



STAFF REPORT
Finance and Administration Department

MEETING DATE:	November 10, 2020
PROJECT:	Consideration of an Ordinance Authorizing the Issuance and Sale of Not to Exceed \$5,250,000 General Obligation Bonds, 2020 or Such Other Appropriate Series Designation, for the Purpose of funding the Town of Bluffton Stormwater Utility Fund Capital Improvements Program Projects – Second and Final Reading
PROJECT MANAGER:	Chris Forster, MPA, CPFO, CGFM, Director of Finance and Administration

RECOMMENDATION:

Town Council consider the approval of first reading of authorizing the issuance and sale of not to exceed \$5,250,000 General Obligation Bonds, 2020 or such other appropriate series designation (the “Bonds”), for the purpose of funding the Town of Bluffton Stormwater Utility Fund Capital Improvements Program projects, with an estimated maturity date of June 1, 2040 , and pre-payable beginning June 1, 2030 at par and sold with a public rating as a public market offering; and

The Ordinance delegates to the Town Manager the authority to determine the par amount of the Bonds maturing on such dates, the maturity dates of the Bonds, the interest payment dates of the Bonds, redemption provisions, and the date and time of sale of the Bonds; and

Receive bids on behalf of the Council and to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Official Notice of Sale for the Bonds; and

Sell the Bonds through a bank placement if it is determined to be in the best interest of the Town upon recommendation from the Town’s bond counsel and financial advisor.

BACKGROUND/DISCUSSION:

Continuously improving the water quality and economic viability of the May River and surrounding rivers and watersheds is a strategic goal of the Town of Bluffton Strategic Plan. The FY 2021 budget and capital improvement plan include several sewer projects to help protect the Town’s rivers and watersheds. These projects were approved contingent upon a potential general obligation bond offering. The FY 2021 budget ordinance also included an increase in Stormwater Utility fees to support the payment of the Bond’s principal and interest.

Currently budgeted sewer projects include:

- Buckwalter Place Multi- County Commerce Park
- Buck Island – Simmonsville Sewer

- Historic District Sewer Extension Phase 1
- Historic District Sewer Extension Phase 2
- Historic District Sewer Extension Phase 3
- Historic District Sewer Extension Phase 4
- Historic District Sewer Extension Phase 5
- Historic District Sewer Extension Phase 6
- Bridge Street Streetscape

Additional sewer projects planned for future approval and coordination with partnering jurisdictions:

- Historic District Drainage Master Plan
- Stoney Crest Campground / Old Palmetto Bluff Rd.
- Old Town Gravity Sewer

The projected true interest cost is currently calculated at 1.66% on the planned 20-year Bond. The estimated sources and uses are as follows:

Source of Funds:	
Par Amount of Bonds	\$5,080,000.00
Reoffering Premium	<u>595,874.45</u>
Total Sources	\$5,675,874.45

Uses of Funds:	
Total Underwriter's Discount (0.750%)	\$ 38,100.00
Cost of Issuance	75,000.00
Deposit Net Bid Premium to DS Fund	557,774.45
Deposit to Project Fund	5,000,000.00
Rounding	<u>5,000.00</u>
Total Uses	\$5,675,874.45

Our Bond Counsel, Francenia Heizer, Esquire with Burr Forman McNair and our Financial Advisor, Brian Nurick, Senior Managing Director with Compass Municipal Advisors, LLC, are recommending that the Bond be issued before the end of 2020 to take advantage of favorable interest rates.

UPDATES SINCE FIRST READING:

Included as a new attachment are the applicable Stormwater Utility Fund slides presented with the proposed FY21 budget. This information presents the proposed SWU funding plan which outlined how the new SWU revenue could support a GO bond to fund SWU fund sewer infrastructure. This plan was a part of the approved FY21 Budget and Capital Plan.

Additionally, an attachment is included in your packet that outlines the proposed project timelines and funding schedule if a \$5 million GO bond is approved. Projects identified are estimated to be completed by the end of FY23 with these bond dollars. While the approved rate increase and new plan review and inspection fee will generate an estimated \$621,000 annually, in the absence of a GO Stormwater bond, the identified projects could take up to eight to ten years to fund on a pay as you go funding structure.

NEXT STEPS:

Pending Ordinance adoption upon second reading in November:

- Prepare Preliminary Official Statement – early November
- Bond Rating Report released – week before bond sale
- Preliminary Official Statement released – week before bond sale
- Bond Sale – on or around December 2, 2020
- Bond Closing – on or around December 22, 2020
- After the sale, a written report to Town Council setting forth the results of the Bonds

ATTACHMENTS:

1. Stormwater Utility Fund FY21 Budget Slides
2. Project schedule and funding summary
3. Ordinance Authorizing the Issuance and Sale of Not to Exceed \$5,250,000 General Obligation Bonds
4. DRAFT Bonding Schedules
5. Recommended Language to Support a Motion for Adoption

Stormwater Utility Fund Budget
Slides Reviewed as Part of The
Approved FY21 Budget

Town of Bluffton

STORMWATER UTILITY FEE BUDGET RECOMMENDATION

- As a result of the COVID-19 outbreak and resulting financial hardship, staff reviewed alternative revenues to offset the WAPAC recommended SWU Fee increase.
- Formal recommendation to Council for FY20 and FY21 to implement the following:
 - 1) *Increase SWU Fee to \$115 per SFU*
 - 2) *Implement a National Pollutant Discharge Elimination System (NPDES) Fee for stormwater plan reviews and associated inspections*
 - 3) *Issue \$5 million Bond for Stormwater Capital Projects*

Town of Bluffton

FY 2021 PROPOSED STORMWATER UTILITY FUND BUDGET REVENUES

Revenues	FY20 Revised Budget	FY21 Proposed Budget	% Change	% of Budget
Stormwater Utility Fees	\$1,381,295	\$1,678,667	21.5%	82.1%
NPDES Fee	-	\$365,000	100.0%	17.9%
Miscellaneous Income	-	\$150	100.0%	0.0%
Grant Income	\$65,000	-	-100.0%	0.0%
Fund Balance	\$576,457	-	-100.0%	0.0%
Total Revenues	\$2,022,752	\$2,043,817	1.0%	100.0%

National Pollutant Discharge Elimination System (NPDES) Fee

Town of Bluffton

FY 2021 STORMWATER FUND BUDGET HIGHLIGHTS

- ✓ Supports May River Watershed Action Plan and MS4 Program Implementation
- ✓ Stormwater Utility Fee increase from \$98 to \$115
 - ☐ potential \$256,000 revenue generation for FY 2021
- ✓ Establish National Pollutant Discharge Elimination System (NPDES) plan review and inspection fees
 - ☐ potential \$365,000 revenue generation for FY 2021

Town of Bluffton

FY 2021 STORMWATER FUND BUDGET HIGHLIGHTS

- ✓ Capital Improvements Program support including:
 - ❑ Buck Island – Simmonsville Sewer Phase 5 - construction
 - ❑ Watershed Management facility improvements – facility maintenance
 - ❑ Historic District Sewer Extension Phase 1 – design, permitting and construction
 - ❑ Historic District Sewer Extension Phase 2 – design, permitting and construction*
 - ❑ Historic District Sewer Extension Phase 3 – design, permitting and construction*
 - ❑ Historic District Sewer Extension Phase 4 – design, permitting and construction*
 - ❑ Historic District Sewer Extension Phase 5 – design and permitting*
 - ❑ Historic District Sewer Extension Phase 6 – design and permitting*
 - ❑ Law Enforcement Service Center facility improvements – service yard construction
 - ❑ Bridge Street Streetscape – design and permitting

* Pending bond authorization

Stormwater / Sewer Costs and Estimated Completion Dates

Project #	Project Name	Project Start Date	Estimated Completion Date	Spent to Date	Remaining Estimated Costs (as of 10/13/20)			Planned Funding Sources
					FY 2021	FY 2022	FY 2023	
40/77	Buckwalter Place Multi-County Commerce Park	8/3/2020	6/6/2022	-	134,399	-	-	SWU Carry Forward, GO Bond
44	Buck Island Simonsville Sewer Phase 5 A-E	12/1/2016	6/28/2021	153,211	588,481	-	-	Grants, SWU Carry Forward, GO Bond
70	Historic District Sewer Extension Phase 1	7/3/2018	12/17/2020	52,171	243,282	-	-	SWU Carry Forward, GO Bond
71	Historic District Sewer Extension Phase 2	7/2/2018	6/24/2021	25,905	380,785	-	-	SWU Carry Forward, GO Bond
72	Historic District Sewer Extension Phase 3	11/2/2020	12/16/2021	-	161,250	-	-	GO Bond
73	Historic District Sewer Extension Phase 4	11/2/2020	12/16/2021	-	141,125	-	-	GO Bond
74	Historic District Sewer Extension Phase 5	11/2/2020	12/16/2021	-	26,000	100,000	-	GO Bond
75	Historic District Sewer Extension Phase 6	11/2/2020	12/16/2021	-	31,250	125,000	-	GO Bond
82	Bridge Street Streetscape	9/1/2019	8/19/2022	-	25,000	785,822	397,696	GO Bond
TBD	Historic District Drainage Master Plan	TBD	TBD	-		50,000		GO Bond
TBD	Stoney Crest Campground/Old Palmetto Bluff Rd	TBD	TBD	-		1,833,333		GO Bond
TBD	Old Town Gravity Sewer	TBD	TBD	-		866,667		GO Bond
Total					162,095	1,731,572	3,760,822	397,696

