

CITY OF HARDEEVILLE
PUBLIC HEARING & SPECIAL
CITY COUNCIL MEETING
MINUTES
APRIL 9, 2008
6:30 PM

Present: Mayor Rodney Cannon, Mayor Pro-Tem A. Brooks Willis, Council Members Bea Jones Bill Horton and Earl Cooler, City Attorney David Tedder, Assistant City Manager Kevin Griffin, Assistant City Manager Jeff Slocum, City Clerk Lori Pomarico and Public Information Director Jason Rogers.

I. CALL TO ORDER

Mayor Cannon called the meeting to order at 6:30 p.m.

II. INVOCATION & PLEDGE OF ALLEGIANCE

Mayor Pro-Tem Willis gave the invocation

Mayor Cannon noted a change in the date of the next council meeting from Thursday, April 17, 2008 to Tuesday, April 22, 2008.

Mayor Cannon invited Ms. Kim Powell to make a presentation. Ms. Powell submitted a petition for change in formal government. Ms. Powell read the petition in its entirety to the Council. The petition has been certified by the Director of the Voter Registration office that it has been signed by more than 15% of registered voters of the Hardeeville 1 precinct. Ms. Powell also submitted a code of Section 5-5-20 calling for special election to determine form of government after date of official council action. Ms. Powell stated that the citizens of Hardeeville would like to have this presented at the same time as the election on May 13, 2008.

Mayor Cannon accepted the petition on this date at 6:38 p.m. and noted that it will be passed on to the Election Commission and Attorney General for review. Mayor Cannon added that Ms. Powell will be kept apprised of status at all times. Ms. Powell commented that she spoke with Mr. Baum in Columbia, SC, and was assured that it was two years for a petition even if the form of government had been changed.

III. ANDERSON TRACT MUNICIPAL IMPROVEMENT DISTRICT

A. SECOND READING OF AN ORDINANCE AMENDING AN ORDINANCE ENTITLED "AN ORDINANCE PROVIDING FOR AND APPROVING A MASTER TRUST INDENTURE AND A 2007 SUPPLEMENTAL TRUST INDENTURE BETWEEN THE CITY OF HARDEEVILLE, SOUTH CAROLINA AND U.S. BANK NATIONAL ASSOCIATION; PROVIDING

FOR THE ISSUANCE AND SALE OF THE CITY OF HARDEEVILLE,
SOUTH CAROLINA, ANDERSON TRACT MUNICIPAL IMPROVEMENT
DISTRICT ASSESSMENT REVENUE BONDS, SERIES 2007A AND SERIES
2007B, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING
FIFTY FOUR MILLION DOLLARS (\$54,000,000) PURSUANT TO THE
MASTER TRUST INDENTURE AS SUPPLEMENTED BY THE 2007
SUPPLEMENTAL TRUST INDENTURE FOR THE PURPOSE OF
DEFRAYING THE COST OF PROVIDING IMPROVEMENTS WITHIN THE
ANDERSON TRACT MUNICIPAL IMPROVEMENT DISTRICT; AND
OTHER MATTERS RELATED THERETO (2008-4-3B)
PUBLIC HEARING

Assistant City Manager Kevin Griffin reported that this is the final piece to the Anderson Tract MID, there was a change to the bond rate and this ordinance corrects that change. Mr. Griffin deferred to City Attorney David Tedder. Mr. Tedder noted that when the ordinance was passed in October 2007, in order to provide a range of numbers that the bonds would be issued at, a figure of 7 % was inserted. Bond rates have not been favorable over recent months and when the bonds were actually priced they came in at 7 %. In order to move forward, that figure needs to be changed and the maturity date needs to be extended. Hilton Head Lakes, the developer and owner of the property, will be paying for these assessments. This is not monies of the City. All documents have been finalized and the bonds will be enrolled and delivered tomorrow, April 10, 2008. As stated at the previous council meeting, the bond allows up to \$54,000,000. The actual amount being issued at this time is just under \$16,000,000. This will allow the City to accomplish many things such as accelerate the provision of fire and police services as agreed in the development agreement. The developer agreed to pay \$2,000,000 to the City when the bonds were issued or as soon as arrangements can be made to build.

Mayor Cannon reiterated that this is not monies that the City of Hardeeville is paying for. The developer on the Anderson Tract is paying for these bonds. Mr. Tedder added that not only is the developer paying for the assessment on these bonds, he is also providing up to \$155,000 for the City to upgrade its software system for tracking taxes and assessments, and on an annualized basis, paying the City staff for processing.

Council Member Jones commented that these are not tax breaks. There is no City funding, the developer will pay taxes. Attorney Tedder elaborated that the documents and indentures have indemnification back to the City for any expenses incurred. Mayor Cannon added that the City gets more tax money out of these properties because of this assessment. There are no tax breaks for these developers.

There was no public comment. A motion was made by Council Member Jones to accept Ordinance No. 2008-4-3B at second reading. The motion received a proper second by Council Member Cooler and carried unanimously.

IV. ADJOURNMENT

A motion was made by Council Member Horton and seconded by Council Member Jones to adjourn the meeting. The motion passed unanimously. The meeting adjourned at 6:47 p.m.

Lori Pomarico, City Clerk

Date

SEAL