.01	617,192.99
2026 Totals		**119,197.47**	**30,900.46**	**88,297.01**	
2	05/07/2027	119,197.47	27,033.05	92,164.42	525,028.57
2027 Totals		**119,197.47**	**27,033.05**	**92,164.42**	
3	05/07/2028	119,197.47	22,996.25	96,201.22	428,827.35
2028 Totals		**119,197.47**	**22,996.25**	**96,201.22**	
4	05/07/2029	119,197.47	18,782.64	100,414.83	328,412.52
2029 Totals		**119,197.47**	**18,782.64**	**100,414.83**	
5	05/07/2030	119,197.47	14,384.47	104,813.00	223,599.52
2030 Totals		**119,197.47**	**14,384.47**	**104,813.00**	
6	05/07/2031	119,197.47	9,793.66	109,403.81	114,195.71
2031 Totals		**119,197.47**	**9,793.66**	**109,403.81**	
7	05/07/2032	119,197.48	5,001.77	114,195.71	0.00
2032 Totals		**119,197.48**	**5,001.77**	**114,195.71**	
Grand Totals		**834,382.30**	**128,892.30**	**705,490.00**	

ANNUAL PERCENTAGE RATE	**FINANCE CHARGE**	**Amount Financed**	**Total of Payments**
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
4.380%	**$128,892.30**	**$705,490.00**	**$834,382.30**