*FY 2021 includes budgeted and carry forward project costs

BUCKWALTER MULTI-COUNTY COMMERCE PARK
PHASE II DEVELOPMENT PARCEL - PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	Half 2, 2020												Half 1, 2021					Half 2, 2021					Half 1, 2022					Half 2, 2022		
					J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J					
1	PHASE II DEVELOPMENT PARCEL	481 days	Mon 8/3/20	Mon 6/6/22	◆																													
2	Planning and Conceptual Design	120 days	Mon 8/3/20	Fri 1/15/21	◆																													
9	Final Design and Construction Documents	75 days	Mon 1/18/21	Fri 4/30/21													◆																	
16	Permitting	30 days	Tue 4/6/21	Mon 5/17/21																		◆												
21	Bidding and Contracts	115 days	Mon 5/10/21	Fri 10/15/21																		◆												
32	Construction	166 days	Mon 10/18/21	Mon 6/6/22																							◆							

Project: 00040 Date: Mon 10/26/20	Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
	Critical Task	★	Planning and Conceptual Design	◆	Easements and Land Acquisition	◆		
	Task	■	Final Design and Construction Documents	◆	Bidding and Contracts	◆		

BUCK ISLAND-SIMMONSVILLE SANITARY SEWER PHASE 5 E
PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	2018												Half 1, 2019					Half 2, 2019					Half 1, 2020					Half 2, 2020					Half 1,			
					A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J						
1	PHASE 5 E	583 days	Fri 8/24/18	Tue 11/17/20	◆																																			
2	Planning and Conceptual Design	120 days	Fri 8/24/18	Thu 2/7/19	◆																																			
4	Permitting	90 days	Fri 2/8/19	Thu 6/13/19	◆																																			
6	Easements and Land Acquisition	145 days	Wed 3/27/19	Tue 10/15/19	◆																																			
11	Bidding and Contracts	65 days	Wed 10/16/19	Tue 1/14/20	◆																																			
16	Construction	177 days	Mon 3/16/20	Tue 11/17/20	◆																																			

Project: 00044 Date: Mon 10/26/20	Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
	Critical Task	★	Planning and Conceptual Design	◆	Bidding and Contract	◆		
	Task	■	Final Design and Construction Documents	◆	Easements and Land Acquisitions	◆		

HISTORIC DISTRICT SANITARY SEWER EXTENSION PHASE 1
PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	Half 2, 2018												Half 1, 2019					Half 2, 2019					Half 1, 2020					Half 2, 2020				
					J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	
1	PHASE 1	643 days	Tue 7/3/18	Thu 12/17/20	◆																															
2	Planning and Conceptual Design	239 days	Tue 7/3/18	Fri 5/31/19	◆																															
9	Final Design and Construction Documents	65 days	Mon 6/3/19	Fri 8/30/19	◆																															
11	Permitting	140 days	Mon 9/2/19	Fri 3/13/20	◆																															
14	Easements and Land Acquisition	105 days	Mon 3/16/20	Fri 8/7/20	◆																															
17	Bidding and Contracts	62 days	Mon 3/16/20	Tue 6/9/20	◆																															
22	Construction	137 days	Wed 6/10/20	Thu 12/17/20	◆																															

Project: 00070 Date: Mon 10/26/20	Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
	Critical Task	★	Planing and Conceptual Design	◆	Easements and Land Acquisitions	◆		
	Task	■	Final Design and Construction Documents	◆	Bidding and Contracts	◆		

HISTORIC DISTRICT SANITARY SEWER EXTENSION PHASE 2
PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	Half 2, 2018												Half 1, 2019					Half 2, 2019					Half 1, 2020					Half 2, 2020					Half 1, 2021									
					J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J					
1	PHASE 2	779 days	Mon 7/2/18	Thu 6/24/21	◆																																									
2	Planning and Conceptual Design	185 days	Mon 7/2/18	Fri 3/15/19	◆																																									
10	Final Design and Construction Documents	20 days	Mon 3/18/19	Fri 4/12/19	◆																																									
12	Permitting	55 days	Mon 4/15/19	Fri 6/28/19	◆																																									
15	Easements and Land Acquisition	365 days	Mon 7/1/19	Fri 11/20/20	◆																																									
17	Bidding and Contracts	77 days	Mon 11/23/20	Tue 3/9/21	◆																																									
22	Construction	77 days	Wed 3/10/21	Thu 6/24/21	◆																																									

Project: 00071
Date: Mon 10/26/20

Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
Critical Task	★	Planing and Conceptual Design	◆	Easements and Land Acquisitions	◆		
Task	■	Final Design and Construction Documents	◆	Bidding and Contracts	◆		

HISTORIC DISTRICT SANITARY SEWER EXTENSION PHASE 3
PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	2021												2022				
					Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
1	PHASE 3	294 days	Mon 11/2/20	Thu 12/16/21	◆																
2	Planning and Conceptual Design	81 days	Mon 11/2/20	Mon 2/22/21	◆																
9	Final Design and Construction Documents	30 days	Tue 2/23/21	Mon 4/5/21	◆																
11	Permitting	40 days	Tue 4/6/21	Mon 5/31/21	◆																
14	Easements and Land Acquisition	105 days	Tue 2/16/21	Mon 7/12/21	◆																
17	Bidding and Contracts	51 days	Tue 6/1/21	Tue 8/10/21	◆																
22	Construction	92 days	Wed 8/11/21	Thu 12/16/21	◆																

Project: 00072
Date: Mon 10/26/20

Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
Critical Task	★	Planing and Conceptual Design	◆	Easements and Land Acquisitions	◆		
Task	■	Final Design and Construction Documents	◆	Bidding and Contracts	◆		

HISTORIC DISTRICT SANITARY SEWER EXTENSION PHASE 4
PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	2021												2022				
					Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
1	PHASE 4	294 days	Mon 11/2/20	Thu 12/16/21	◆																
2	Planning and Conceptual Design	81 days	Mon 11/2/20	Mon 2/22/21	◆																
9	Final Design and Construction Documents	30 days	Tue 2/23/21	Mon 4/5/21	◆																
11	Permitting	40 days	Tue 4/6/21	Mon 5/31/21	◆																
14	Easements and Land Acquisition	105 days	Tue 2/16/21	Mon 7/12/21	◆																
17	Bidding and Contracts	51 days	Tue 6/1/21	Tue 8/10/21	◆																
22	Construction	92 days	Wed 8/11/21	Thu 12/16/21	◆																

Project: 00073	Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
Date: Mon 10/26/20	Critical Task	★	Planing and Conceptual Design	◆	Easements and Land Acquisitions	◆		
	Task	■	Final Design and Construction Documents	◆	Bidding and Contracts	◆		

HISTORIC DISTRICT SANITARY SEWER EXTENSION PHASE 5
PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	2021												2022				
					Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		Oct	Nov	Dec	Jan
1	PHASE 5	294 days	Mon 11/2/20	Thu 12/16/21	◆																
2	Planning and Conceptual Design	81 days	Mon 11/2/20	Mon 2/22/21	◆																
9	Final Design and Construction Documents	30 days	Tue 2/23/21	Mon 4/5/21	◆																
11	Permitting	40 days	Tue 4/6/21	Mon 5/31/21	◆																
14	Easements and Land Acquisition	105 days	Tue 2/16/21	Mon 7/12/21	◆																
17	Bidding and Contracts	51 days	Tue 6/1/21	Tue 8/10/21	◆																
22	Construction	92 days	Wed 8/11/21	Thu 12/16/21	◆																

Project: 00074
Date: Mon 10/26/20

Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
Critical Task	★	Planing and Conceptual Design	◆	Easements and Land Acquisitions	◆		
Task	■	Final Design and Construction Documents	◆	Bidding and Contracts	◆		

HISTORIC DISTRICT SANITARY SEWER EXTENSION PHASE 6
PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	2021												2022				
					Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	
1	PHASE 6	294 days	Mon 11/2/20	Thu 12/16/21	◆																
2	Planning and Conceptual Design	81 days	Mon 11/2/20	Mon 2/22/21	◆																
9	Final Design and Construction Documents	30 days	Tue 2/23/21	Mon 4/5/21	◆																
11	Permitting	40 days	Tue 4/6/21	Mon 5/31/21	◆																
14	Easements and Land Acquisition	105 days	Tue 2/16/21	Mon 7/12/21	◆																
17	Bidding and Contracts	51 days	Tue 6/1/21	Tue 8/10/21	◆																
22	Construction	92 days	Wed 8/11/21	Thu 12/16/21	◆																

