
1 **R2022-4: A RESOLUTION DECLARING THE INTENTION OF THE CITY**
2 **OF MYRTLE BEACH TO REIMBURSE ITSELF FOR CERTAIN STORM**
3 **WATER SYSTEM MANAGEMENT EXPENSES WITH THE PROCEEDS OF**
4 **LONG TERM OBLIGATIONS TO BE ISSUED BY THE CITY IN 2022.**

5 **Applicant/Purpose:** CFO/to declare the City’s intention to reimburse itself for certain
6 preliminary expenditures for storm water management system projects w/ long term debt
7 proceeds intended to finance the project.
8

9 **Brief:**

- 10 • A proposed debt issue in the Storm Water Management Fund (upon adoption of a
11 bond ordinance), will finance various storm water management system projects
12 included in the 5-year Capital Improvement Plan.
- 13 • Project includes:
 - 14 ○ Various Flood Risk Mitigation projects.
 - 15 ○ Booker T Washington/Oak Street storm water improvements.
 - 16 ○ Hwy 501/Balsam Street storm water improvements.
 - 17 ○ Development driven storm water system relocations and improvements.
- 18 • Resolution preserves the proposed bonds’ tax exemption in the event the City
19 expends its own funds in order to begin work before the bonds are closed.
20

21 **Issues:**

- 22 • This resolution allows design work, engineering, and other project costs to be
23 incurred, thus allowing for better development of project cost estimates prior to
24 sizing and actual issuance of debt.
25

26 **Public Notification:** Normal meeting notification.
27

28 **Alternatives:** Do not pass resolution. Delay Storm Water Management project
29 commencement.
30

31 **Financial Impact:** Main benefit is improved project cost estimates before debt issuance.
32

33 **Manager’s Recommendation:** I recommend approval.
34

35 **Attachment(s):** Proposed resolution.

RESOLUTION R2022-4

**CITY OF MYRTLE BEACH
COUNTY OF HORRY
STATE OF SOUTH CAROLINA**

**DECLARING THE INTENTION OF THE
CITY OF MYRTLE BEACH TO
REIMBURSE ITSELF FOR CERTAIN
STORM WATER MANAGEMENT
SYSTEM EXPENSES WITH THE
PROCEEDS OF LONG TERM
OBLIGATION DEBT TO BE ISSUED BY
THE CITY IN 2022**

WHEREAS, the City of Myrtle Beach (the "Issuer"), intends to undertake certain improvements to its Storm Water Management System, including of various flood risk mitigation projects, development driven storm water improvements and extensions, storm water improvements in the Booker T Washington/Oak Street area, and Hwy 501/Balsam Street storm water improvements (the "Project");

WHEREAS, the Issuer intends to incur debt through the issuance of a series of long term obligations (the "Bonds"), for the purpose of providing funds to pay the costs of the Project and the costs incurred in connection with the authorization, issuance, and sale of the Bonds;

WHEREAS, no funds of the Issuer from any source other than the Bonds are, or are reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the Issuer pursuant to the budget or financial policies of the Issuer for the financing of the costs of the Project or any part thereof;

WHEREAS, the cost of the Project is expected to be approximately \$5,000,000;

WHEREAS, the Issuer reasonably expects that all or a portion of the expenditures incurred by the Issuer for the design, acquisition, construction and/or equipping of the Project and for the issuance of the Bonds will be paid from its Storm Water Fund prior to the issuance of the Bonds;

WHEREAS, the Issuer intends and reasonably expects to reimburse itself for all such expenditures paid by the Issuer with respect to the Project prior to the issuance of the Bonds from the proceeds of the Bonds, and such intention is consistent with the budgetary and financial circumstances of the issuer;

WHEREAS, all of the costs to be reimbursed or paid from the proceeds of the Bonds will be incurred in connection with the issuance of the Bonds or will, at the time of payment thereof, be properly chargeable to the capital account of the Project (or would be so chargeable with a proper election) under general federal income tax principles;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MYRTLE BEACH, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED:

Section 1. It is hereby declared that the facts set forth in the preambles to this Resolution are in all respects true and correct.

Section 2. It is hereby declared that the Issuer intends and reasonably expects to reimburse itself with the proceeds of debt to be incurred by the Issuer through the issuance of the Bonds for all expenditures by the Issuer for the acquisition, construction, and

1 equipping of the Project and for the issuance of the Bonds paid prior to the issuance of
2 the Lease.

3 Section 3. The maximum principal amount of debt expected to be issued for the
4 acquisition, construction and equipping of the Project and the issuance of the Bonds is
5 \$5,000,000, including costs of the Project, establishment of necessary reserves, and costs
6 of issuance.

7

8 SIGNED, SEALED, AND DATED this 25th day of January, 2022.

9

10 ATTEST:

SIGNED:

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12

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14

City Clerk

Mayor