Project: 00075	Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
Date: Mon 10/26/20	Critical Task	★	Planing and Conceptual Design	◆	Easements and Land Acquisitions	◆		
	Task	■	Final Design and Construction Documents	◆	Bidding and Contracts	◆		

BRIDGE STREET STREETScape
PROPOSED SCHEDULE

ID	Task Name	Duration	Start	Finish	2020												2021												2022											
					A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J
1	BRIDGE STREET STREETScape	776 days	Sun 9/1/19	Fri 8/19/22	◆																																			
2	Planning and Conceptual Design	232 days	Sun 9/1/19	Tue 7/21/20	◆																																			
17	Final Design and Construction	128 days	Wed 7/22/20	Fri 1/15/21	◆																																			
22	Permitting	100 days	Mon 12/28/20	Fri 5/14/21	◆																																			
27	Easements and Land Acquisition	330 days	Mon 5/17/21	Fri 8/19/22	◆																																			

Project: 00082 Date: Mon 10/26/20	Milestone	◆	Project Duration	◆	Permitting	◆	Construction	◆
	Critical Task	★	Planning and Conceptual Design	◆	Easements and Land Acquisition	◆		
	Task	■	Final Design and Construction Documents	◆	Bidding and Contracts	◆		

ORDINANCE NO. _____

AUTHORIZING THE ISSUANCE AND SALE OF NOT EXCEEDING \$5,250,000 GENERAL OBLIGATION BONDS, SERIES 2020, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF THE TOWN OF BLUFFTON, SOUTH CAROLINA; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE TOWN MANAGER TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BLUFFTON, SOUTH CAROLINA, AS FOLLOWS:

Section 1. Findings and Determinations. The Town Council (the “Council”) of the Town of Bluffton, South Carolina (the “Town”), hereby finds and determines:

(a) The Town is an incorporated municipality located in Beaufort County, South Carolina (the “County”), and as such possesses all powers granted to municipalities by the Constitution of the State of South Carolina, 1895, as amended (the “Constitution”), and laws of the State of South Carolina (the “State”).

(b) Article X, Section 14 of the Constitution provides that general obligation debt may be incurred by the governing body of each municipality of the State for any public and corporate purpose in an amount not exceeding eight (8%) percent of the assessed value of all taxable property of such municipality and upon such terms and conditions as the General Assembly may prescribe. Such Article further provides that if general obligation debt is authorized by a majority vote of the qualified electors of the municipality voting in a referendum authorized by law, there shall be no conditions or restrictions limiting the incurring of such indebtedness except as specified in such Article.

(c) Title 5, Chapter 21, Article 5, Code of Laws of South Carolina, 1976, as amended (the “Municipal Bond Act”), provides that the municipal council of any municipality may issue general obligation bonds of such municipality for any corporate purpose of such municipality to any amount not exceeding the constitutional debt limitation applicable to such municipality.

(d) The Municipal Bond Act provides that as a condition precedent to the issuance of bonds an election be held and the result be favorable thereto. Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended (the “S.C. Code”), provides that if an election be prescribed by the provisions of the Municipal Bond Act, but not be required by the provisions of Article X of the Constitution, then in every such instance, no election need be held (notwithstanding the requirement therefor) and the remaining provisions of the Municipal Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions.

(e) Pursuant to an Interlocal Government Agreement for stormwater management as approved by the County and the Town, the Town participates in or receives benefit from the Stormwater Management Utility as described in Chapter 99 of the Code of Ordinances for Beaufort County. The Town receives revenue from the stormwater service fee imposed by the County (the “Stormwater Fee”).

(f) The assessed value of all taxable property in the Town for purposes of computation of the Town's constitutional debt limit as of June 30, 2020, is \$249,072,120. Eight percent (8%) of such sum is \$19,925,769. As of the date hereof, the Town has \$4,405,000 outstanding bonded and general obligation indebtedness subject to the constitutional debt limitation. Thus, the Town may incur an additional \$15,520,769 of general obligation debt within its applicable constitutional debt limitation.

(g) Pursuant to Ordinance No. 2019-12 enacted by the Town on September 10, 2019, the Town has adopted Written Procedures Related to Tax-Exempt Debt.

(h) It is now in the best interest of the Town for the Council to provide for the issuance and sale of general obligation bonds of the Town pursuant to the Constitution and laws of the State in the principal amount of not exceeding \$5,250,000, the proceeds of which will be used for the purposes of funding stormwater projects (the "Projects"), paying the costs of issuance of the Bonds (hereinafter defined) and such other lawful purposes as the Council may determine.

Section 2. Authorizations and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued general obligation bonds of the Town in the amount of not exceeding \$5,250,000 to obtain funds for any one or more of the purposes mentioned in Section 1(h) above, including any financial and legal fees relating thereto and other incidental costs of issuing the Bonds. The Bonds shall be designated "\$5,250,000 (or such lesser amount issued) General Obligation Bonds, Series 2020 (or such other appropriate series designation) of the Town of Bluffton, South Carolina" (the "Bonds").

The Bonds shall be issued as fully-registered bonds; shall be dated as of their date of delivery; shall be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of the Bonds maturing in each year; shall be numbered from R-1 upward; shall bear interest at such times as hereafter designated by the Town Manager at such rate or rates as may be determined at the time of the sale thereof; and shall mature serially in successive annual installments as determined by the Town Manager.

Both the principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts. Regions Bank shall serve as Registrar/Paying Agent for the Bonds.

Section 3. Delegation of Authority to Determine Certain Matters Relating to the Bonds. The Council hereby delegates to the Town Manager the authority to determine: (a) the par amount of the Bonds; (b) the maturity dates of the Bonds and the respective principal amounts maturing on such dates; (c) the interest payment dates of the Bonds; (d) redemption provisions, if any, for the Bonds; and (e) the date and time of sale of the Bonds. At the time of the sale, the Town reserves the right, in its sole discretion, either to decrease or increase the principal amount of the Bonds maturing in any year (all calculations to be rounded to the nearest \$5,000), provided that any such decrease or increase shall not exceed 15% of the par amount of the Bonds maturing in any year.

The Council hereby delegates to the Town Manager or his lawfully authorized designee the authority to receive bids on behalf of the Council and the authority to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Official Notice of Sale for the Bonds, provided the true interest cost does not exceed four percent (4%). After the sale of the Bonds, the Town Manager or his lawfully authorized designee shall submit a written report to the Council setting forth the results of the sale of the Bonds.

In addition to the authority delegated above, the Town Manager or his lawfully authorized designee has the authority, upon recommendation from the Town's bond counsel and financial advisor, to sell the Bonds through a bank placement if it is determined to be in the best interest of the Town.

Section 4. Registration, Transfer and Exchange of Bonds. The Town shall cause books (herein referred to as the "registry books") to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Bonds. Upon presentation at its office for such purpose the Registrar/Paying Agent shall register or transfer, or cause to be registered or transferred, on such registry books, the Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

Each Bond shall be transferable only upon the registry books of the Town, which shall be kept for such purpose at the principal office of the Registrar/Paying Agent, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar/Paying Agent duly executed by the registered owner or his or her duly authorized attorney. Upon the transfer of any such Bond, the Registrar/Paying Agent on behalf of the Town shall issue in the name of the transferee a new fully-registered Bond or Bonds of the same aggregate principal amount, interest rate and maturity as the surrendered Bond. Any Bond surrendered in exchange for a new registered Bond pursuant to this Section shall be canceled by the Registrar/Paying Agent.

The Town and the Registrar/Paying Agent may deem or treat the person in whose name any fully-registered Bond shall be registered upon the registry books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond and for all other purposes and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Town nor the Registrar/Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring Bonds is exercised, the Town shall execute and the Registrar/Paying Agent shall authenticate and deliver Bonds in accordance with the provisions of this Ordinance. Neither the Town nor the Registrar/Paying Agent shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an interest payment date on such Bonds.

Section 5. Record Date. The Town hereby establishes a record date for the payment of interest or for the giving of notice of any proposed redemption of Bonds, and such record date shall be the fifteenth (15th) day (whether or not a business day) preceding an interest payment date on such Bond or, in the case of any proposed redemption of Bonds, such record date shall be the fifteenth (15th) day (whether or not a business day) prior to the mailing of notice of redemption of Bonds.

Section 6. Mutilation, Loss, Theft or Destruction of Bonds. In case any Bond shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the Town shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a new Bond of the same series, interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event the applicant for the issuance of a substitute Bond shall furnish the Town and the Registrar evidence or proof satisfactory to the Town and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity as may be required by the laws of the State or such greater amount as may be required by the Town and the Registrar. Any duplicate Bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly-destroyed Bond shall be entitled to the identical

benefits under this Ordinance as was the original Bond in lieu of which such duplicate Bond is issued, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder.

All expenses necessary for the providing of any duplicate Bond shall be borne by the applicant therefor.

Section 7. Execution of Bonds. The Bonds shall be executed in the name of the Town with the manual or facsimile signature of the Chair of the Council attested by the manual or facsimile signature of the Secretary of the Council under a facsimile of the seal of the Town which shall be impressed, imprinted or reproduced thereon. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Bond shall bear a certificate of authentication manually executed by the Registrar/Paying Agent in substantially the form set forth herein.

Section 8. Form of Bonds. The Bonds shall be in substantially the form set forth as Appendix A attached hereto.

Section 9. Eligible Securities. The Bonds initially issued (the "Initial Bonds") will be eligible securities for the purposes of the book-entry system of transfer maintained by The Depository Trust Company, New York, New York ("DTC"), and transfers of beneficial ownership of the Initial Bonds shall be made only through DTC and its participants in accordance with rules specified by DTC. Such beneficial ownership must be of \$5,000 principal amount of Bonds of the same maturity or any integral multiple of \$5,000.

The Initial Bonds shall be issued in fully-registered form, one Bond for each of the maturities of the Bonds, in the name of Cede & Co., as the nominee of DTC. When any principal of or interest on the Initial Bonds becomes due, the Town shall transmit to DTC an amount equal to such installment of principal and interest. DTC shall remit such payments to the beneficial owners of the Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption of the Initial Bonds or any portion thereof shall be sent to DTC in accordance with the provisions of this Ordinance.

If (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the Town has advised DTC of its determination that DTC is incapable of discharging its duties, the Town shall attempt to retain another qualified securities depository to replace DTC. Upon receipt by the Town of the Initial Bonds together with an assignment duly executed by DTC, the Town shall execute and deliver to the successor securities depository Bonds of the same principal amount, interest rate and maturity registered in the name of such successor.

If the Town is unable to retain a qualified successor to DTC or the Town has determined that it is in its best interest not to continue the book-entry system of transfer or that interests of the beneficial owners of the Bonds might be adversely affected if the book-entry system of transfer is continued (the Town undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify beneficial owners of the Bonds by mailing an appropriate notice to DTC, upon receipt by the Town of the Initial Bonds together with an assignment duly executed by DTC, the Town shall execute, authenticate and deliver to the DTC participants Bonds in fully-registered form, in substantially the form set forth in Section 8 of this Ordinance in denominations of \$5,000 or any integral multiple thereof.

Section 10. Security for the Bonds. The full faith, credit and taxing power of the Town are hereby irrevocably pledged for the payment of the principal and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor; provided, however, it is the intent of the Town Council to use the revenue derived from the receipt of the Stormwater Fee for the payment of principal of and interest on the Bonds. On or about August 1 of each year, the Town shall determine if the amount of revenue derived from the receipt of the Stormwater Fee available to pay the principal of and interest on the Bonds is sufficient and whether the levy and collection of taxes shall be necessary to pay the principal of and interest on the Bonds.

Section 11. Defeasance. The obligations of the Town under this Ordinance and the pledges, covenants and agreements of the Town herein made or provided for, shall be fully discharged and satisfied as to any portion of the Bonds, and such Bond or Bonds shall no longer be deemed to be outstanding hereunder when:

(a) such Bond or Bonds shall have been purchased by the Town and surrendered to the Town for cancellation or otherwise surrendered to the Town or the Paying Agent and is canceled or subject to cancellation by the Town or the Paying Agent; or

(b) payment of the principal of and interest on such Bonds either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with a corporate trustee in trust and irrevocably set aside exclusively for such payment (1) moneys sufficient to make such payment or (2) Government Obligations (hereinafter defined) maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment and all necessary and proper fees, compensation and expenses of the corporate trustee. At such time as the Bonds shall no longer be deemed to be outstanding hereunder, such Bonds shall cease to draw interest from the due date thereof and, except for the purposes of any such payment from such moneys or Government Obligations as set forth in (ii) above, shall no longer be secured by or entitled to the benefits of this Ordinance.

“Government Obligations” shall mean either of the following:

- (i) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America; and
- (ii) non-callable, U. S. Treasury Securities - State and Local Government Series (“SLGS”).

Section 12. Exemption from State Taxes. Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the S.C. Code, from all State, county, municipal, Town and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

Section 13. Sale of Bonds; Form of Notice of Sale. The Bonds shall be sold at public sale. A Notice of Sale shall be distributed to prospective bidders and a summary of such Notice of Sale shall be published in a newspaper having general circulation in the State of South Carolina or in a financial publication published in the City of New York, State of New York, or both, not less than seven (7) days

prior to the date set for such sale. The Notice of Sale shall be in substantially the form set forth as Appendix B attached hereto.

Section 14. Preliminary and Official Statement. The Council hereby authorizes and directs the Town Manager to prepare, or cause to be prepared, a Preliminary Official Statement to be distributed to prospective purchasers of the Bonds together with the Notice of Sale. The Council authorizes the Town Manager to designate the Preliminary Official Statement as “near final” for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the “Rule”). The Town Manager is further authorized to see to the completion of the final form of the Official Statement upon the sale of the Bonds so that it may be provided to the purchaser of the Bonds.

Section 15. Filings with Central Repository. In compliance with Section 11-1-85 of the S.C. Code, the Town 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 Town within thirty (30) days of the Town’s receipt thereof; and (b) within thirty (30) days of the occurrence thereof, relevant information of an event which, in the opinion of the Town, adversely affects more than five percent (5%) of the Town’s revenue or its tax base.

Section 16. Continuing Disclosure. In compliance with the Rule, the Town covenants and agrees for the benefit of the holders from time to time of the Bonds to execute and deliver prior to closing, and to thereafter comply with the terms of, a Continuing Disclosure Certificate in substantially the form appearing as Appendix C to this Ordinance. In the event of a failure of the Town to comply with any of the provisions of the Continuing Disclosure Certificate, an event of default under this Ordinance shall not be deemed to have occurred. In such event, the sole remedy of any bondholder or beneficial owner shall be an action to compel performance by the Town.

Section 17. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bonds shall be deposited with the Town in a special fund and shall be applied solely to the purposes for which the Bonds have been issued.

Section 18. Reimbursement of Certain Expenditures. The Council hereby declares that this Ordinance shall constitute its declaration of official intent pursuant to Regulation § 1.150-2 of the Internal Revenue Code of 1986, as amended and regulations promulgated thereunder (the “Code”), to reimburse the Town from the proceeds of the Bonds for expenditures with respect to the Projects (the “Expenditures”). The Town anticipates incurring Expenditures with respect to the Projects prior to the issuance by the Town of the Bonds for such purposes. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the Expenditures were paid, or (b) the date the Project was placed in service, but in no event more than three (3) years after the original Expenditures. The Expenditures are incurred solely to acquire, construct or rehabilitate property having a reasonably expected economic life of at least one (1) year. The source of funds for the Expenditures with respect to the Projects will be the Town’s general reserve funds or other legally-available funds.

Section 19. Federal Tax Covenants. The Town hereby covenants and agrees with the holders of the Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the bondholders for federal income tax purposes pursuant to the provisions of the Code in effect on the date of original issuance of the Bonds. The Town further covenants and agrees with the holders of the Bonds that no use of the proceeds of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds would have caused

the Bonds to be “arbitrage bonds,” as defined in Section 148 of the Code, and to that end the Town hereby shall:

- (a) comply with the applicable provisions of Sections 103 and 141 through 150 of the Code and any regulations promulgated thereunder so long as the Bonds are 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 time and places required by the Code.

Section 20. Miscellaneous. The Council hereby authorizes the Mayor, the Town Clerk, the Town Manager and the Director of Finance and Administration to execute such documents and instruments as may be necessary to effect the issuance of the Bonds.

The Council hereby retains Burr & Forman, LLP as Bond Counsel and Compass Municipal Advisors, LLC, as Financial Advisor, in connection with the issuance of the Bonds. The Town Manager is authorized to execute such contracts, documents or engagement letters as may be necessary and appropriate to effectuate said engagements.

All rules, regulations, Ordinances and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its adoption.

Section 21. Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 22. Codification. This Ordinance shall be forthwith codified in the Code of Town Ordinances in the manner required by law.

Section 23. Effective Date. This Ordinance shall be effective upon its enactment by the Council of the Town of Bluffton, South Carolina.

Be it Ordered and Ordained by the Town of Bluffton, South Carolina, and it is ordained by the authority of the said Council.

TOWN OF BLUFFTON, SOUTH CAROLINA

By: _____
Mayor

(SEAL)

ATTEST:

Town Clerk

First Reading: October 13, 2020 (Tentative)

Second Reading: _____

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF SOUTH CAROLINA
TOWN OF BLUFFTON
\$ _____ GENERAL OBLIGATION BOND
SERIES _____

No. R-

<u>INTEREST</u> <u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>ORIGINAL</u> <u>ISSUE DATE</u>	<u>CUSIP</u>
%			

REGISTERED HOLDER:

PRINCIPAL AMOUNT: _____ DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that the Town of Bluffton, South Carolina (the "Town"), is justly indebted and, for value received, hereby promises to pay to the registered holder named above, or registered assigns, the principal amount shown above on the maturity date shown above, upon presentation and surrender of this Bond at the principal office of Regions Bank in Atlanta, Georgia (the "Paying Agent"), and to pay interest on such principal sum from the date hereof at the interest rate per annum shown above until this Bond matures. Interest on this Bond is payable semiannually on _____ 1 and _____ 1 of each year commencing _____ 1, _____, until this Bond matures, and shall be payable by electronic transfer, check or draft mailed to the person in whose name this Bond is registered on the registration books of the Town maintained by the registrar, presently Regions Bank in Atlanta, Georgia (the "Registrar"), at the close of business on the fifteenth (15th) day of the calendar month next preceding each semiannual interest payment date. The principal 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 public and private debts; provided, however, that the principal and interest on this fully-registered Bond shall be paid by electronic transfer, check or draft as set forth above.

This Bond shall not be entitled to any benefit under the Ordinance of the Town authorizing the Bonds, nor become valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

For the payment of the principal and interest of this Bond as they respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit, and taxing power of the Town are hereby irrevocably pledged, and there shall be levied and collected annually upon all taxable property of the Town an ad valorem tax, without limitation as to rate or amount, sufficient for such purposes.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One bond certificate with respect to each date on which the Bonds are stated to mature, registered in the name of the securities depository nominee, is being issued and required to be deposited with the securities depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by the securities depository's participants, beneficial ownership of the Bonds in the principal amount of \$5,000 or any integral multiple thereof being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the securities depository and its participants pursuant to rules and procedures established by the securities depository and its participants. The Town and the Registrar/Paying Agent will recognize the securities depository nominee, while the registered owner of this bond, as the owner of this bond for all purposes, including payments of principal of and redemption premium, if any, and interest on this bond, notices and voting. Transfer of principal and interest payments to participants of the securities depository will be the responsibility of the securities depository, and transfer of principal, redemption premium, if any, and interest payments to beneficial owners of the Bonds by participants of the securities depository will be the responsibility of such participants and other nominees of such beneficial owners. The Town will not be responsible or liable for such transfers of payments or for maintaining, supervision or reviewing the records maintained by the securities depository, the securities depository nominee, its participants or persons acting through such participants. While the securities depository nominee is the owner of this bond, notwithstanding, the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements between the Registrar/Paying Agent or its successors under the Ordinance and the securities depository.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, date of maturity, denomination, [redemption provisions] and rate of interest, aggregating _____ Dollars issued pursuant to and in accordance with Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"); _____ Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended; and Ordinance No. _____ duly enacted by the Town Council of the Town.

[Redemption Provisions]

This Bond is transferable as provided in the Ordinance, only upon the books of the Town kept for that purpose at the principal office of the Registrar by the registered holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or his duly authorized attorney. Thereupon a new fully-registered Bond or Bonds of the same aggregate principal amount, interest rate, and maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance. The Town, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina (the "State"), this Bond and the interest hereon are exempt from all State, county, municipal, school district and other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

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 performed in regular and due time, form and manner as required by law; that the amount of this Bond, together with all other indebtedness of the Town does not exceed the applicable limitation of indebtedness under the laws of the State; and, that provision has been made for the levy and collection of a tax, without limit, on all taxable property in the Town sufficient to pay the principal and interest of this Bond as they respectively mature and to create such sinking fund as may be necessary therefor.

IN WITNESS WHEREOF, THE TOWN OF BLUFFTON, SOUTH CAROLINA, has caused this Bond to be signed with the manual or facsimile signature of the Mayor of the Town, attested by the manual or facsimile signature of the Clerk of the Town and the seal of the Town impressed, imprinted or reproduced hereon.

TOWN OF BLUFFTON, SOUTH CAROLINA

(SEAL)

Mayor

ATTEST:

Clerk

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

This Bond is one of the bonds described in the within mentioned Ordinance of the Town of Bluffton, South Carolina.

Regions Bank, as Registrar

By: _____
Authorized Officer

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

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the
entireties

_____ Custodian _____
(Cust) (Minor)

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

under Uniform Gifts to
Minors Act _____
(state)

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

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns
and transfers unto _____
(Name and Address of Transferee)

_____ the within Bond and does hereby irrevocably constitute and appoint _____
_____ attorney to transfer the within Bond on the books kept
for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed

(Authorized Officer)

Notice: Signature(s) must be
guaranteed by an institution which is a
a participant in the
registered Securities Transfer Agents
Medallion Program ("STAMP")
or similar program.

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

A copy of the final approving legal opinion to be rendered shall accompany each Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the Town with a manual or facsimile signature of the Clerk of the Town in the following form:

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the final legal opinion (except for date and letterhead) of Burr & Forman LLP, Columbia, South Carolina, approving the issue of Bonds of which the within Bond is one, the original of which opinion was manually executed, dated and issued as of the date of delivery of and payment for the Bonds, and a copy of which is on file with the Town of Bluffton, South Carolina.

TOWN OF BLUFFTON, SOUTH CAROLINA

By _____
Clerk

FORM OF OFFICIAL NOTICE OF SALE

\$ _____ GENERAL OBLIGATION BONDS, SERIES _____
TOWN OF BLUFFTON, SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that proposals will be received on behalf of the Town Council (the "Council") of the Town of Bluffton, South Carolina (the "Town"), until 11:00 a.m., South Carolina time, on _____, 20____, at which time said proposals will be publicly opened for the purchase of _____ (\$_____) General Obligation Bonds, Series 20____ of the Town (the "Bonds").

Electronic Bids: Electronic proposals must be submitted through i-Deal's Parity Electronic Bid Submission System ("Parity"). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Parity may be obtained from i-Deal, 40 W. 23rd Street, 5th floor, New York, New York 10010, Customer Support, telephone (212) 404-8102.

ADD

Book-Entry-Only Bonds: The Bonds will be issued in fully-registered form. One Bond representing each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds and each such Bond will be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry-only form in the principal amount of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates representing each maturity with DTC. The Bonds will be dated _____ 1, 20____ and will mature serially in successive annual installments on _____ 1 in each of the years and in the principal amounts as follows:

_____ 1	Principal <u>Amount*</u>	_____ 1	Principal <u>Amount*</u>
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*Preliminary, subject to adjustment.

Adjustment of Maturity Schedule. If, after final computation of the proposals, the Town determines in its sole discretion that the funds necessary to accomplish the purposes for which the Bonds are being issued are either more or less than the proceeds of the sale of the amount of the Bonds as shown in this Notice of Sale, it reserves the right either to decrease or increase the principal amount of the Bonds (all calculations to be rounded to the nearest \$5,000), provided that any such decrease or increase shall not exceed 15% of the par amount. Such adjustment(s), if any, shall be made within twenty-four (24)

hours of the award of the Bonds. In order to calculate the yield on the Bonds for federal tax law purposes and as a condition precedent to the award of the Bonds, bidders must disclose to the Town in connection with their respective bids the price (or yield to maturity) at which each maturity of the Bonds will be reoffered to the public.

In the event of any adjustment of the maturity schedule for the Bonds as described herein, no rebidding or recalculation of the proposals submitted will be required or permitted. Nevertheless, the award of the Bonds will be made to the bidder whose proposal produces the lowest true interest cost solely on the basis of the Bonds offered, without taking into account any adjustment in the amount of the Bonds pursuant to this paragraph.

The Bonds will bear interest from the date thereof payable semiannually on _____ 1 and _____ 1 of each year, commencing _____ 1, 20__.

[Redemption Provisions.]

Registrar/Paying Agent: Regions Bank, Atlanta, Georgia will serve as Registrar/Paying Agent for the Bonds.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 of 1% with no greater difference than two percent (2%) between the highest and lowest rates of interest named by a bidder. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. A bid for less than all the Bonds, a bid at a price less than par or a bid which includes a premium of more than 1% will not be considered. In addition to the bid price, the successful bidder must pay accrued interest from the date of the Bonds to the date of full payment of the purchase price.

Good Faith Deposit: A good faith deposit is not required.

Official Statement: Upon the award of the Bonds, the Town will prepare an official statement (the "Official Statement") in substantially the same form as the preliminary official statement subject to minor additions, deletions and revisions as required to complete the Official Statement. Within seven (7) business days after the award of the Bonds, the Town will deliver the Official Statement to the successful bidder in sufficient quantity to comply with Rule G-32 of the Municipal Securities Rulemaking Board. The successful bidder agrees to supply to the Town within 24 hours after the award of the Bonds all necessary pricing information and any Underwriter identification necessary to complete the Official Statement.

Security: The Bonds shall constitute binding general obligations of the Town, and the full faith, credit, and taxing power of the Town are irrevocably pledged for the payment of the principal and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor. There shall be levied and collected annually upon all taxable property of the Town a tax, without limitation as to rate or amount, sufficient for such purposes.

Continuing Disclosure: In order to assist the bidders in complying with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission, the Town will undertake, pursuant to an ordinance and a Continuing Disclosure Certificate, to provide certain annual financial information and notices of the occurrence of certain listed events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Legal Opinion: The Town shall furnish upon delivery of the Bonds the final approving opinion of Burr & Forman LLP, Columbia, South Carolina, which opinion shall accompany each Bond, together with the usual closing documents, including a certificate that no litigation is pending affecting the Bonds.

Issue Price Certificate: [TO BE PROVIDED].

Delivery: The Bonds will be delivered on or about _____, 20____, in New York, New York, at the expense of the Town or at such other place as may be agreed upon with the purchaser at the expense of the purchaser. The balance of the purchase price then due (including the amount of accrued interest) must be paid in federal funds or other immediately available funds.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto shall constitute cause for failure or refusal by the purchaser thereof to accept delivery of and pay for the Bonds in accordance with the terms of its proposal. All expenses in relation to the printing of CUSIP identification numbers on the Bonds shall be paid for by the Town; provided, however, that the CUSIP Service Bureau charge for the assignment of said numbers shall be the responsibility of and shall be paid for by the successful bidder.

Award of Bid. The Bonds will be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost (TIC) to the Town. The TIC will be the nominal interest rate which, when compounded semiannually and used to discount all debt service payments on the Bonds (computed at the interest rates specified in the bid and on the basis of a 360-day year of twelve 30-day months) to the dated date of the Bonds, results in an amount equal to the price bid for the Bonds. In the case of a tie bid, the winning bid will be awarded by lot. The Town reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 3:00 p.m., South Carolina time, on the date of the sale.

Additional Information: Persons seeking information should communicate with the Town's bond counsel, Francenia B. Heizer, Esquire, Burr & Forman LLP, (803) 799-9800 or fheizer@burr.com or the Town's Financial Advisor, Brian G. Nurick, Compass Municipal Advisors LLC, (859) 368-9619 or bnurick@compassmun.com.

Town of Bluffton, South Carolina

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the Town of Bluffton, South Carolina (the “Town”) in connection with the issuance of \$ _____ General Obligation Bonds, Series 20____. The Bonds are being issued pursuant to an Ordinance adopted by the Town Council of the Town (the “Council”). The Town covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Town for the benefit of the holders of the Bonds (defined below) and in order to assist the Participating Underwriter (defined below) in complying with the Rule (defined below).

SECTION 2. Definitions. The following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Town pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Bonds” shall mean the \$ _____ General Obligation Bonds, Series 20 ____, of the Town of Bluffton, South Carolina, dated _____.

“Dissemination Agent” shall mean the Town or any successor Dissemination Agent designated in writing by the Town and which has filed with the Town a written acceptance of such designation.

“Financial Obligation” is defined by the Rule as and for purposes of this Disclosure Certificate shall mean (1) a debt obligation, (2) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (3) a guarantee of either of the foregoing; provided, however, that a “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“National Repository” shall mean for purposes of the Rule the Electronic Municipal Market Access (EMMA) system created by the Municipal Securities Rulemaking Board.

“Participating Underwriter” shall mean _____ and any other original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Repository” shall mean each National Repository and each State Depository, if any.

“Rule” shall mean Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Depository” shall mean any public or private repository or entity designated by the State of South Carolina as a state depository for the purpose of the Rule. As of the date of this Certificate, there is no State Depository.

SECTION 3. Provision of Annual Reports.

(a) The Town shall, or shall cause the Dissemination Agent to provide, not later than February 1 of each year, commencing in 20__ to each Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than fifteen (15) business days prior to such date the Town shall provide the Annual Report to the Dissemination Agent, if other than the Town; provided, that if the audited financial statements required pursuant to Section 4 hereof to be included in the Annual Report are not available for inclusion in the Annual Report as of such date, unaudited financial statements of the Town may be included in such Annual Report in lieu thereof, and the Town shall replace such unaudited financial statements with audited financial statements within fifteen (15) days after such audited financial statements become available for distribution. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Town may be submitted separately from the balance of the Annual Report.

(b) If the Town is unable to provide to the Repositories an Annual Report by the date required in subsection (a), the Town shall send a notice to the Repositories, if any, in substantially the form attached hereto as *Exhibit A*.

(c) The Dissemination Agent shall:

(1) determine each year prior to the date for providing the Annual Report the name and address of each Repository; and

(2) if the Dissemination Agent is other than the Town, file a report with the Town and (if the Dissemination Agent is not the Registrar) the Registrar certifying whether the Annual Report has been provided pursuant to this Disclosure Certificate, and, if provided, stating the date it was provided, and listing all the Repositories to which it was provided.

SECTION 4. Content of Annual Reports. The Town's Annual Report shall contain or incorporate by reference the most recent audited financial statements, which shall be prepared in conformity with generally accepted accounting principles (or, if not in such conformity, to be accompanied by a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information) applicable to governmental entities such as the Town, and shall, in addition, contain or incorporate by reference the following relating to the most recently completed fiscal year:

- (a) Town Population (most recent available);
- (b) Total state appropriations subject to withholding under Article X, Sec. 14, South Carolina Constitution;
- (c) Outstanding Indebtedness;
- (d) Market value/assessment summary of taxable property;
- (e) Tax Rates;
- (f) Tax Collections; and
- (g) Ten Largest Taxpayers (including fee-in-lieu-of-tax).

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues with respect to which the Town is an "obligated person" (as defined by the Rule), which have been filed with each of the Repositories or the Securities and Exchange

Commission. If the document incorporated by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Town shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Town shall give, or cause to be given, notice of the occurrence of any of the following events (the “Listed Events”) with respect to the Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (7) Modifications to rights of security holders;
- (8) Bond calls;
- (9) Tender offers;
- (10) Defeasances;
- (11) Release, substitution, or sale of property securing repayment of the securities;
- (12) Rating changes;
- (13) Bankruptcy, insolvency, receivership or similar event of the Town;
- (14) The consummation of a merger, consolidation, or acquisition involving the Town or the sale of all or substantially all of the assets of the Town other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
- (15) Appointment of a successor or additional trustee or the change of name of a trustee;
- (16) Incurrence of a Financial Obligation of the Town; or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Town, any of which affect security holders; and
- (17) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Town, any of which reflect financial difficulties.

(b) Whenever the Town obtains knowledge of the occurrence of a Listed Event described in subsections (a)(2), (7), (8), (11), (14), (15) or (16) above, the Town shall as soon as possible determine if such event would be material under applicable federal securities laws. If the Town determines that knowledge of the occurrence of such event would be material under applicable federal securities laws, the Town shall promptly, and no later than ten business days after the occurrence of the event, file a notice of such occurrence with the Repository.

(c) Whenever the Town obtains knowledge of the occurrence of a Listed Event described in subsections (a)(1), (3), (4), (5), (6), (9), (10), (12), (13) or (17) above, the Town shall promptly, and no later than ten business days after the occurrence of the event, file a notice of such occurrence with the

Repository.

(d) Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8), (9), and (10) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to owners of affected Bonds. For the purposes of the event identified in (a)(13) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Town in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Town, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Town.

SECTION 6. Termination of Reporting Obligation. The Town's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 7. Dissemination Agent. The Town may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Town.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Town may amend this Disclosure Certificate and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to the Town, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Town from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Town chooses to include any information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is specifically required by this Disclosure Certificate, the Town shall have no obligation under this Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Town, or the Dissemination Agent to comply with any provision of this Disclosure Certificate, any beneficial owner may take such actions as may be necessary and appropriate, including seeking injunctive relief or specific performance by court order, to cause the Town, or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the Town, or the Dissemination Agent to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. Duties, Immunities and Liabilities of the Dissemination Agent. The provisions of this Section 11 shall apply if the Town is not the Dissemination Agent. The Dissemination Agent shall have

only such duties as are specifically set forth in this Disclosure Certificate, and the Town agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of their powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Town under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Town, the Dissemination Agent, the Participating Underwriter, and holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 13. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

TOWN OF BLUFFTON, SOUTH CAROLINA

By: _____
Town Manager

Dated: _____, 20__

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Town: Town of Bluffton, South Carolina

Name of Bond Issue: \$_____ General Obligation Bonds, Series 20____,
Town of Bluffton, South Carolina

Date of Issuance: _____

NOTICE IS HEREBY GIVEN that the Town of Bluffton, South Carolina (the "Town") has not provided an Annual Report with respect to the above-named Bonds as required by Sections 3 and 4 of the Continuing Disclosure Certificate executed and delivered by the Town as Dissemination Agent. The Town has notified us in writing that the Annual Report will be filed by _____.

Dated: _____

TOWN OF BLUFFTON, SOUTH CAROLINA

Town of Bluffton, South Carolina

General Obligation Bonds, Series 2021

FINAL: Sold to: _____ on: 02.04.21 Delivery: 02.18.21

(Eight Percent Debt - Stormwater Project)

Sources & Uses

Dated 02/18/2021 | Delivered 02/18/2021

Sources Of Funds

Par Amount of Bonds	\$5,080,000.00
Reoffering Premium	595,874.45
Total Sources	\$5,675,874.45

Uses Of Funds

Total Underwriter's Discount (0.750%)	38,100.00
Costs of Issuance	75,000.00
Deposit Net Bid Premium to Debt Service Fund	557,774.45
Deposit to Project Fund	5,000,000.00
Rounding Amount	5,000.00
Total Uses	\$5,675,874.45

Town of Bluffton, South Carolina

General Obligation Bonds, Series 2021

FINAL: Sold to: _____ on: 02.04.21 Delivery: 02.18.21

(Eight Percent Debt - Stormwater Project)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
06/01/2021	Serial Coupon	5.000%	0.170%	800,000.00	101.380%	-	-	-	811,040.00
06/01/2022	Serial Coupon	5.000%	0.190%	145,000.00	106.175%	-	-	-	153,953.75
06/01/2023	Serial Coupon	5.000%	0.230%	155,000.00	110.869%	-	-	-	171,846.95
06/01/2024	Serial Coupon	5.000%	0.250%	165,000.00	115.535%	-	-	-	190,632.75
06/01/2025	Serial Coupon	5.000%	0.300%	170,000.00	120.000%	-	-	-	204,000.00
06/01/2026	Serial Coupon	5.000%	0.420%	180,000.00	123.918%	-	-	-	223,052.40
06/01/2027	Serial Coupon	5.000%	0.590%	190,000.00	127.173%	-	-	-	241,628.70
06/01/2028	Serial Coupon	5.000%	0.750%	200,000.00	130.079%	-	-	-	260,158.00
06/01/2029	Serial Coupon	5.000%	0.870%	210,000.00	132.946%	-	-	-	279,186.60
06/01/2030	Serial Coupon	5.000%	0.970%	220,000.00	135.702%	-	-	-	298,544.40
06/01/2031	Serial Coupon	5.000%	1.050%	230,000.00	134.859%	c 1.357%	06/01/2030	100.000%	310,175.70
06/01/2032	Serial Coupon	4.000%	1.200%	240,000.00	124.533%	c 1.613%	06/01/2030	100.000%	298,879.20
06/01/2033	Serial Coupon	3.000%	1.450%	250,000.00	113.419%	c 1.779%	06/01/2030	100.000%	283,547.50
06/01/2034	Serial Coupon	2.000%	1.700%	260,000.00	102.565%	c 1.782%	06/01/2030	100.000%	266,669.00
06/01/2035	Serial Coupon	2.000%	1.750%	265,000.00	102.133%	c 1.830%	06/01/2030	100.000%	270,652.45
06/01/2036	Serial Coupon	2.000%	1.800%	270,000.00	101.702%	c 1.871%	06/01/2030	100.000%	274,595.40
06/01/2037	Serial Coupon	2.000%	1.850%	275,000.00	101.273%	c 1.909%	06/01/2030	100.000%	278,500.75
06/01/2038	Serial Coupon	2.000%	1.900%	280,000.00	100.846%	c 1.942%	06/01/2030	100.000%	282,368.80
06/01/2039	Serial Coupon	2.000%	1.940%	285,000.00	100.506%	c 1.967%	06/01/2030	100.000%	286,442.10
06/01/2040	Serial Coupon	2.000%	2.000%	290,000.00	100.000%	-	-	-	290,000.00
Total	-	-	-	\$5,080,000.00	-	-	-	-	\$5,675,874.45

Bid Information

Par Amount of Bonds	\$5,080,000.00
Reoffering Premium or (Discount)	595,874.45
Gross Production	\$5,675,874.45
Total Underwriter's Discount (0.750%)	\$(38,100.00)
Bid (110.980%)	5,637,774.45
Total Purchase Price	\$5,637,774.45
Bond Year Dollars	\$49,063.44
Average Life	9.658 Years
Average Coupon	2.8940734%
Net Interest Cost (NIC)	1.7572301%
True Interest Cost (TIC)	1.6592679%

Town of Bluffton, South Carolina

General Obligation Bonds, Series 2021

FINAL: Sold to: _____ on: 02.04.21 Delivery: 02.18.21

(Eight Percent Debt - Stormwater Project)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2021	800,000.00	5.000%	54,032.08	854,032.08
12/01/2021	-	-	74,425.00	74,425.00
06/01/2022	145,000.00	5.000%	74,425.00	219,425.00
12/01/2022	-	-	70,800.00	70,800.00
06/01/2023	155,000.00	5.000%	70,800.00	225,800.00
12/01/2023	-	-	66,925.00	66,925.00
06/01/2024	165,000.00	5.000%	66,925.00	231,925.00
12/01/2024	-	-	62,800.00	62,800.00
06/01/2025	170,000.00	5.000%	62,800.00	232,800.00
12/01/2025	-	-	58,550.00	58,550.00
06/01/2026	180,000.00	5.000%	58,550.00	238,550.00
12/01/2026	-	-	54,050.00	54,050.00
06/01/2027	190,000.00	5.000%	54,050.00	244,050.00
12/01/2027	-	-	49,300.00	49,300.00
06/01/2028	200,000.00	5.000%	49,300.00	249,300.00
12/01/2028	-	-	44,300.00	44,300.00
06/01/2029	210,000.00	5.000%	44,300.00	254,300.00
12/01/2029	-	-	39,050.00	39,050.00
06/01/2030	220,000.00	5.000%	39,050.00	259,050.00
12/01/2030	-	-	33,550.00	33,550.00
06/01/2031	230,000.00	5.000%	33,550.00	263,550.00
12/01/2031	-	-	27,800.00	27,800.00
06/01/2032	240,000.00	4.000%	27,800.00	267,800.00
12/01/2032	-	-	23,000.00	23,000.00
06/01/2033	250,000.00	3.000%	23,000.00	273,000.00
12/01/2033	-	-	19,250.00	19,250.00
06/01/2034	260,000.00	2.000%	19,250.00	279,250.00
12/01/2034	-	-	16,650.00	16,650.00
06/01/2035	265,000.00	2.000%	16,650.00	281,650.00
12/01/2035	-	-	14,000.00	14,000.00
06/01/2036	270,000.00	2.000%	14,000.00	284,000.00
12/01/2036	-	-	11,300.00	11,300.00
06/01/2037	275,000.00	2.000%	11,300.00	286,300.00
12/01/2037	-	-	8,550.00	8,550.00
06/01/2038	280,000.00	2.000%	8,550.00	288,550.00
12/01/2038	-	-	5,750.00	5,750.00
06/01/2039	285,000.00	2.000%	5,750.00	290,750.00
12/01/2039	-	-	2,900.00	2,900.00
06/01/2040	290,000.00	2.000%	2,900.00	292,900.00
Total	\$5,080,000.00	-	\$1,419,932.08	\$6,499,932.08

Yield Statistics

Bond Year Dollars	\$49,063.44
Average Life	9.658 Years
Average Coupon	2.8940734%
Net Interest Cost (NIC)	1.7572301%
True Interest Cost (TIC)	1.6592679%
Bond Yield for Arbitrage Purposes	1.5123000%
All Inclusive Cost (AIC)	1.8225522%

IRS Form 8038

Net Interest Cost	1.5287218%
Weighted Average Maturity	9.497 Years

2021 GOB EST | SINGLE PURPOSE | 9/16/2020 | 9:19 AM

Town of Bluffton, South Carolina

General Obligation Bonds, Series 2021

FINAL: Sold to: _____ on: 02.04.21 Delivery: 02.18.21

(Eight Percent Debt - Stormwater Project)

Proof of D/S for Arbitrage Purposes

Date	Principal	Interest	Total
02/18/2021	-	-	-
06/01/2021	800,000.00	54,032.08	854,032.08
12/01/2021	-	74,425.00	74,425.00
06/01/2022	145,000.00	74,425.00	219,425.00
12/01/2022	-	70,800.00	70,800.00
06/01/2023	155,000.00	70,800.00	225,800.00
12/01/2023	-	66,925.00	66,925.00
06/01/2024	165,000.00	66,925.00	231,925.00
12/01/2024	-	62,800.00	62,800.00
06/01/2025	170,000.00	62,800.00	232,800.00
12/01/2025	-	58,550.00	58,550.00
06/01/2026	180,000.00	58,550.00	238,550.00
12/01/2026	-	54,050.00	54,050.00
06/01/2027	190,000.00	54,050.00	244,050.00
12/01/2027	-	49,300.00	49,300.00
06/01/2028	200,000.00	49,300.00	249,300.00
12/01/2028	-	44,300.00	44,300.00
06/01/2029	210,000.00	44,300.00	254,300.00
12/01/2029	-	39,050.00	39,050.00
06/01/2030	1,200,000.00	39,050.00	1,239,050.00
12/01/2030	-	16,650.00	16,650.00
06/01/2031	-	16,650.00	16,650.00
12/01/2031	-	16,650.00	16,650.00
06/01/2032	-	16,650.00	16,650.00
12/01/2032	-	16,650.00	16,650.00
06/01/2033	-	16,650.00	16,650.00
12/01/2033	-	16,650.00	16,650.00
06/01/2034	-	16,650.00	16,650.00
12/01/2034	-	16,650.00	16,650.00
06/01/2035	265,000.00	16,650.00	281,650.00
12/01/2035	-	14,000.00	14,000.00
06/01/2036	270,000.00	14,000.00	284,000.00
12/01/2036	-	11,300.00	11,300.00
06/01/2037	275,000.00	11,300.00	286,300.00
12/01/2037	-	8,550.00	8,550.00
06/01/2038	280,000.00	8,550.00	288,550.00
12/01/2038	-	5,750.00	5,750.00
06/01/2039	285,000.00	5,750.00	290,750.00
12/01/2039	-	2,900.00	2,900.00
06/01/2040	290,000.00	2,900.00	292,900.00
Total	\$5,080,000.00	\$1,345,932.08	\$6,425,932.08

Town of Bluffton, South Carolina

General Obligation Bonds, Series 2021

FINAL: Sold to: _____ on: 02.04.21 Delivery: 02.18.21

(Eight Percent Debt - Stormwater Project)

Proof of Bond Yield @ 1.5123000%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
02/18/2021	-	1.0000000x	-	-
06/01/2021	854,032.08	0.9956987x	850,358.63	850,358.63
12/01/2021	74,425.00	0.9882262x	73,548.74	923,907.36
06/01/2022	219,425.00	0.9808098x	215,214.20	1,139,121.56
12/01/2022	70,800.00	0.9734491x	68,920.20	1,208,041.76
06/01/2023	225,800.00	0.9661436x	218,155.22	1,426,196.98
12/01/2023	66,925.00	0.9588929x	64,173.91	1,490,370.89
06/01/2024	231,925.00	0.9516967x	220,722.25	1,711,093.14
12/01/2024	62,800.00	0.9445544x	59,318.02	1,770,411.16
06/01/2025	232,800.00	0.9374658x	218,242.03	1,988,653.20
12/01/2025	58,550.00	0.9304303x	54,476.70	2,043,129.89
06/01/2026	238,550.00	0.9234477x	220,288.44	2,263,418.34
12/01/2026	54,050.00	0.9165174x	49,537.77	2,312,956.10
06/01/2027	244,050.00	0.9096392x	221,997.45	2,534,953.55
12/01/2027	49,300.00	0.9028126x	44,508.66	2,579,462.21
06/01/2028	249,300.00	0.8960372x	223,382.07	2,802,844.28
12/01/2028	44,300.00	0.8893127x	39,396.55	2,842,240.84
06/01/2029	254,300.00	0.8826386x	224,454.99	3,066,695.83
12/01/2029	39,050.00	0.8760146x	34,208.37	3,100,904.20
06/01/2030	1,239,050.00	0.8694403x	1,077,280.04	4,178,184.24
12/01/2030	16,650.00	0.8629154x	14,367.54	4,192,551.78
06/01/2031	16,650.00	0.8564394x	14,259.72	4,206,811.50
12/01/2031	16,650.00	0.8500121x	14,152.70	4,220,964.20
06/01/2032	16,650.00	0.8436329x	14,046.49	4,235,010.69
12/01/2032	16,650.00	0.8373017x	13,941.07	4,248,951.76
06/01/2033	16,650.00	0.8310179x	13,836.45	4,262,788.21
12/01/2033	16,650.00	0.8247814x	13,732.61	4,276,520.82
06/01/2034	16,650.00	0.8185916x	13,629.55	4,290,150.37
12/01/2034	16,650.00	0.8124482x	13,527.26	4,303,677.63
06/01/2035	281,650.00	0.8063510x	227,108.76	4,530,786.40
12/01/2035	14,000.00	0.8002996x	11,204.19	4,541,990.59
06/01/2036	284,000.00	0.7942935x	225,579.36	4,767,569.95
12/01/2036	11,300.00	0.7883325x	8,908.16	4,776,478.10
06/01/2037	286,300.00	0.7824163x	224,005.78	5,000,483.89
12/01/2037	8,550.00	0.7765444x	6,639.46	5,007,123.34
06/01/2038	288,550.00	0.7707167x	222,390.30	5,229,513.64
12/01/2038	5,750.00	0.7649326x	4,398.36	5,233,912.00
06/01/2039	290,750.00	0.7591920x	220,735.08	5,454,647.08
12/01/2039	2,900.00	0.7534945x	2,185.13	5,456,832.21
06/01/2040	292,900.00	0.7478397x	219,042.24	5,675,874.45
Total	\$6,425,932.08	-	\$5,675,874.45	-

Derivation Of Target Amount

Par Amount of Bonds	\$5,080,000.00
Reoffering Premium or (Discount)	595,874.45
Original Issue Proceeds	\$5,675,874.45

Town of Bluffton, South Carolina

General Obligation Bonds, Series 2021

FINAL: Sold to: _____ on: 02.04.21 Delivery: 02.18.21
(Eight Percent Debt - Stormwater Project)

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Coupon	Price	Issuance Price	Exponent	Bond Years
02/18/2021	-	-	-	-	-	-
06/01/2021	800,000.00	5.000%	101.380%	811,040.00	0.2861111x	232,047.56
06/01/2022	145,000.00	5.000%	106.175%	153,953.75	1.2861111x	198,001.63
06/01/2023	155,000.00	5.000%	110.869%	171,846.95	2.2861111x	392,861.22
06/01/2024	165,000.00	5.000%	115.535%	190,632.75	3.2861111x	626,440.40
06/01/2025	170,000.00	5.000%	120.000%	204,000.00	4.2861111x	874,366.67
06/01/2026	180,000.00	5.000%	123.918%	223,052.40	5.2861111x	1,179,079.77
06/01/2027	190,000.00	5.000%	127.173%	241,628.70	6.2861111x	1,518,904.86
06/01/2028	200,000.00	5.000%	130.079%	260,158.00	7.2861111x	1,895,540.09
06/01/2029	210,000.00	5.000%	132.946%	279,186.60	8.2861111x	2,313,371.19
06/01/2030	220,000.00	5.000%	135.702%	298,544.40	9.2861111x	2,772,316.47
06/01/2031	230,000.00	5.000%	134.859%	310,175.70	10.2861111x	3,190,501.71
06/01/2032	240,000.00	4.000%	124.533%	298,879.20	11.2861111x	3,373,183.86
06/01/2033	250,000.00	3.000%	113.419%	283,547.50	12.2861111x	3,483,696.09
06/01/2034	260,000.00	2.000%	102.565%	266,669.00	13.2861111x	3,542,993.96
06/01/2035	265,000.00	2.000%	102.133%	270,652.45	14.2861111x	3,866,570.97
06/01/2036	270,000.00	2.000%	101.702%	274,595.40	15.2861111x	4,197,495.80
06/01/2037	275,000.00	2.000%	101.273%	278,500.75	16.2861111x	4,535,694.16
06/01/2038	280,000.00	2.000%	100.846%	282,368.80	17.2861111x	4,881,058.45
06/01/2039	285,000.00	2.000%	100.506%	286,442.10	18.2861111x	5,237,912.07
06/01/2040	290,000.00	2.000%	100.000%	290,000.00	19.2861111x	5,592,972.22
Total	\$5,080,000.00	-	-	\$5,675,874.45	-	\$53,905,009.15

Description of Bonds

Final Maturity Date	6/01/2040
Issue price of entire issue	5,675,874.45
Stated Redemption at Maturity	5,080,000.00
Weighted Average Maturity = Bond Years/Issue Price	9.497 Years
Bond Yield for Arbitrage Purposes	1.5123000%

Uses of Proceeds of Issue

Proceeds used for accrued interest	-
Proceeds used for bond issuance costs (including underwriters' discount)	113,100.00
Proceeds used for credit enhancement	-
Proceeds allocated to reasonably required reserve or replacement fund	-

Formal Item #3:

Consideration of an Ordinance Authorizing the Issuance and Sale of Not to Exceed \$5,250,000 General Obligation Bonds, 2020 or Such Other Appropriate Series Designation, for the Purpose of funding the Town of Bluffton Stormwater Utility Fund Capital Improvements Program Projects
- Second and Final Reading - Chris Forster, Director of Finance and Administration

Recommended Language to Support a Motion for Adoption

“I make a motion to approve the second and final Reading of an Ordinance Authorizing the Issuance and Sale of a Not to Exceed \$5,250,000 General Obligation Bonds, 2020 or Such Other Appropriate Series Designation, for the Purpose of funding the Town of Bluffton Stormwater Utility Fund Capital Improvements Program Projects”